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Form **990**

Department of the Treasury
Internal Revenue Service

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)

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

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
COALITION FOR A BETTER ACRE INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
517 MOODY STREET

City or town, state or country, and ZIP + 4
LOWELL, MA 01854

D Employer identification number
04-2760272

E Telephone number
(978)452-7523

G Gross receipts $ 2,722,224

F Name and address of principal officer
MICHELE WITTS
517 MOODY STREET
LOWELL,MA 01854

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

H(b) Are all affiliates included? ☑ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ N/A

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1982 | **M** State of legal domicile MA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
COMMUNITY DEVELOPMENT PROGRAMS PROVIDE SUPPORT, TRAINING AND AFFORDABLE HOUSING FOR RESIDENTS

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	14
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	14
6	Total number of volunteers (estimate if necessary)	**6**	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	1,227,780	629,173
	9 Program service revenue (Part VIII, line 2g)	0	0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	445,640	446,713
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	832,150	1,646,338
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,505,570	2,722,224
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	774,127	776,657
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	374,666	376,265
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,148,793	1,152,922
	19 Revenue less expenses Subtract line 18 from line 12	1,356,777	1,569,302

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	15,089,363	16,841,118
	21 Total liabilities (Part X, line 26)	3,702,516	3,884,969
	22 Net assets or fund balances Subtract line 21 from line 20	11,386,847	12,956,149

Part II Signature Block

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

Sign Here

****** | 2012-11-15
Signature of officer | Date

MICHELE WITTS DIRECTOR OF FINANCE
Type or print name and title

Paid Preparer's Use Only

Preparer's signature: JAMES MCGOWAN | Date | Check if self-employed ☐ | Preparer's taxpayer identification number (see instructions) P00133647

Firm's name (or yours if self-employed), address, and ZIP + 4: NOVOGRADAC & COMPANY LLP, 101 ARCH STREET SUITE 1000, BOSTON, MA 02110 | EIN ▶ 94-3108253 | Phone no ▶ (617) 330-1920

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . . . ☐

1 Briefly describe the organization's mission

COMMUNITY DEVELOPMENT PROGRAMS PROVIDE SUPPORT AND TRAINING FOR THE DEVELOPMENT OF AFFORDABLE HOUSING IN THE COMMUNITY AND FOR EDUCATING RESIDENTS OF PROBLEM HOUSING

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 676,517 including grants of $) (Revenue $)

COMMUNITY DEVELOPMENT PROGRAMS PROVIDE SUPPORT AND TRAINING FOR THE DEVELOPMENT OF AFFORDABLE HOUSING IN THE COMMUNITY AND FOR EDUCATING RESIDENTS OF PROBLEM HOUSING

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 676,517

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b		

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**		No
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V . . . . . .

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	0		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	14			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**		No
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**		No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		No
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		No
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	14		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	14		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			No
6	Did the organization have members or stockholders?	6			No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a			No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶ MA

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

MICHELE WITTS
517 MOODY STREET
LOWELL, MA 01854
(978) 452-7523

Part VII Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII . . . . . .☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CHERYL STAFFORD PRESIDENT	1 00	X						0	0	0
(2) ELKIN MONTOYA VICE PRESIDENT	1 00	X						0	0	0
(3) DAVID OUELLETTE CLERK	1 00	X						0	0	0
(4) CHARLES V SULLIVAN TREASURER	1 00	X						0	0	0
(5) JAMES ERRICKSON DIRECTOR	1 00	X						0	0	0
(6) PAUL OUELLETTE DIRECTOR	1 00	X						0	0	0
(7) MYRIAM ERCOLANI DIRECTOR	1 00	X						0	0	0
(8) IVETTE NIEVES DIRECTOR	1 00	X						0	0	0
(9) CARLOS GONZALEZ DIRECTOR	1 00	X						0	0	0
(10) ELSA LABOY DIRECTOR	1 00	X						0	0	0
(11) MARIA CLAUDIO DIRECTOR	1 00	X						0	0	0
(12) TAYA DIXON MULLANE DIRECTOR	1 00	X						0	0	0
(13) WILLIAM HEATTS DIRECTOR	1 00	X						0	0	0
(14) DIANE GEGGIS DIRECTOR	1 00	X						0	0	0
(15) SUZANNE FRECHETTE DEP DIRECTOR	40 00	X			X			0	0	0
(16) EMILY ROSENBAUM EXECUTIVE DIRECTOR	40 00	X			X			0	101,382	0
(17) MADELINE NASH DIR OF REAL ESTATE DEVELOPMENT	40 00	X			X			0	0	0

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) MICHELE WITTS DIRECTOR OF FINANCE	40 00	X			X			0	0	0
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								0	101,382	0

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶0

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**		No
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶0

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . 1a				
	b	Membership dues 1b				
	c	Fundraising events 1c				
	d	Related organizations . . . 1d				
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f 629,173				
	g	Noncash contributions included in lines 1a-1f $				
	h	**Total.** Add lines 1a-1f . . . . . ▶	629,173			
Program Service Revenue		Business Code				
	2a					
	b					
	c					
	d					
	e					
	f	All other program service revenue				
	g	**Total.** Add lines 2a–2f . . . . . ▶				
	3	Investment income (including dividends, interest and other similar amounts) . . . . . ▶	446,713			446,713
	4	Income from investment of tax-exempt bond proceeds . . ▶				
	5	Royalties . . . . . ▶				
		(i) Real / (ii) Personal				
	6a	Gross rents				
	b	Less rental expenses				
	c	Rental income or (loss)				
	d	Net rental income or (loss) . . . . . ▶				
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory				
	b	Less cost or other basis and sales expenses				
	c	Gain or (loss)				
	d	Net gain or (loss) . . . . . ▶				
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from fundraising events . . ▶				
	9a	Gross income from gaming activities See Part IV, line 19 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from gaming activities . . ▶				
	10a	Gross sales of inventory, less returns and allowances . a				
	b	Less cost of goods sold . . b				
	c	Net income or (loss) from sales of inventory . . ▶				
		Miscellaneous Revenue / Business Code				
	11a	SALE OF STATE TAX CRED 531110	820,000	820,000		
	b	DEVELOPEMENT FEES 531110	361,365	361,365		
	c	GROUND LEASE INCOME 531110	209,091	209,091		
	d	All other revenue	255,882	255,882		
	e	**Total.** Add lines 11a–11d . . . . . ▶	1,646,338			
	12	**Total revenue.** See Instructions . . . ▶	2,722,224	1,646,338	0	446,713

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question in this Part IX . . . . . ☑

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees				
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	601,020	473,590	127,430	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits	116,620	52,382	64,238	
10	Payroll taxes	59,017	46,844	12,173	
11	Fees for services (non-employees)				
a	Management				
b	Legal	64,654		64,654	
c	Accounting				
d	Lobbying				
e	Professional fundraising *See Part IV, line 17*				
f	Investment management fees				
g	Other				
12	Advertising and promotion				
13	Office expenses	40,032	5,073	34,959	
14	Information technology				
15	Royalties				
16	Occupancy	65,741	12,800	52,941	
17	Travel	13,990	2,987	11,003	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	15,000		15,000	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	1,927		1,927	
23	Insurance	5,568		5,568	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	PROGRAM EXPENSES	62,100	34,542	27,558	
b	CONTRACTED FEES	56,002	32,136	23,866	
c	MISCELLANEOUS	19,154	3,431	15,723	
d	UTILITIES	13,325	3,556	9,769	
e					
f	All other expenses	18,772	9,176	9,596	
25	**Total functional expenses.** Add lines 1 through 24f	1,152,922	676,517	476,405	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		1,989,284	1	1,874,075
	2	Savings and temporary cash investments		295,225	2	384,853
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		41,045	4	83,588
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		8,808,658	7	10,631,905
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		13,464	9	11,178
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 1,971,055			
	b	Less accumulated depreciation	10b 115,073	1,732,938	10c	1,855,982
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		245,193	13	361,614
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		1,963,556	15	1,637,923
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		15,089,363	16	16,841,118
Liabilities	17	Accounts payable and accrued expenses		120,234	17	123,504
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties		605,000	24	620,000
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		2,977,282	25	3,141,465
	26	**Total liabilities.** Add lines 17 through 25		3,702,516	26	3,884,969
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		10,162,308	27	11,564,063
	28	Temporarily restricted net assets		97,500	28	43,400
	29	Permanently restricted net assets		1,127,039	29	1,348,686
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		11,386,847	33	12,956,149
	34	Total liabilities and net assets/fund balances		15,089,363	34	16,841,118

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . ☐

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	2,722,224
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,152,922
3	Revenue less expenses Subtract line 2 from line 1	3	1,569,302
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	11,386,847
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	12,956,149

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☑

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . .	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☑ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . .	3b		

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
COALITION FOR A BETTER ACRE INC

Employer identification number
04-2760272

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

_____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ 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 exempt 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).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support?
Total									

Part II **Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	283,197	567,729	354,080	1,227,780	629,173	3,061,959
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	283,197	567,729	354,080	1,227,780	629,173	3,061,959
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						3,061,959

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	283,197	567,729	354,080	1,227,780	629,173	3,061,959
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	383,263	355,049	356,048	445,640	446,713	1,986,713
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets	95,646	404,558	95,142	61,751	255,882	912,979
11 **Total support** (Add lines 7 through 10)						5,961,651

12 Gross receipts from related activities, etc (See instructions)	12	4,362,983

13 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))	14	51 360 %
15 Public Support Percentage for 2010 Schedule A, Part II, line 14	15	51 970 %

16a **33 1/3% support test—2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☑

b **33 1/3% support test—2010.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2011.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶☐

Part III **Support Schedule for Organizations Described in IRC 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from **2010** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ▶☐

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

SCHEDULE A, PART IV, SUPPLEMENTAL INFORMATION PART II, LINE 10 - EXPLANATION FOR OTHER INCOME PARTNERSHIP MANAGEMENT FEES $ 92,700 INCOME FROM INVESTMENT IN CORP 144,482 OTHER INCOME 18,700 NET OTHER INCOME $255,882

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
COALITION FOR A BETTER ACRE INC

Employer identification number
04-2760272

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	1,725,415			1,725,415
b Buildings	124,971			124,971
c Leasehold improvements				
d Equipment	120,669		115,073	5,596
e Other				
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				1,855,982

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) DUE FROM RELATED PARTIES	1,637,923
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	1,637,923

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
DUE TO OCS	300,000
DUE TO RELATED PARTIES	2,841,465
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	3,141,465

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	2,722,224
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	1,152,922
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	1,569,302
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	1,569,302

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	2,722,224
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	2,722,224
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	2,722,224

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	1,152,922
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	1,152,922
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	1,152,922

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	NO PROVISION HAS BEEN MADE FOR INCOME TAXES SINCE THE CORPORATION WAS FORMED AS A TAX EXEMPT ORGANIZATION AND HAS BEEN GRANTED SECTION 501(C)(3) STATUS BY THE INTERNAL REVENUE SERVICE THE PREPARATION OF FINANCIAL STATEMENTS IN CONFORMITY WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA REQUIRES THE COMPANY TO REPORT INFORMATION REGARDING ITS EXPOSURE TO VARIOUS TAX POSITIONS TAKEN BY THE COMPANY THE COMPANY HAS DETERMINED WHETHER ANY TAX POSITIONS HAVE MET THE RECOGNITION THRESHOLD AND HAVE MEASURED THE COMPANY'S EXPOSURE TO THOSE TAX POSITIONS MANAGEMENT BELIEVES THAT THE COMPANY HAS ADEQUATELY ADDRESSED ALL RELEVANT TAX POSITIONS AND THAT THERE ARE NO UNRECORDED TAX LIABILITIES FEDERAL AND STATE TAX AUTHORITIES GENERALLY HAVE THE RIGHT TO EXAMINE AND AUDIT THE PREVIOUS THREE YEARS OF TAX RETURNS FILED ANY INTEREST OR PENALTIES ASSESSED TO THE COMPANY ARE RECORDED IN OPERATING EXPENSES NO INTEREST OR PENALTIES FROM FEDERAL OR STATE TAX AUTHORITIES WERE RECORDED IN THE ACCOMPANYING FINANCIAL STATEMENTS

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
COALITION FOR A BETTER ACRE INC

Employer identification number
04-2760272

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	MANAGEMENT THOROUGHLY REVIEWS THE FORM 990 BEFORE PROVIDING A COPY TO THE GOVERNING BODY AND FILING
	FORM 990, PART VI, SECTION B, LINE 12C	THE COMPANY REVIEWS THE POLICY ANNUALLY AT A BOARD MEETING WHERE BOARD MEMBERS SIGN AN AFFIDAVIT STATING THAT THEY WILL ADHERE TO THE POLICY
	FORM 990, PART VI, SECTION B, LINE 15	A REVIEW OF COMPENSATION FOR EXECUTIVE DIRECTORS OF COMPARABLY SIZED COMMUNITY DEVELOPMENT CORPORATIONS WAS PERFORMED BY THE BOARD IN CONJUCTION WITH THE HIRING OF THE EXECUTIVE DIRECTOR THE EXECUTIVE DIRECTOR PERIODICALLY REVIEWS SUCH DATA FOR KEY MANAGEMENT STAFF TO ENSURE SALARIES ARE IN LINE WITH COMPARABLE ORGANIZATIONS BY SIZE, GEOGRAPHY AND MISSION FOCUS
	FORM 990, PART VI, SECTION C, LINE 19	THESE DOCUMENTS ARE AVAILABLE TO THE PUBLIC ON REQUEST
		FORM 990, PART XII, LINE 2C THE COMPANY ASSUMES THE RESPONSIBILITY FOR THE OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND THE SELECTION OF THE INDEPENDENT ACCOUNTANT
	FORM 990, PART IX, LINE 24E, ALL OTHER FUNCTIONAL EXPENSES	PROGRAM SERVICE EXPENSES $9,176 MANAGEMENT AND GENERAL EXPENSES 9,596

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
COALITION FOR A BETTER ACRE INC

Employer identification number
04-2760272

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) CBA AFFORDABLE HOUSING LLC 517 MOODY STREET LOWELL, MA 01854	RELATED ORGANIZATION	MA	295,400	4,559,743	COALITION FOR A BETTER ACRE INC

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) ACRE TRIANGLE COMMUNITY DEVELOPMENT CORPORATION 517 MOODY STREET LOWELL, MA 01854 22-2527669	RELATED PARTY	MA	501(C)3	9	N/A		No

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
See Additional Data Table												

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
See Additional Data Table							

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III or IV			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a	Yes	
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d	Yes	
e Loans or loan guarantees by related organization(s)	1e		No
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i		No
j Lease of facilities, equipment, or other assets from related organization(s)	1j		No
k Performance of services or membership or fundraising solicitations for related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations by related organization(s)	1l		No
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m		No
n Sharing of paid employees with related organization(s)	1n		No
o Reimbursement paid to related organization(s) for expenses	1o		No
p Reimbursement paid by related organization(s) for expenses	1p		No
q Other transfer of cash or property to related organization(s)	1q		No
r Other transfer of cash or property from related organization(s)	1r		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) See Additional Data Table			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation	

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 04-2760272
Name: COALITION FOR A BETTER ACRE INC

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income ($)	(g) Share of end-of-year assets ($)	(h) Disproprtionate allocations?		(i) Code V-UBI amount on Box 20 of K-1 ($)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
MOODY STREET CENTER LIMITED PARTNERSHIP 517 MOODY STREET LOWELL, MA 01854 04-3531153	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	RELATED	-37,678	723,483		No			No	99 990 %
NEW NORTH CANAL LLC 517 MOODY STREET LOWELL, MA 01854 20-4596183	RELATED ORGANIZATION	MA	N/A									
LIBERTY SQUARE HOUSING LIMITED PARTNERSHIP 517 MOODY STREET LOWELL, MA 01854 13-4223728	RELATED ORGANIZATION	MA	N/A									
NEW MERRIMACK STREET HOUSING LLC 517 MOODY STREET LOWELL, MA 01854 20-4840083	RELATED ORGANIZATION	MA	N/A									
CALL PP LIMITED LIABILITY COMPANY 517 MOODY STREET LOWELL, MA 01854 04-3535454	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	RELATED	-27	69		No			No	49 000 %
MERRIMACK STREET HOUSING LIMITED PARTNERSHIP 517 MOODY STREET LOWELL, MA 01854 04-3033555	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	RELATED				No			No	99 000 %
MIDDLESEX STREET LIMITED PARTNERSHIP 517 MOODY STREET LOWELL, MA 01854 04-3535456	RELATED ORGANIZATION	MA	N/A									
TRIANGLE RENTAL LIMITED PARTNERSHIP 517 MOODY STREET LOWELL, MA 01854 04-3343938	RELATED ORGANIZATION	MA	N/A									
ST JOSEPH'S APARTMENTS LLC 517 MOODY STREET LOWELL, MA 01854 20-8753569	RELATED ORGANIZATION	MA	N/A									
ACRE HIGH SCHOOL LLC 517 MOODY STREET LOWELL, MA 01854 26-2875189	RELATED ORGANIZATION	MA	N/A									
UNITY PLACE LLC 517 MOODY STREET LOWELL, MA 01854 26-4653070	RELATED ORGANIZATION	MA	N/A									
ACRE HIGH SCHOOL TWO MM LLC 517 MOODY STREET LOWELL, MA 01854 00-1041457	RELATED ORGANIZATION	MA		RELATED	-19	261		No			No	

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income ($)	(g) Share of end-of-year assets ($)	(h) Percentage ownership
TRIANGLE RENTAL INC 517 MOODY STREET LOWELL, MA 01854 04-3343932	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	C	-14,447	265,245	70 000 %
MOODY STREET CENTER INC 517 MOODY STREET LOWELL, MA 01854 04-3531149	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	C	-1,410	1,177,187	79 000 %
LIBERTY SQUARE HOUSING INC 517 MOODY STREET LOWELL, MA 01854 42-1555851	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	C	-57,140	210,478	50 000 %
NEW NORTH CANAL HOUSING INC 517 MOODY STREET LOWELL, MA 01854 20-4718515	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	C	-1,058	363,689	60 000 %
NEW ACRE MERRIMACK INC 517 MOODY STREET LOWELL, MA 01854 20-4830177	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	C	-1,319	110,129	79 000 %
ST JOSEPH'S MM LLC 517 MOODY STREET LOWELL, MA 01854 00-0949698	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	C	-1,323	640,176	79 000 %
ACRE MERRIMACK INC 517 MOODY STREET LOWELL, MA 01854 04-3033501	RELATED ORGANIZATION	MA	N/A	C			
NORTH CANAL HOUSING TRUST INC 517 MOODY STREET LOWELL, MA 01854 04-3065833	RELATED ORGANIZATION	MA	N/A	C			
CBA NMTC LLC 517 MOODY STREET LOWELL, MA 01854 00-1060742	RELATED ORGANIZATION	MA	COALITION FOR A BETTER ACRE INC	C	1,544	55,543	100 000 %

Form 990, Schedule R, Part V - Transactions With Related Organizations

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	TRIANGLE RENTAL LIMITED PARTNERSHIP	A	45,511	INTEREST INCOME
(2)	TRIANGLE RENTAL LIMITED PARTNERSHIP	D	1,012,760	LOANS/DEVELOPER FEE RECEIVABLE
(3)	NEW MERRIMACK STREET HOUSING LLC	A	47,916	INTEREST INCOME
(4)	NEW MERRIMACK STREET HOUSING LLC	D	971,862	LOANS/DEVELOPER FEE RECEIVABLE
(5)	LIBERTY SQUARE HOUSING LIMITED PARTNERSHIP	A	53,191	INTEREST INCOME
(6)	LIBERTY SQUARE HOUSING LIMITED PARTNERSHIP	D	1,108,278	LOANS/DEVELOPER FEE RECEIVABLE
(7)	LIBERTY SQUARE HOUSING LIMITED PARTNERSHIP	K	28,000	FEE INCOME
(8)	MOODY STREET CENTER LIMITED PARTNERSHIP	A	31,582	INTEREST INCOME
(9)	MOODY STREET CENTER LIMITED PARTNERSHIP	D	617,511	LOANS/DEVELOPER FEE RECEIVABLE
(10)	NEW NORTH CANAL LLC	A	180,097	INTEREST INCOME
(11)	NEW NORTH CANAL LLC	D	4,042,875	LOANS/DEVELOPER FEE RECEIVABLE
(12)	MIDDLESEX STREET LIMITED PARTNERSHIP	D	261,734	LOANS/DEVELOPER FEE RECEIVABLE
(13)	ST JOSEPH'S APARTMENTS LLC	A	52,202	INTEREST INCOME
(14)	ST JOSEPH'S APARTMENTS LLC	D	788,742	LOANS/DEVELOPER FEE RECEIVABLE
(15)	ACRE HIGH SCHOOL LLC	A	26,023	INTEREST INCOME
(16)	ACRE HIGH SCHOOL LLC	D	1,150,976	LOANS/DEVELOPER FEE RECEIVABLE
(17)	UNITY PLACE LLC	D	234,000	LOANS/DEVELOPER FEE RECEIVABLE
(18)	MERRIMACK STREET HOUSING LIMITED PARTNERSHIP	A	3,751	INTEREST INCOME
(19)	MOODY STREET CENTER LIMITED PARTNERSHIP	A	179	INTEREST INCOME

Coalition For a Better Acre, Inc. and Affiliates

Consolidated Financial Statements and Supplementary Information

For the Year Ended December 31, 2011

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Independent Auditor's Report

To the Board of Directors Coalition for a Better
Acre, Inc and Affiliates

We have audited the accompanying consolidated statement of financial position of Coalition for a Better Acre, Inc (a Massachusetts nonprofit corporation) and Affiliates (collectively, the Agency) as of December 31, 2011, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended These consolidated financial statements are the responsibility of the Agency's management Our responsibility is to express an opinion on these consolidated financial statements based on our audit

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation We believe that our audit provides a reasonable basis for our opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Coalition for a Better Acre, Inc and Affiliates as of December 31, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2012, on our consideration of Coalition for a Better Acre, Inc and Affiliates' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit

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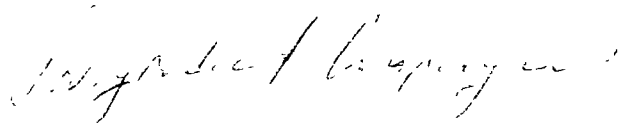
Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole The accompanying supplementary information shown on pages 35 to 39 is presented for purposes of additional analysis and is not a required part of the basic financial statements The accompanying statements of financial position and activities present the activities of CBA, ATCDC, CBAAH, MSHLP, MSCLP and NMTC They do not include the activities of other entities, which are required to be consolidated in CBA's general purpose financial statements

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U S Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements The supplementary information shown on pages 35 to 39 and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole



June 27, 2012
Boston, Massachusetts

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES
Consolidated Statement of Financial Position
December 31, 2011

ASSETS	CBA & Affiliates	Real Estate Entities	General Partners & Managing Members	Total	Elim	Total
Current assets						
Cash and cash equivalents						
Operating	$ 2,162,309	$ 972,688	$ -	$ 3,134,997	$ -	$ 3,134,997
Development	-	541,758	-	541,758	-	541,758
Accounts receivable	83,885	53,995	-	137,880	-	137,880
Tenant security deposits	8,398	188,573	-	196,971	-	196,971
Prepaid expenses	15,310	45,163	-	60,473	-	60,473
Total current assets	2,269,902	1,802,177	-	4,072,079	-	4,072,079
Property and equipment, at cost						
Land and land improvements	2,000,972	1,378,775	-	3,379,747	-	3,379,747
Buildings	3,702,272	60,868,249	-	64,570,521	(7,467,161)	57,103,360
Property held for rehabilitation and sale	124,971	-	-	124,971	-	124,971
Furniture and fixtures	149,580	967,921	-	1,117,501	-	1,117,501
Construction in progress	-	5,652,528	-	5,652,528	(93,938)	5,558,590
Total	5,977,795	68,867,473	-	74,845,268	(7,561,099)	67,284,169
Less accumulated depreciation	(1,142,615)	(9,326,647)	-	(10,469,262)	1,105,421	(9,363,841)
Net property and equipment	4,835,180	59,540,826	-	64,376,006	(6,455,678)	57,920,328
Other assets						
Mortgagee escrow deposits	39,072	159,404	-	198,476	-	198,476
Reserve for replacement	171,820	1,611,064	-	1,782,884	-	1,782,884
Operating reserve	36,574	1,471,603	-	1,508,177	-	1,508,177
Endowment fund - GLCF	115,992	-	-	115,992	-	115,992
Endowment fund - Enterprise Bank	268,861	-	-	268,861	-	268,861
Investment in corporation	415,217	-	1,969,707	2,384,924	(1,970,563)	414,361
Loans and notes receivable	10,726,931	-	-	10,726,931	(10,628,483)	98,448
Due from related parties	5,076,474	-	705,900	5,782,374	(5,780,201)	2,173
Deferred charges, net of accumulated amortization	3,600	585,648	-	589,248	-	589,248
Total other assets	16,854,541	3,827,719	2,675,607	23,357,867	(18,379,247)	4,978,620
TOTAL ASSETS	$ 23,959,623	$ 65,170,722	$ 2,675,607	$ 91,805,952	$ (24,834,925)	$ 66,971,027

See accompanying notes to financial statements

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES
Consolidated Statement of Financial Position (Continued)
December 31, 2011

LIABILITIES AND NET ASSETS	CBA & Affiliates	Real Estate Entities	General Partners & Managing Members	Subtotal	Elim	Total
Current liabilities						
Accounts payable						
Trade	$ 17,614	$ 94,761	$ -	$ 112,375	$ -	$ 112,375
Development	9,996	627,154	-	637,150	-	637,150
Accrued expenses	124,582	197,698	-	322,280	-	322,280
Prepaid rent	-	24,776	-	24,776	-	24,776
Security deposits	6,336	153,312	-	159,648	-	159,648
Accrued mortgage interest	1,856	94,151	-	96,007	-	96,007
Current portion of mortgages payable	16,466	329,225	-	345,691	-	345,691
Total current liabilities	176,850	1,521,077	-	1,697,927	-	1,697,927
Long-term liabilities						
Mortgages payable, net of current portion	375,842	18,124,537	-	18,500,379	-	18,500,379
Notes payable and accrued interest	620,000	21,949,222	-	22,569,222	(8,593,823)	13,975,399
Due to Office of Community Services	300,000	-	-	300,000	-	300,000
Total long-term liabilities	1,295,842	40,073,759	-	41,369,601	(8,593,823)	32,775,778
Other liabilities						
Development fee payable and accrued interest	617,511	1,147,220	-	1,764,731	(1,616,480)	148,251
Accrued fees	-	759,745	-	759,745	(663,745)	96,000
Due to related parties	2,895,424	41,166	2,704,775	5,641,365	(5,641,365)	-
Interest rate swap contract	-	4,426,510	-	4,426,510	-	4,426,510
Total other liabilities	3,512,935	6,374,641	2,704,775	12,592,351	(7,921,590)	4,670,761
Total liabilities	4,985,627	47,969,477	2,704,775	55,659,879	(16,515,413)	39,144,466
Net Assets						
Unrestricted	16,956,057	(1,198,071)	(29,168)	15,728,818	(8,319,512)	7,409,306
Board restricted	625,853	-	-	625,853	-	625,853
Temporarily restricted	43,400	-	-	43,400	-	43,400
Permanently restricted	1,348,686	-	-	1,348,686	-	1,348,686
Noncontrolling interest in consolidated subsidiaries	-	18,399,316	-	18,399,316	-	18,399,316
Total net assets	18,973,996	17,201,245	(29,168)	36,146,073	(8,319,512)	27,826,561
TOTAL LIABILITIES AND NET ASSETS	$ 23,959,623	$ 65,170,722	$ 2,675,607	$ 91,805,952	$ (24,834,925)	$ 66,971,027

See accompanying notes to financial statements

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES

Consolidated Statement of Activities

For the year ended December 31, 2011

	CBA & Affiliates	Real Estate Entities	General Partners & Managing Members	Total	Eliminations	Total
Revenue and support						
Grants and contributions	$ 328,573	$ -	$ -	$ 328,573	$ -	$ 328,573
Capital grants	300,600	-	-	300,600	-	300,600
Development fees	93,938	-	-	93,938	(93,938)	-
Developer overhead	267,427	-	-	267,427	-	267,427
Partnership management and investor service fees	94,700	-	5,000	99,700	(33,000)	66,700
Rental income, net of vacancies and concessions	322,600	5,597,593	-	5,920,193	-	5,920,193
Ground lease income	228,592	-	-	228,592	(228,592)	-
Interest income	455,559	3,749	-	459,308	(436,522)	22,786
Income from endowment fund - GLCF	(1,239)	-	-	(1,239)	-	(1,239)
Income from endowment fund - Enterprise Bank	(6,951)	-	-	(6,951)	-	(6,951)
Income from investment in corporation	144,482	-	-	144,482	-	144,482
Sale of state tax credits	820,000	-	-	820,000	-	820,000
Other income	18,709	16,520	-	35,229	-	35,229
Total revenue and support	3,066,990	5,617,862	5,000	8,689,852	(792,052)	7,897,800
Expenditures						
Organizing	158,425	-	-	158,425	-	158,425
Real estate development	316,047	-	-	316,047	-	316,047
Real estate homeowner	202,100	-	-	202,100	-	202,100
General and administrative	476,876	-	14,704	491,580	-	491,580
Rentals and property management	343,529	7,629,260	-	7,972,789	(879,796)	7,092,993
Total expenditures	1,496,977	7,629,260	14,704	9,140,941	(879,796)	8,261,145
Increase (decrease) in net assets before interest rate swap contract	1,570,013	(2,011,398)	(9,704)	(451,089)	87,744	(363,345)
Change in value of interest rate swap	-	(1,593,911)	-	(1,593,911)	-	(1,593,911)
Increase (decrease) in net assets before noncontrolling interest in income of consolidated subsidiaries	1,570,013	(3,605,309)	(9,704)	(2,045,000)	87,744	(1,957,256)
Noncontrolling interest in income of consolidated subsidiaries	-	3,413,314	-	3,413,314	-	3,413,314
Net assets, beginning of year	17,403,883	(1,006,076)	(19,464)	16,378,343	(8,407,256)	7,971,087
Current year capital contributions	100	-	-	100	-	100
Net assets, end of year	$ 18,973,996	$ (1,198,071)	$ (29,168)	$ 17,746,757	$ (8,319,512)	$ 9,427,245

See accompanying notes to financial statements

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES

Consolidated Statement of Functional Expenses

For the year ended December 31, 2011

	Organizing	Real Estate Development	Home Preservation	General and Administrative	Rentals and Property Management	Total
Salaries	$ 120,691	$ 215,395	$ 137,504	$ 127,430	$ 947,645	$ 1,548,665
Payroll taxes and benefits	15,636	60,150	23,440	76,411	201,657	377,294
Management fees	-	-	-	-	250,583	250,583
Professional fees	-	-	-	75,254	122,808	198,062
Contracted services	50	28,101	3,985	23,866	381,895	437,897
Operating and maintenance	-	-	-	-	286,388	286,388
Utilities	-	-	3,556	9,769	794,553	807,878
Office supplies and expense	2,581	797	1,695	34,959	85,009	125,041
Occupancy	-	-	12,800	52,941	-	65,741
Advertising and renting	-	-	-	-	32,581	32,581
Program supplies and expense	15,829	5,586	13,127	27,558	-	62,100
Telephone	-	-	2,236	6,229	8,753	17,218
Meetings and travel	558	2,173	256	11,003	-	13,990
Staff training	1,080	3,845	2,015	3,367	24	10,331
Real estate taxes	-	-	-	-	477,509	477,509
Insurance	-	-	55	5,513	124,316	129,884
Interest	-	-	-	15,000	1,642,448	1,657,448
Depreciation	-	-	-	1,927	1,571,327	1,573,254
Amortization	-	-	-	-	41,027	41,027
Collection allowance	-	-	-	-	11,273	11,273
Grants contributed	-	-	-	-	-	-
Ground lease	-	-	-	-	834	834
Miscellaneous	2,000	-	1,431	20,353	112,363	136,147
	$ 158,425	$ 316,047	$ 202,100	$ 491,580	$ 7,092,993	$ 8,261,145

See accompanying notes to financial statements

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES
Consolidated Statement of Cash Flows
For the year ended December 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ (1,957,256)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation and amortization	1,664,967
Income from investment in corporation	(144,482)
Accrued interest not currently due	917,905
Change in value of interest rate swap	1,593,911
Changes in	
Accounts receivable	(35,394)
Prepaid expenses	50,794
Accounts payable - trade	7,858
Accrued expenses	(1,756)
Accrued mortgage interest	(146)
Prepaid rent	(12,145)
Tenant security deposits, net	(14,079)
Accrued fees	12,000
Net cash provided by operating activities	2,082,177
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash paid for fixed assets	(6,144,891)
Mortgagee escrow deposits, withdrawals and interest earned, net	(48,189)
Reserve for replacements deposits, withdrawals and interest earned, net	92,597
Operating reserve deposits, withdrawals and interest earned, net	(107,603)
Funding of endowment fund	(89,628)
Investment in corporation	(53,443)
Distribution from investment in corporation	28,129
Collection of notes receivable	41,723
Net cash used in investing activities	(6,281,305)
CASH FLOWS FROM FINANCING ACTIVITIES	
Capital contributions received	4,359,316
Capital distributions paid	(3,163)
Mortgage principal payments, net	(75,488)
Proceeds from notes payable	2,604,282
Repayment of notes payable	(2,141,231)
Repayment of advances from related parties, net	(2,000)
Cash paid for syndication costs	(11,629)
Net cash provided by financing activities	4,730,087
NET INCREASE IN CASH	530,959
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,145,796
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 3,676,755
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid for interest	$ 1,228,243

See accompanying notes to financial statements

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES
Consolidated Statement of Cash Flows (Continued)
For the year ended December 31, 2011

NON CASH INVESTING ACTIVITIES

Fixed asset additions	$ (6,263,867)
Add Development costs payable, beginning of year	(520,334)
Less Development costs payable, end of year	637,150
Add Development fee payable, beginning of year	(146,091)
Less Development fee payable, end of year	148,251
Cash paid for fixed assets	$ (6,144,891)

See accompanying notes to financial statements

1. Organization

The Coalition for a Better Acre, Inc (CBA) is a membership based community development corporation dedicated to resident empowerment and sustainable community revitalization for current and future residents of Lowell CBA promotes healthy, vibrant neighborhoods by developing resident leaders, affordable housing and economic opportunities, and by responding to community needs through collective action

CBA is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501 (c)(3) of the Internal Revenue Code Contributions made to CBA are deductible by donors within the requirements of the Internal Revenue Code

The consolidated financial statements include the accounts of CBA and all the affiliates as detailed below which are wholly-owned subsidiaries, majority-owned subsidiaries or minority-owned subsidiaries

Acre Triangle Community Development Corporation (ATCDC) (a Massachusetts corporation, not-for-profit) is related to CBA by common Board membership ATCDC develops affordable housing in the Acre neighborhood of Lowell, Massachusetts Due to the common Board membership, this entity is included in the accompanying consolidated financial statements

North Canal Housing Trust, Inc. (NCHT) (a Massachusetts for-profit corporation, 60% owned by ATCDC) is the former general partner (1% ownership interest) of Lowell North Canal Limited Partnership (LNCLP) The general partnership interest was transferred in December 2005 and the Partnership sold its building (excluding its underlying land), reserve for replacements and other operating assets in 2005 NCHT was inactive in 2011

Acre Merrimack, Inc. (ACRE) (a Massachusetts for-profit corporation, 77% owned by ATCDC) is the former general partner (1% ownership interest) of Merrimack Street Housing Limited Partnership (MSHLP) The general partnership interest was transferred January 1, 2006 and MSHLP sold its building (excluding its underlying land), reserve for replacements and other operating assets on August 26, 2006

Triangle Rental, Inc. (TRI) (a Massachusetts for-profit corporation, 70% owned by CBA) is the general partner (0 01% ownership interest) of Triangle Rental Limited Partnership (TRLP)

Triangle Rental Limited Partnership (TRLP) (a Massachusetts limited partnership, 01% owned by TRI) was formed in November 1996 TRLP will terminate in November 2015, unless it is terminated or dissolved sooner in accordance with the terms of the Partnership Agreement TRLP operates twenty-six units of low-income housing and three commercial units in four buildings located in Lowell, Massachusetts, known as Triangle Rental Properties (the Project) Phase I consists of three buildings (twenty units) and Phase II consists of one building (six units) The investor limited partner has contributed $2,448,435 for a 99 99% interest in the income, losses, distributions and tax credits

CBA Affordable Housing, LLC (CBAAH) (a Massachusetts limited liability company, 100% owned by CBA) organized to acquire the Lowell North Canal Housing project The property was held for the period January 1, 2006 to June 30, 2006 and then sold to New North Canal LLC (NNCLLC) (excluding its underlying land) CBAAH maintains the land related to the project and holds a ground lease

Moody Street Center, Inc. (MSCI) (a Massachusetts for-profit corporation, 79% owned by CBA) is the general partner (0 01 % ownership interest) of Moody Street Center Limited Partnership (MSCLP)

1. Organization (continued)

Moody Street Center Limited Partnership (MSCLP) (a Massachusetts limited partnership, 01% owned by MSCI) was formed on September 20, 2000 The Partnership owned and operated a building consisting of four commercial units located in Lowell, Massachusetts The investor limited partner had contributed $581,218 for a 99 99% interest in the income, losses, distributions and tax credits On September 30, 2009 the original investor limited partner assigned its 99 99% interest, right and title in the partnership to CBA

Liberty Square Housing, Inc. (LSHI) (a Massachusetts for-profit corporation, 50% owned by CBA) is the general partner (0 01% ownership interest) of Liberty Square Housing Limited Partnership (LSHLP)

Liberty Square Housing Limited Partnership (LSHLP) (a Massachusetts limited partnership, 01% owned by LSHI) which was organized to acquire, develop, rehabilitate, and operate four rental buildings of which one building has been designated as a historic building The project consists of 33 units and five commercial spaces located in Lowell, Massachusetts Rehabilitation work was completed on one building in June 2004 and on the remaining three buildings in December 2004 The investor limited partner has contributed $4,098,067 for a 99 99% interest in the income, losses, distributions and tax credits The special limited partner has agreed to contribute $10

New North Canal Housing Trust, Inc. (NNCHT) (a Massachusetts for-profit corporation, 60% owned by CBA) is the managing member (01% ownership interest) of New North Canal LLC (NNCLLC)

New North Canal LLC (NNCLLC) (a Massachusetts limited liability company, 01% owned by NNCHT) was formed on March 23, 2006 to own and operate the North Canal Apartments, consisting of 267 low and moderate income apartments in Lowell, Massachusetts The project is regulated by Department of Housing and Urban Development (HUD) as to rent charges and operating methods The Company receives significant rent subsidies from HUD Annual distributions are subject to HUD regulations and are limited to $164,837 per annum, subject to availability of sufficient surplus cash at year-end The investor member agreed to contribute $13,211,300 for a 99 99% interest in the income, losses and tax credits As of December 31, 2011, the investor member has contributed $13,370,691 There was an upwards adjuster of $159,391 Distributions shall be allocated in accordance with the operating agreement

New Acre Merrimack, Inc. (NACRE) (a Massachusetts for-profit corporation, 79% owned by CBA) is the managing member (01% ownership interest) of New Merrimack Street Housing LLC (NMSHLLC) and general partner (1% ownership interest) of Merrimack Street Housing Limited Partnership (MSHLP)

New Merrimack Street Housing LLC (NMSHLLC) (a Massachusetts limited liability company, 01% owned by NACRE) was formed on May 8, 2006 to own and operate twelve low to moderate income housing units and 6,048 square feet of commercial space located on Merrimack Street in Lowell, Massachusetts The Company purchased the building (excluding its underlying land), reserve for replacements and other operating assets on August 26, 2006 Rehabilitation of the building was completed in January 2007 The investor member had agreed to contribute $979,000 for a 99 99% interest in the income, losses, and tax credits During 2008 the investor member required contribution, which was paid in full, was reduced by $11,990 due to a downwards adjuster Distributions shall be allocated in accordance with the operating agreement

1. Organization (continued)

Merrimack Street Housing Limited Partnership (MSHLP) (a Massachusetts limited partnership, 99% owned by CBA) operated a rental property consisting of twelve low to moderate income housing units and 6,048 square feet of commercial space (the development) As described above, MSHLP sold its building (excluding its underlying land), reserve for replacements and other operating assets on August 26, 2006 at which point CBA purchased the 99% limited partner interest MSHLP maintains the land related to the project and holds a ground lease

Call PP Limited Liability Company (Call) (a Massachusetts limited liability company) is the general partner (01% ownership interest) of Middlesex Street Limited Partnership (MSLP) On September 28, 2006, CBA was admitted as the 01% member of Call CBA has control over Call and therefore, this entity is included in the accompanying consolidated financial statements

Middlesex Street Housing Limited Partnership (MSLP) (a Massachusetts limited partnership, 01% owned by Call) was formed on September 28, 2000 for the purpose of constructing and operating two residential apartment buildings containing 24 residential units and approximately 7,000 square feet of commercial space, located in Lowell, Massachusetts The limited partner has contributed $3,126,894 for a 99 99% interest in the income, losses and tax credits Distributions shall be allocated in accordance with the partnership agreement

St. Joseph's MM LLC (SJMMLLC) (a Massachusetts limited liability company, 79% owned by CBA) is the managing member of St Joseph's Apartments LLC (SJLLC)

St. Joseph's Apartments LLC (SJLLC) (a Massachusetts limited liability company, 01% owned SJMMLLC) was formed on April 2, 2007 for the purpose of rehabilitating and operating one residential apartment building containing 15 residential units located In Lowell, Massachusetts The investor member has agreed to contribute $2,934,000 for a 99 99% interest in the income, losses, and tax credits The investor member contributed an upward equity adjuster in the amount of $33,878 At December 31, 2011, the investor member has contributed $2,967,878 The special member has agreed to contribute $10 Distributions shall be allocated in accordance with the operating agreement

Acre High School MM Two LLC (AHSMM2LLC) (a Massachusetts limited liability company, 79% owned by CBA) is the managing member of Acre High School LLC (AHSLLC)

Acre High School LLC (AHLLC) (a Massachusetts limited liability company, 01% owned AHSMM2LLC) was formed on June 23, 2008 for the purpose of rehabilitating and operating one residential apartment building containing 22 residential units located In Lowell, Massachusetts The investor member has agreed to contribute $4,009,634 for a 99 99% interest in the income, losses, and tax credits The investor member contributed an upward equity adjuster in the amount of $490 At December 31, 2011, the investor member has contributed $4,000,114 Distributions shall be allocated in accordance with the operating agreement The project was completed and placed in service in February 2011

Unity Place MM LLC (UPMMLLC) (a Massachusetts limited liability company, 100% owned by CBA) is the managing member of Unity Place LLC (UPLLC)

1. Organization (continued)

Unity Place LLC (UPLLC) (a Massachusetts limited liability company, 01% owned UPMMLLC) was formed on April 10, 2009 for the purpose of rehabilitating and operating one residential apartment building containing 23 residential units located In Lowell, Massachusetts The investor member has agreed to contribute $3,517,609 for a 99 99% interest in the income, losses, and tax credits At December 31, 2011, the investor member has contributed $3,165,839 Distributions shall be allocated in accordance with the operating agreement During 2011, the project was going through rehabilitation which was completed in December 2011 and operations commenced in 2012

CBA NMTC LLC (NMTC) (a Massachusetts limited liability company, 100% owned by CBA) was formed on September 8, 2011 for the purpose of making an investment of $53,443 for a 5% interest in LCHC QALICB LLC

2. Summary of significant accounting policies and nature of operations

Principles of consolidation
The consolidated financial statements include the accounts of the Companies, which have been consolidated under FASB ASC 810-10 All significant intercompany accounts and transactions are eliminated in consolidation Non-controlling interest is recorded for the portion of net assets attributable to the ownership by unaffiliated entities

Use of estimates
The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported consolidated amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

Basis of presentation
The accompanying financial statements are prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America The Agency has classified its net assets for accounting and reporting purposes into the following three net asset categories according to externally (donor) imposed restrictions

Unrestricted net assets Net assets that are not subject to donor-imposed restrictions and Board Designated Revolving Loan funds, which the Board of Directors of CBA has restricted to provide technical assistance in the development, operation, management, and expansion of small businesses through small business loans

Temporarily restricted net assets Net assets subject to donor-imposed restrictions that will be met either by actions of the Agency and/or the passage of time

Permanently restricted net assets Net assets subject to donor-imposed restrictions that must be maintained permanently by the Agency

2. Summary of significant accounting policies and nature of operations (continued)

Derivative financial instruments
All derivative financial instruments are recognized as either assets or liabilities at their fair value in the statement of financial position with the changes in the fair value reported in current-period earnings These instruments are classified on the statement of financial position as interest rate swap contract and the change in the fair value is recorded on the statement of activities change in value of interest rate swap, For the year ended December 31, 2011, a real estate affiliate, New North Canal LLC, recognized a loss of $1,593,911 on these instruments

Depreciation and amortization
Purchased property and equipment are recorded at cost Donated property and equipment are recorded at fair market value at the time of donation Depreciation is provided using the straight-line method over the following estimated useful lives

Land improvements	20 years
Buildings	40 years
Furniture and fixtures	5 -10 years
Vehicles	5 years
Computer equipment	5 years
Furniture and fixtures	5 -10 years

Expenditures for maintenance and repairs are charged to expense as incurred, expenditures for renewals and betterments, which add to the value of the related assets or materially extend the life of the assets are capitalized When sold, retired, or otherwise disposed of, the costs of assets and related accumulated depreciation will be removed from the accounts and any gain or loss credited or charged to income

Property held for development
Property held for development is recorded at cost and consists of acquisition and pre development costs related to projects currently under development

Intangible assets
Deferred charges include permanent financing fees and tax credit fees Permanent financing fees are amortized using the straight-line method over the life of the permanent loans Tax credit fee are amortized using the straight-line method over the tax credit compliance period of 15 years

Revenue recognition
Revenues from service contracts are recorded over the term of the contract as services are provided and costs are incurred CBA reports gifts of cash and other assets with no donor restrictions as an increase in unrestricted net assets when received Rental income is recognized when earned Project and development fees and partnership management fees are recorded as revenues when earned based on the terms of the various agreements

Functional allocation of expenses
Expenses related directly to a program or activities are allocated to that program or activity, while other expenses are allocated based upon management's estimate of the percentage attributable to each program or activity

Cash and cash equivalents
For purposes of the consolidated statement of cash flows, cash and cash equivalents consist of general checking accounts, money market funds, and savings accounts

2. Summary of significant accounting policies and nature of operations (continued)

Compensated absences
Employees of CBA are entitled to paid vacation and paid sick leave, depending on job classification and length of service The financial statements reflect a liability and expense for compensated vacation absences of the employees for vested time at their current pay rate

Retirement plan
CBA provides a qualified retirement plan under Internal Revenue Code Section 401(k) covering all employees meeting certain eligibility requirements The plan allows for employees to contribute pre-tax income, as defined and limited by the Internal Revenue Code Discretionary contributions may be made as determined by CBA's Board of Directors Discretionary contributions made during the year ended December 31, 2011 and 2010 were $26,918 and $27,866 respectively

Low-income housing tax credits
Seven of the entities consolidated (Triangle Rental Limited Partnership, Liberty Square Housing Limited Partnership, New Merrimack Street Housing LLC, New North Canal LLC, Middlesex Street Housing Limited Partnership, St Joseph's Apartments LLC and Acre High School LLC), (collectively, the projects) are eligible to receive low income housing credits The credits are calculated at varying rates (between 3 52% and 9%) of the acquisition and qualified construction / rehabilitation costs and may be claimed each year for ten years The annual allocation for the projects is subject to adjustment The tax credit periods began in years ranging between 1997 and 2011 and were prorated in the first year of occupancy One of the entities consolidated (Unity Place LLC) will be eligible to receive low income housing tax credits commencing in 2012

Historic tax credits
Three of the entities consolidated (Liberty Square Housing Limited Partnership, Moody Street Center Limited Partnership, and St Joseph's Apartments LLC) qualified for the federal historic tax credits The credit was calculated at 20% of qualified rehabilitation costs Recapture of a portion of the credits would occur if the building is sold or taken out of service within five years of being placed in service

State tax credits
Two of the entities consolidated (St Joseph's Apartments LLC and Acre High School LLC) have received state historic tax credit awards, which were assigned to CBA and sold to private equity investors

Impairment of long-lived assets
The Corporation reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable Recoverability is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique There were no impairment losses recognized for the year ended December 31, 2011

Economic concentrations
The operating partnerships/companies own and operate property in Massachusetts Future operations could be affected by changes in economic or other conditions in that geographical area or by changes in federal low-income housing subsidies or the demand for such housing

2. Summary of significant accounting policies and nature of operations (continued)

Concentrations of credit risk
The Corporation places its temporary cash investments with high quality financial institutions At times the account balance may exceed the institutions' federally insured limits The Agency has not experienced any losses in such accounts

Income Taxes
No provision has been made for income taxes since the Corporation was formed as a tax exempt organization and has been granted Section 501(c) (3) status by the Internal Revenue Service

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to report information regarding its exposure to various tax positions taken by the Company The Company has determined whether any tax positions have met the recognition threshold and have measured the Company's exposure to those tax positions Management believes that the Company has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed Any interest or penalties assessed to the Company are recorded in operating expenses No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements

Fair value measurements
The Corporation applies the accounting provisions related to fair value measurements These provisions define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, establish a hierarchy that prioritizes the information used in developing fair value estimates and require disclosure of fair value measurements by level within the fair value hierarchy The hierarchy gives the highest priority to quoted prices in active markets (Level 1 measurements) and the lowest priority to unobservable data (Level 3 measurements), such as the reporting entity's own data These provisions also provide valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flows) and the cost approach (cost to replace the service capacity of an asset or replacement cost) Upon adoption of the fair value measurement provisions that apply to recurring and nonrecurring fair value measurements of financial assets and liabilities and other provisions, the Corporation determined that no transition adjustments were required A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement The three levels of valuation hierarchy are defined as follows

Level 1 Observable inputs such as quoted prices (unadjusted) for identical assets or liabilities in active markets

Level 2 Inputs other than quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument

Level 3 Unobservable inputs that reflect the Corporation's own assumptions

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values Furthermore, although the valuation methods are determined to be appropriate and consistent within the industry, the use of different methodologies or assumptions to determine the fair value of certain assets and liabilities could result in a different estimate of fair value at the reporting date

2. Summary of significant accounting policies and nature of operations (continued)

The table below presents amounts at December 31, 2011 for significant items measured at fair value on a recurring basis The fair value of our interest rate swap liability is based on notional amounts, interest rates, maturity date and other contract terms The fair value of interest rate swap contract is valued using a third-party The interest rate swap is classified as Level 2 measurements

	Level 2
Interest rate swap liability	$ 4,426,510

Subsequent events
Subsequent events have been evaluated through June 27, 2012, which is the date the financial statements were available to be issued and there are no subsequent events requiring disclosure

3. Operating Leases
CBA entered into a lease agreement to lease office space from MSCLP The lease agreement commenced in January 2009 for a term of three years through December 2011 Lease payments totaling $52,941 for 2011 have been eliminated in the consolidated financial statements

4. Notes and development fees receivable and accrued interest
Notes and development fees receivable and accrued interest consists of the following from entities that are included in the consolidated financial statements and have therefore been eliminated in the accompanying statement of financial position

Note receivable from TRLP
The note is to finance a portion of the acquisition of the project, due in full at the maturity date of February 2027, together with interest at 9% per annum, simple A portion of the loan, $130,000, is partially reflected as permanently restricted due to Neighborworks Association (NWA) requirements The note balance of $180,000 and accrued interest of $237,878 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements — $ 417,878

Development note receivable from TRLP
Interest on the note accrues at 7 25% per annum, simple The loan is secured by a third mortgage on the property This fee and accrued interest is payable only from the proceeds of sale or refinancing but not later than December 2015 The note balance of $404,292 and accrued interest of $190,590 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements — 594,882

Mortgage note receivable from NMSHLLC
The note is due in full upon the sale or refinancing of the property or at the maturity date of August 2036, together with interest at 5 36%, compounded annually The note balance of $713,000 and accrued interest of $228,862 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements — 941,862

Mortgage note receivable from NMSHLLC
The note is due in full upon the sale or refinancing of the property or at the maturity date of August 2036 and is non-interest bearing The note is secured by the property and is permanently restricted due to NWA requirements The note balance of $30,000 at December 31, 2011 has been eliminated in the accompanying consolidated financial statements — 30,000

4. Notes and development fees receivable and accrued Interest (continued)

Note receivable from LSHLP The note is due only to the extent of cash flow available in any year pursuant to the partnership agreement Interest accrues at 5 7% per annum, compounded annually The loan is secured by a second mortgage on the property All accrued and unpaid interest and principal is due at maturity, September 2033 The note balance of $500,000 and accrued interest of $247,109 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements	$ 747,109
Note receivable from LSHLP The note is due only to the extent of cash flow available in any year pursuant to the partnership agreement Interest accrues at 5% per annum, simple The loan is secured by a third mortgage on the property All accrued and unpaid interest and principal is due at maturity, September 2033 This loan is reflected as permanently restricted due to NWA requirements The note balance of $165,000 and accrued interest of $75,381 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements	240,381
Development note receivable from LSHLP Interest on the note accrues at 5 77% per annum This fee and accrued interest is payable only from the proceeds of sale or refinancing but not later than the tenth anniversary of the completion date The note balance of $114,109 and accrued interest of $6,679 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements	120,788
Development note receivable from MSCLP Interest on the note accrues at 5 39% per annum, simple The loan is secured by a third mortgage on the property This fee and accrued interest is payable only from the proceeds of sale or refinancing but not later than December 2017 The note balance of $381,954 and accrued interest of $235,557 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements	617,511
Note receivable from NNCLLC Note receivable in the amount of $1,369,029 (amended during 2007 to $1,437,480) The note was increased by $477,500 in 2011 The note is due in full upon the sale or refinancing of the property or at the maturity of June 2036, together with interest at 5 32% per annum, compounded annually The note balance of $1,914,980 and accrued interest of $419,243 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements	2,334,223
Development note receivable from MSLP The loan is non-interest bearing and unsecured and is due no later than December 31, 2018 The note balance of $261,734 at December 31, 2011 has been eliminated in the accompanying consolidated financial statements	261,734

4. Notes and development fees receivable and accrued Interest (continued)

Note receivable from SJALLC Note receivable City of Lowell Home Funds in the amount of $165,000 The note is due in full at maturity, August 2037, together with interest at 6% per annum, compounded annually The note balance of $165,000 and accrued interest of $44,695 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements	$	209,695
Note receivable from SJALLC Note receivable Neighborworks in the amount of $75,000 The note is due in full at maturity, August 2037, together with interest at 8% per annum, compounded annually This loan is reflected as permanently restricted due to NWA requirements The note balance of $75,000 and accrued interest of $30,657 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements		105,657
Note receivable from SJALLC Note receivable City of Lowell Lead Funds in the amount of $120,000 The note is due in full at maturity, August 2037, together with interest at 6% per annum, compounded annually The note balance of $120,000 and accrued interest of $26,495 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements		146,495
Note receivable from SJALLC Note receivable HTC in the amount of $259,500 The note, which is secured by the property, bears interest at 8% per annum, compounded annually, with principal and interest due at maturity, August 2037 The note balance of $259,500 and accrued interest of $67,395 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements CBA sold state tax credits generated from SJALLC for $259,500 and loaned the proceeds of the sale to SJALLC		326,895
Note receivable from AHSLLC Note receivable in the amount of $920,000 The note is due in full at maturity, December 2039, together with interest at 5% per annum, compounded annually This loan is partially reflected as permanently restricted due to NWA requirements The note balance of $920,000 and accrued interest of $30,081 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements CBA sold state tax credits generated from AHSLLC for $820,000 and loaned $810,000 of the proceeds of the sale to AHSLLC Additionally, NWA Funds of $110,000 were combined with the $810,000 in the form of a note totaling $920,000		950,081

4. Notes and development fees receivable and accrued Interest (continued)

Note receivable from AHSLLC

Note receivable HOME Funds in the amount of $165,000 The note is due in full at maturity, December 2039, together with interest at 1% per annum, compounded annually The note balance of $165,000 and accrued interest of $1,984 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements — 166,984

Note receivable from AHSLLC

Note receivable CDBG Funds in the amount of $33,325 The note is due in full at maturity, December 2039, together with interest at 1% per annum, compounded annually The note balance of $33,325 and accrued interest of $586 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements — $ 33,911

Note receivable from UPLLC

Note receivable NWA Funds in the amount of $184,000 The note is due in full at maturity, December 2040, is non-interest bearing This loan is partially reflected as permanently restricted due to NWA requirements The note balance of $184,000 at December 31, 2011 has been eliminated in the accompanying consolidated financial statements — 184,000

Note receivable from UPLLC

Note receivable in the amount of $50,000 funded from CDBG proceeds The note is due in full at maturity, December 2040, is non-interest bearing The note balance of $50,000 at December 31, 2011 has been eliminated in the accompanying consolidated financial statements — 50,000

Notes receivable and accrued interest also consists of the following from unrelated entities that are included in the consolidated financial statements and have therefore not been eliminated in the accompanying statement of financial position

Loan Receivable – LCLF

On October 9, 2009 CBA agreed to loan $50,000 to Lowell Community Loan Fund Inc The loan calls for interest of the Applicable Federal Rate (AFR) The principal is repayable on demand, and as of December 31, 2011 $50,000 has been drawn on this loan Accrued interest totaled $1,245 at December 31, 2011 — 51,245

Note receivable from Unwrapped, Inc.

Note receivable in the original amount of $225,000 with interest at 6% per annum Interest payments were due on all advances through January 31, 2001 Monthly payments of principal and interest of $1,982 were to commence in August 2001 and any unpaid principal was payable in full on January 31, 2008 CBA has negotiated an extension of the loan CBA has a security interest in the assets of Unwrapped, Inc During 2008, the note terms were amended, overdue payments were received, and the interest rate was reduced to 4% per annum During 2011 payments of principal and interest were received and the note is now current with a balance of $47,203 — 47,203

4. Notes and development fees receivable and accrued Interest (continued)

CBAAH

Note receivable from NNCLLC in the amount of $1,284,393 The note is due in full upon the sale or refinancing of the property or at the maturity of June 2036, together with interest at 5 32% per annum compounded annually The note balance of $1,284,393 and accrued interest of $424,259 at December 31, 2011 have been eliminated in the accompanying consolidated financial statements	$	1,708,652
Subtotal CBA and CBAAH		10,287,186
Less – amounts eliminated		(10,188,738)
Total notes and development fees receivable and accrued interest	$	98,448

5. Ground Leases

CBAAH entered into a ground lease agreement with NNCLLC The land is subject to a 99 year lease dated June 28, 2006, which runs through December 31, 2105 The lease calls for annual base rent of $191,800 for the first five years subject to increases every five years to reflect CPI increases through December 31, 2021 Payments are due only to the extent of available cash flow Unpaid base rent shall accrue at 5 32% per annum, compounded annually During 2011, ground lease payments of $164,083 were made from surplus cash During 2011, ground lease rents of $191,800 and interest of $17,291 were earned At December 31, 2011, ground lease rents of $330,092 and accrued interest of $14,627 were due and are included in the total of "Loans and Notes Receivable" on the Consolidated Statement of Financial Position This transaction has been eliminated in the accompanying consolidated financial statements

MSHLP entered into a ground lease agreement with NMSHLLC The land is subject to a 75 year lease dated August 25, 2006, which runs through December 31, 2081 The lease calls for annual base rent of $15,750 for the first five years subject to increases every five years to reflect CPI increases Payments are due only to the extent of available cash flow Unpaid base rent shall accrue at 4 9% per annum, compounded annually During 2011, no payments were made During 2011, ground lease rents of $15,750 and interest of $3,751 were earned At December 31, 2011, ground lease rents of $84,000 and accrued interest of $11,026 were due and are included in the total of Loans and notes receivable on the Consolidated Statement of Financial Position This transaction has been eliminated in the accompanying consolidated financial statements

6. Development and other fees

CBA provided development services to TRLP totaling $422,624 A portion of this fee, $404,292, is in the form of a note receivable Accrued interest outstanding totaled $190,590 These transactions have been eliminated in the accompanying consolidated financial statements

CBA provided development services to MSCLP totaling $523,198, A portion of this fee, $381,954, is in the form of a note receivable Accrued interest outstanding totaled $235,557 These transactions have been eliminated in the accompanying consolidated financial statements

6. Development and other fees (continued)

CBA provided development services to LSHLP totaling $294,788, which represents 40% of the total development fee and overhead reimbursement of $736,970 Lowell Restoration Inc (LRI) earned the remaining $442,182 A portion of the fee totaling $20,000 to CBA fee has been deferred and accrues interest at 5 77% per annum, compounded annually The remaining portion of the CBA fee of $94,109 is non-interest bearing The fee and accrued interest is payable on or before the earlier to occur on the 10th anniversary of the completion date or the liquidation date (maturity date) of the partnership or from cash flow or from the proceeds of sale or refinancing The remaining balance of $114,109 of development fee and $6,679 of interest was due CBA at December 31, 2011 These transactions have been eliminated in the accompanying consolidated financial statement The remaining balance of $144,049 of development fee and interest due LRI at December 31, 2011 is presented as development fee payable in the accompanying consolidated financial statements

CBA provided development services to MSLP totaling $271,734 This fee is in the form of a note receivable and $261,734 was due at December 31, 2011 These transactions have been eliminated in the accompanying consolidated financial statements

CBA is providing development services to AHSLLC totaling $751,504 which consists of developer fee in the amount of $375,752 and developer overhead in the amount of $375,752 The fee is payable monthly per developer fee agreement with the unpaid balance due at the receipt of the break-even and final installment investor member capital contributions As of December 31, 2011 $751,504 has been earned and paid on this fee These transactions have been eliminated in the accompanying consolidated financial statements

CBA is providing development services to UPLLC totaling $692,328 which consists of developer fee in the amount of $368,848 and developer overhead in the amount of $323,480 The fee is payable monthly per developer fee agreement with the unpaid balance due at the receipt of the break-even and final installment investor member capital contributions As of December 31, 2011 $323,480 has been earned on this fee and $301,915 has been paid The unpaid balance at December 31, 2011 was $21,565 These transactions have been eliminated in the accompanying consolidated financial statements

Development fees are summarized as follows

	Total Fee	Current Income	Current Receivable
TRLP	$ 422,624	$ -	$ 404,292
MSCLP	523,198	-	381,954
LSHLP (40 % CBA, 60% LRI)	736,970	-	114,109
MSLP	271,734	-	261,734
AHSLLC	751,504	158,440	-
UPLLC	692,328	202,925	21,565
	$ 1,954,526	$ 361,365	$ 1,183,654
Less – amounts eliminated			(1,183,654)
			$ -

6. Development and other fees (continued)

Other fees

In accordance with the Partnership Management and Investor Services Agreement between CBA and LSHLP, CBA earns an annual partnership management fee of 70% of $10,000 payable from operations (or $7,000 annually), an annual supplemental partnership management fee of 70% of $25,000 payable from available cash flow (or $17,500 annually) and an annual investor service fee of 70% of $5,000 payable from available cash flow (or $3,500) The remaining 30% of the annual partnership management fee, supplemental partnership management fee and annual investor service fee totaling $12,000 annually is earned by LRI The balance due CBA as of December 31, 2011 of $224,000, of which $28,000 was earned in the current year has been eliminated in the consolidated financial statements The balance due LRI of $96,000, of which $12,000 was accrued in the current year, is presented as a component of accrued expenses in the accompanying consolidated financial statements

Other fees are summarized as follows

	Total Annual Fee	Current Income	Current Receivable
LSHLP			
Partnership management fee	$ 10,000	$ 7,000	$ 56,000
Supplemental partnership management fee	25,000	17,500	140,000
Investor service fee	5,000	3,500	28,000
	$ 40,000	$ 28,000	$ 224,000
Less amounts eliminated	(28,000)	(28,000)	(224,000)
	$ 12,000	$ -	$ -

7. Notes Payable and Development Fee Payable

The Agency has notes payable and accrued interest to entities included in the consolidated financial statements and third parties The notes payable and accrued interest relating to entities included in the consolidated financial statements have been eliminated in the accompanying statement of financial condition Outstanding notes payable and accrued interest is as follows

CBA	
Note payable to City of Lowell in the amount of $500,000 and bears interest at 3% per annum, simple The loan and accrued interest is due on maturity date, September 24, 2033 At December 31, 2011, the note balance was $500,000 and accrued interest $120,000, of which $15,000 was accrued in the current year	$ 620,000
Subtotal CBA	$ 620,000
TRLP	
Note payable to the City of Lowell under the HOME loan program in the amount of $400,000 The note bears interest at 8 5% per annum, compounded annually, with principal and interest due February 27, 2017 The loan is secured by a second mortgage on the buildings At December 31, 2011, the note balance was $400,000 and accrued interest totaled $824,845, of which $108,009 was accrued in the current year	$ 1,224,845

7. Notes Payable and Development Fee Payable (continued)

Note payable to the DHCD under the HOME Investments Partnership Program (the HOME program) in the amount of $440,000 The note bears interest at 8 5% per annum, compounded annually, with principal and interest due February 27, 2037 The loan is secured by a second mortgage on the buildings At December 31, 2011, the note balance was $440,000 and accrued interest $938,698, of which $108,009 was accrued in the current year	$	1,378,698
Note payable to CEDAC in the amount of $108,000 Principal and interest are due annually if certain cash flow benchmarks, as defined in the agreement, are achieved Interest accrues for only the first twenty years of the note term No interest accrues after this period All unpaid principal and interest is due in full in February 2027 CEDAC has the option to extend the maturity date for an additional period of up to ten years Interest has been calculated at a rate of 5% per annum, simple The loan is secured by a third mortgage lien and security interest on the buildings and assignment of certain contractual rights At December 31, 2011, the note balance was $108,000 and accrued interest $80,768, of which $5,400 was accrued in the current year		188,768
Note Payable to CBA (Note 4)		417,878
Development note payable to CBA (Note 6)		594,882
Subtotal TRLP	$	3,805,071
NMSHLLC		
Note payable to Lowell Development and Financial Corporation (LDFC) in the amount of $172,000 The note is due in full upon the sale or refinancing of the property or at maturity, August 2036, together with interest at 5 36%, compounded annually At December 31, 2011, the note balance was $172,000 and accrued interest $55,366, of which $11,567 was accrued in the current year	$	227,366
Mortgage note payable to CBA (Note 4)		941,862
Mortgage note payable to CBA (Note 4)		30,000
Subtotal NMSHLLC	$	1,199,228
LSHLP		
Note payable to DHCD under the HOME program in the amount of $500,000 The note requires interest at 5 7% per annum or the applicable federal rate (AFR) in effect on the date of each receipt, compounded annually Interest only is payable annually within fifteen days of the anniversary of the final loan disbursement to the extent of cash flow up to a maximum of $15,000 per year All accrued and unpaid interest and principal is due on at maturity, September 2034 The loan is secured by a co-second mortgage on the property At December 31, 2011, the note balance was $500,000 and accrued interest $251,934 of which $40,549 was accrued in the current year	$	751,934

7. Notes Payable and Development Fee Payable (continued)

Note payable to the Affordable Housing Trust Fund (AHTF) through DHCD in the amount of $700,000 The note bears interest at 5% per annum, compounded annually All accrued and unpaid interest and principal is due on at maturity, September 2034 The loan is secured by a co-second mortgage on the property At December 31, 2011, the note balance was $700,000 and accrued interest $346,532, of which $49,835 was accrued in the current year	$	1,046,532
Note Payable to CBA (Note 4)		747,109
Note Payable to CBA (Note 4)		240,381
Development fee payable to CBA and LRI (Note 6)		269,039
Subtotal LSHLP	$	3,054,995
MSCLP		
Development note payable to CBA (Note 6)	$	617,511
NNCLLC		
Note payable to CBA (Note 4)	$	2,334,223
Note payable to CBAAH (Note 4)		1,708,652
Subtotal NNCLLC	$	4,042,875
MSLP		
Note payable to the City of Lowell under the HOME loan program in the amount of $400,000 The note bears interest at 7 25% per annum, simple, with principal and interest due at maturity, February 2030 The loan is secured by a second mortgage on the property At December 31, 2011, the note balance was $400,000 and accrued interest $344,266, of which $29,000 was accrued in the current year	$	744,266
Note payable to DHCD under the HOME program in the amount of $440,000 The note bears interest at 5 58% per annum, compounded annually, with principal and interest due at maturity, April 2031 The loan is secured by a third mortgage on the property At December 31, 2011, the note balance was $440,000 and accrued interest $327,584, of which $40,568 was accrued in the current year		767,584
Note payable to the Cambodian American League of Lowell, Inc (CALL Inc) in the amount of $180,000 for lead removal The note carries a variable interest rate based on the AFR, with principal and interest due at maturity, December 2017 The loan is secured by a seventh mortgage on the property At December 31, 2011, the note balance was $180,000 and accrued interest $124,372, of which $10,435 was accrued in the current year		304,372

7. Notes Payable and Development Fee Payable (continued)

Note payable to CALL Inc in the amount of $337,842 The note bears interest at 9% per annum, compounded annually, with principal and interest due at maturity, April 2031 The loan is secured by a seventh mortgage on the property At December 31, 2011, the note balance was $337,842 and accrued interest $509,531, of which $69,967 was accrued in the current year	$	847,373
Development note payable to CBA (Note 4 and Note 6)		261,734
Subtotal MSLP	$	2,925,329
SJALLC		
Note payable to the Massachusetts Housing Partnership Fund (MHP) under the Housing Stabilization Fund program in the amount of $350,000 The note bears interest at 3% per annum, simple, with principal and interest due at maturity, August 2056 The loan is secured by the property At December 31, 2011, the note balance was $350,000 and accrued interest totaled $42,124, of which $10,500 was accrued in the current year	$	392,124
Note payable to DHCD under the AHTF program in the amount of $250,000 The note bears interest at 3% per annum, simple, with principal and interest due at maturity, August 2038 The loan is secured by the property At December 31, 2011, the note balance was $250,000 and accrued interest totaled $31,872, of which $7,500 was accrued in the current year		281,872
Note payable to CEDAC under the FCF program in the amount of $230,000 The note bears interest at 3% per annum, simple, with principal and interest due at maturity, August 2038 The loan is secured by the property At December 31, 2011, the note balance was $230,000 with accrued interest of $26,407, of which $6,900 was accrued in the current year		256,407
Note payable to CEDAC under the Community-Based Housing Fund program in the amount of $150,000 The note bears interest at 3% per annum, simple, with principal and interest due at maturity, August 2038 The loan is secured by the property At December 31, 2011, the note balance was $150,000 and accrued interest totaled $18,796, of which $4,500 was accrued in the current year		168,796
Note payable to CBA – HTC Funds (Note 4)		326,895
Note payable to CBA – City of Lowell Home Funds (Note 4)		209,695
Note payable to CBA – City of Lowell Lead Funds (Note 4)		146,495
Note payable to CBA – Neighborworks Loan (Note 4)		105,657
Subtotal SJALLC	$	1,887,941

7. Notes Payable and Development Fee Payable (continued)

AHSLLC

Note payable to the MassHousing under the Affordable Housing Trust Fund program in the amount of $900,000 The note is non-interest bearing with principal due at maturity, February 2040 The loan is secured by the property At December 31, 2011, the note balance was $900,000	$	900,000
Note payable to DHCD under the Housing Stabilization Fund program in the amount of $750,000 The note is non-interest bearing with principal due at maturity, February 2040 The loan is secured by the property At December 31, 2011, the note balance was $750,000		750,000
Note payable to CEDAC under the Facilities Consolidation Fund program in the amount of $501,690 The note is non-interest bearing with principal due at maturity, February 2040 The loan is secured by the property At December 31, 2011, the note balance was $501,690		501,690
Note payable to CBA – Neighborworks Loan (Note 4)		950,081
Note payable to CBA – HOME Loan (Note 4)		166,984
Note payable to CBA – CDBG Funds Loan (Note 4)		33,911
Subtotal AHSLLC	$	3,302,666

UPLLC

Financing is being provided by Enterprise Bank in the form a revolving loan up to $956,022 to be converted to permanent financing upon completion of the project The construction loan calls for payments of interest only at 6 5% per annum and is secured by the property At December 31, 2011, the note balance was $918,260 and accrued interest totaled $7,277, of which $7,277 was accrued in the current year	$	925,537
Note payable to the MassHousing under the Affordable Housing Trust Fund program in the amount of $1,300,000 The note bears interest at 1% per annum, simple, with principal and interest due at maturity, September 2041 The loan is secured by the property At December 31, 2011, the note balance was $1,300,000 and accrued interest totaled $8,405, of which $8,359 was accrued in the current year		1,308,405
Note payable to the City of Lowell under the Neighborhood Stabilization Program in the amount of $300,000 The note bears interest at 4 25% per annum, simple, with principal and interest due at maturity, April 2030 The loan is secured by the property At December 31, 2011, the note balance was $270,000 and accrued interest totaled $13,497, of which $11,475 was accrued in the current year		283,497

7. Notes Payable and Development Fee Payable (continued)

Note payable to DHCD under the HOME program in the amount of $138,000 The note bears interest at 4 25% per annum, compounded annually, with principal and interest due at maturity, September 2041 The loan is secured by the property At December 31, 2011, the note balance was $103,500 and accrued interest totaled $1,833, of which $1,833 was accrued in the current year	$	105,333
Note payable to CBA – Neighborworks Loan (Note 4)		184,000
Note payable to CBA – CDBG Funds Loan (Note 4)		50,000
Development note payable to CBA (Note 4 and Note 6)		21,565
Subtotal UPLLC	$	2,878,337
Subtotal		24,333,953
Less amounts eliminated in consolidation		(10,210,303)
Total	$	14,123,650

8. Mortgages Payable

Mortgages payable consist of the following

TRLP Permanent financing is being provided by MHP in the form of a loan totaling $254,000 The loan bears interest at 8 43% per annum and is secured by a mortgage on the buildings The mortgage requires monthly principal and interest payments of $1,940 for a period of 30 years	$	208,113
NMSHLLC Financing is being provided by MHP from the proceeds of tax-exempt bonds totaling $1,600,000 issued by the Massachusetts Development Finance Agency (MDFA) The loan bears interest at 4 5% per annum and requires interest payments only until it is converted to permanent financing During 2008, the loan principal balance was paid down to $1,350,000 and requires monthly payments of $6,840 for principal and interest Unpaid principal and interest are due in full on March 27, 2026, the maturity date		1,275,672
LSHLP Permanent financing is being provided by MHP in the form of a loan totaling $1,072,000 The loan bears interest at an annual rate of 6 76% per annum and is secured by the property The mortgage requires monthly principal and interest payments of $6,960 for a period of 20 years, maturing in 2025 Additional monthly remittances of $5,524 are required to fund the real estate tax, insurance and water and sewer escrow Monthly remittances of $1,141 are required to fund the replacement reserve		983,506

8. Mortgages Payable (continued)

MSCLP Permanent financing is being provided by MDFA in the form of a loan totaling $500,000 The loan bears interest at 7% per annum and is secured by the property an assignment of all leases and rents The mortgage requires monthly principal and interest payments of $3,565 based on a twenty-five year amortization with a balloon payment of $435,436 due on January 1, 2009 On June 29, 2009, the mortgage note was refinanced with interest at 5 5% annum, due in equal monthly payments of $3,163 of principal and interest The monthly installments are based on an eighteen year amortization with a balloon payment of $311,430 due on May 1, 2016 This note is secured by a first mortgage on the development and an assignment of all leases and rents	$ 392,308
MSLP Permanent financing is being provided by Enterprise Bank in the form of a first mortgage totaling $400,000 The loan bears interest at an annual rate of 8% per annum and is secured by the property The mortgage requires monthly principal and interest payments of $2,999 until maturity, May 2031	349,854
Permanent financing is being provided by LDFC in the form of a second mortgage totaling $250,000 The loan bears interest at an annual rate of 6% per annum and is secured by the property The mortgage requires monthly principal and interest payments of $1,499 until maturity, March 2022	218,624
NNCLLC Permanent financing is being provided by MHP in the form of tax-exempt bonds totaling $16,000,000 issued by MDFA The loan bears interest at an adjustable rate equal to 69% of the LIBOR rate, plus 1 662% (1 82% at December 31, 2009) and requires monthly principal payments and interest payments of $96,092 Additionally, monthly remittances include $26,053 to fund mortgage insurance, property insurance, and real estate tax escrows, and $13,185 to fund the reserve for replacements Unpaid principal and interest are due in full on March 31, 2026, the maturity date As described above the bond bears interest at a variable rate To minimize the effect of changes in the interest rate on the note, NNCLLC entered into an interest rate swap agreement with a private financial institution under which NNCLLC pays interest at a fixed rate of 5 91% and the financial institution pays the interest on the note at a variable rate The result is that NNCLLC pays interest at a fixed effective rate Valued separately, the interest rate swap agreement represents a liability in the amount of $2,283,099 as of December 31, 2009 This value represents the fair value of the current difference in the interest paid and received under the swap agreement over the remaining term of the agreement	14,865,776

8. Mortgages Payable (continued)

SJALLC Financing was being provided by Enterprise Bank in the form a revolving loan up to $613,000 to be converted to permanent financing upon completion of the project The construction loan called for payments of interest only at 6 5% per annum and was secured by the property During 2009, the company converted the construction loan to permanent financing The permanent loan of $328,493 calls for monthly payments of principal and interest of $2,497 with interest at 6 5% per annum The loan is secured by the property and will be amortized over a thirty year period until the maturity date, August 2028	$ 303,857
AHSLLC Permanent financing is being provided by Enterprise Bank in the form of a first mortgage totaling $250,000 The loan bears interest at an annual rate of 6 5% per annum and is secured by the property The mortgage requires monthly principal and interest payments of $1,596 until maturity, March 2030	248,360
Total	$ 18,846,070

Annual maturities of mortgages payable for the ensuing five years are summarized as follows

2012	$ 345,691
2013	368,999
2014	391,844
2015	415,347
2016	740,055
Thereafter	16,584,134
Total	$ 18,846,070

9. Investment in Unwrapped

CBA has purchased common stock of Unwrapped, Inc for $75,000, which represents a 21 % equity interest in the corporation Income / (loss) received from the investment totaled $144,482 in 2011 The investment in common stock is recognized under the equity method and is presented as investment in corporation on the accompanying consolidated statement of financial position

Funds of $300,000 used to make the loan to and investment in Unwrapped, Inc were received pursuant to a grant agreement between the Office of Community Services (OCS) and CSA After a period of seven years (in 2008), OCS will determine if CBA is required to repay this $300,000 Funds received as of December 31, 2011 total $300,000 and are reflected as Due to Office of Community Services in the accompanying consolidated financial statements

10. Property Held for Rehabilitation and Sale

All costs related to properties held for rehabilitation and resale have been capitalized These costs include the acquisition price, real estate taxes, rehabilitation costs, architect fees and other costs incurred prior to the properties receiving occupancy certificates As of December 31, 2011, Property Held for Rehabilitation reported on the accompanying consolidated balance sheet totals $124,971

11. Commitments

Certain entities included in the accompanying consolidated financial statements may be required to advance funds to other entities to fund operating deficits and/or development cost overruns These advances are based on the terms of respective partnership agreements and would be eliminated in the consolidated financial statements in the period when such advances are made

TRLP has granted CBA continuing right of first refusal to purchase the property of TRLP in the event TRLP proposes to sell, transfer, assign or ground lease substantially all of its interest therein The purchase price under this agreement shall be the lesser of a) the price offered by a bona fide third party purchaser, or b) the greater of 1) the sum of principal indebtedness secured by the Property (other than indebtedness incurred within the five year period ending on the date of any sale to the Sponsor) including all taxes on the sale or 2) the sum of the principal amount of indebtedness secured by the Property CBA's rights under this agreement are assignable and are subordinate to the rights of the lenders to the property

12. Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted for the following purposes

Middlesex Street Housing LP – Capital Improvements Project	$	23,400
Jobs for Lowell Program		5,000
Home Preservation Center – Foreclosure Prevention Initiative		15,000
	$	43,400

Temporarily restricted net assets were released from donor restrictions during the current year by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors as follows

New North Canal LLC Solar Project	$	97,500
Acre High School LLC		16,500
Redistricting Project		15,000
	$	129,000

13. Permanently Restricted Net Assets

Permanently restricted net assets are available for the following purposes

Triangle Rental Properties	$	59,811
Merrimack Street project		75,000
Liberty Square project		165,000
Acre High School project		110,775
St Joseph's School project		75,000
Unity Place LLC		184,000
New North Canal LLC Solar project		427,500
Middlesex Street Housing LP project		210,600
Gorham Street project		41,000
	$	1,348,686

14. Board Restricted Net Assets

Board restricted net assets are available for the following purposes

Pre-development expenses related to either acquisition or development of affordable housing units	$ 271,400
Neighborworks release from permanent restriction, restricted by board	354,453
	$ 625,853

15. Reserves

The Agency is required to fund and maintain certain replacement and operating reserves as required in each entities respective partnership or operating agreements A summary of balances in these reserves is as follows

	Reserve for Replacements	Operating Reserve
TRLP	$ 132,142	$ 105,162
NMSHLLC	215,516	63,858
LSHLP	53,539	66,519
MSCLP	90,711	36,574
NNCLLC	1,156,662	1,009,255
MSLP	36,833	35,130
SJALLC	16,372	71,651
ATCDC	81,109	-
AHSLLC	-	120,028
	$ 1,782,884	$ 1,508,177

16. Commercial Rental Income

The following entities have rental income under commercial leases

TRLP Three commercial units are being rented to tenants at will NMSHLLC Six commercial units are being rented pursuant to lease agreements expiring in 2014 LSHLP Four commercial units are being rented pursuant to lease agreements expiring in 2012 MSCLP One commercial unit is being rented pursuant to lease agreement expiring in 2016 and three commercial units are being rented to tenants at will MSLP One commercial unit is being rented to a tenant at will

Minimum future lease payments under non-cancelable operating leases are as follows

2012	$ 101,050
2013	90,082
2014	85,999
2015	72,064
2016	56,308
Total	$ 405,503

17. Noncontrolling Interest in Consolidated Subsidiaries

The following is the summary of the activity of the noncontrolling interest in consolidated subsidiaries at December 31, 2011

Noncontrolling interest in consolidated subsidiaries at December 31, 2010	$ 17,468,185
2011 Noncontrolling interest in income	(3,413,314)
2011 Capital contributions, net of distributions	4,356,074
Syndication costs paid in 2011	(11,629)
Noncontrolling interest in consolidated subsidiaries at December 31, 2011	$ 18,399,316

The noncontrolling interest in consolidated subsidiaries at December 31, 2011 consists of the following

Triangle Rental, L P	$ (456,918)
Liberty Square Housing, L P	1,803,376
New Merrimack Street Housing, LLC	429,859
New North Canal, LLC	6,669,687
Middlesex Street, L P	597,827
St Joseph's Apartments, LLC	2,447,754
Acre High School LLC	3,841,508
Unity Place LLC	3,165,839
North Canal Housing Trust Inc	(62,562)
Acre Merrimack Inc	(7,890)
Triangle Rental Inc	(3,895)
Moody Street Center Inc	(12,029)
Liberty Square Housing Inc	(4,924)
New North Canal Housing Inc	(3,124)
New Acre Merrimack Inc	(1,661)
Call PP LLC	(2,856)
St Joseph's MM LLC	(696)
Acre High School MM Two LLC	21
	$ 18,399,316

18. Note Guarantees

CBA and its affiliates have made the following guarantees

Liberty Square Housing Limited Partnership

To fund operating deficits through the end of the compliance period as defined in the partnership agreement Amounts furnished to fund operating deficits incurred prior to the development obligation date shall be deemed special capital contributions and amounts furnished to fund operating deficits incurred after the development obligation date shall constitute operating expense loans

Affiliates of the general partner are entitled to an annual cumulative supplemental management fee payable from cash flow If any amount is not paid by the eighth anniversary on which the fees were accrued, the general partner will be required to make a capital contribution to the Partnership to pay such unpaid fees At December 31, 2011 unpaid fees totaled $96,000

18. Note Guarantees (continued)

Middlesex Street Limited Partnership

Any operating deficits shall be first funded from the Operating Reserve account Any amounts in excess of the balance of the operating reserve account are required to be funded by the General Partner in the form of Operating Deficit Capital Contributions Notwithstanding the foregoing, the General Partner shall not be required to make operating deficit capital contributions to pay principal on the permanent loan, or interest in excess of 20% of the total interest accruing under the permanent loan

New Merrimack Street Housing LLC

The managing member is required to provide operating expense loans if required Amounts so furnished to fund operating expenses incurred prior to the development obligation date shall be deemed special capital contributions Amounts furnished to fund operating expenses incurred on or after the development obligation date shall constitute non- interest bearing operating expense loans

New North Canal LLC

The managing member is required to provide operating expense loans if required Amounts so furnished to fund operating expenses incurred prior to the development obligation date shall be deemed special capital contributions Amounts furnished to fund operating expenses incurred on or after the development obligation date shall constitute non- interest bearing operating expense loans

St. Joseph's Apartments LLC

The managing member is required to provide operating expense loans if required Amounts so furnished to fund operating expenses incurred prior to the development obligation date shall be deemed special capital contributions Amounts furnished to fund operating expenses incurred on or after the development obligation date shall constitute non- interest bearing operating expense loans

Triangle Rental Limited Partnership

CBA and ATCDC have agreed to advance funds as unsecured loans, to the General Partner for the purpose of making capital contributions to the Partnership to fund operating deficits to the extent that funds are not available in the operating reserve account In no event shall obligations under this agreement exceed $385,388

19. Investments

CBA determines the fair market values of its financial assets and liabilities, as well as non-financial assets and liabilities that are recognized or disclosed at fair value on a recurring basis, based on the fair value hierarchy established in the accordance with Accounting Standards Codification 820, *Fair Value Measurements*

Level 1: Quoted prices in active markets for identical assets or liabilities The Corporation's Level 1 assets include short term and long term investments which are measured at fair value on a recurring basis
Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities The Corporation's Level 2 asset includes the discount rate used to measure the present value of notes receivable The Corporation currently has Level 2 assets or liabilities that are measured at fair value on a recurring basis
Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities Level 3 assets and liabilities include items where the determination of fair value requires significant management judgment or estimation The Corporation currently has no Level 3 assets or liabilities that are measured at fair value on a recurring basis

Investments are carried at market value measured at Level 1 and consist of the following at December 31, 2011

	Endowment Fund - GLCF	Endowment Fund - Enterprise
Beginning balance	$ 119,412	$ 175,812
Deposits	-	100,000
Interest and dividends	5,246	13,957
Unrealized gains (losses)	(10,529)	(20,908)
Realized gains (losses)	4,044	-
Account fees	(2,181)	-
Ending balance	$ 115,992	$ 268,861

These investments are comprised of the following

	Endowment Fund - GLCF	Endowment Fund - Enterprise
Available for sale		
Cash and equivalent	$ -	$ 72,696
Equities	-	117,961
Held to maturity		
Fixed income	-	78,204
Pooled fund investments	115,992	-
Total fair value	$ 115,992	$ 268,861

SUPPLEMENTARY INFORMATION

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2011

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
U S Treasury	21 000	NeighborWorks America	$ 584,322
U S Department of Housing and Urban Development	14 914	UMass Lowell	19,937
			$ 604,259

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Coalition for a Better Acre, Inc and affiliates and is presented on the accrual basis of accounting The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 "*Audits of States, Local Governments and Non-Profit Organizations*" Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES

Statement of Financial Position

Coalition for a Better Acre and Wholly Owned Subsidiaries

December 31, 2011

ASSETS	CBA	ATCDC	CBAAH	MSHLP	MSCLP	NMTC	Total
Current assets							
Cash and cash equivalents							
Operating	$ 1,874,075	$ 154,986	$ -	$ -	$ 133,248	$ -	$ 2,162,309
Accounts receivable	83,588	297	-	-	-	-	83,885
Tenant security deposits	-	4,050	-	-	4,348	-	8,398
Prepaid expenses	11,178	2,840	-	-	1,292	-	15,310
Total current assets	1,968,841	162,173	-	-	138,888	-	2,269,902
Property and equipment, at cost							
Land and land improvements	-	76,886	1,725,415	148,997	49,674	-	2,000,972
Buildings	-	529,640	-	-	3,172,632	-	3,702,272
Property held for rehabilitation and sale	124,971	-	-	-	-	-	124,971
Furniture and fixtures	120,669	21,995	-	-	6,916	-	149,580
Total	245,640	628,521	1,725,415	148,997	3,229,222	-	5,977,795
Less accumulated depreciation	(115,073)	(174,462)	-	-	(853,080)	-	(1,142,615)
Net property and equipment	130,567	454,059	1,725,415	148,997	2,376,142	-	4,835,180
Other assets							
Mortgagee escrow deposits	-	39,072	-	-	-	-	39,072
Reserve for replacement	-	81,109	-	-	90,711	-	171,820
Operating reserve	-	-	-	-	36,574	-	36,574
Endowment fund - GLCF	115,992	-	-	-	-	-	115,992
Endowment fund - Enterprise Bank	268,861	-	-	-	-	-	268,861
Investment in corporations	361,614	160	-	-	-	53,443	415,217
Loans and notes receivable	8,578,534	-	2,053,371	95,026	-	-	10,726,931
Due from related parties	856,966	3,436,451	780,957	-	-	2,100	5,076,474
Deferred charges, net of accumulated amortization	-	-	-	-	3,600	-	3,600
Total other assets	10,181,967	3,556,792	2,834,328	95,026	130,885	55,543	16,854,541
TOTAL ASSETS	$ 12,281,375	$ 4,173,024	$ 4,559,743	$ 244,023	$ 2,645,915	$ 55,543	$ 23,959,623

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES

Statement of Financial Position (Continued)

Coalition for a Better Acre and Wholly Owned Subsidiaries

December 31, 2011

LIABILITIES AND NET ASSETS	CBA	ATCDC	CBAAH	MSHLP	MSCLP	NTMC	Total
Current liabilities							
Accounts payable							
Trade	$ 9,375	$ 5,742	$ -	$ -	$ 2,497	$ -	$ 17,614
Development	-	-	-	-	9,996	-	9,996
Accrued expenses	114,129	2,291	-	-	8,162	-	124,582
Security deposits	-	1,994	-	-	4,342	-	6,336
Accrued mortgage interest	-	-	-	-	1,856	-	1,856
Current portion of mortgages payable	-	-	-	-	16,466	-	16,466
Total current liabilities	123,504	10,027	-	-	43,319	-	176,850
Long-term liabilities							
Mortgages payable, net of current portion	-	-	-	-	375,842	-	375,842
Notes payable and accrued interest	620,000	-	-	-	-	-	620,000
Due to Office of Community Services	300,000	-	-	-	-	-	300,000
Total long-term liabilities	920,000	-	-	-	375,842	-	1,295,842
Other liabilities							
Development fee payable and accrued interest	-	-	-	-	617,511	-	617,511
Due to related parties	2,841,465	60	-	-	-	53,899	2,895,424
Total other liabilities	2,841,465	60	-	-	617,511	53,899	3,512,935
Total liabilities	3,884,969	10,087	-	-	1,036,672	53,899	4,985,627
Net Assets							
Unrestricted	6,378,467	4,162,937	4,559,743	244,023	1,609,243	1,644	16,956,057
Board restricted	625,853	-	-	-	-	-	625,853
Temporarily restricted	43,400	-	-	-	-	-	43,400
Permanently restricted	1,348,686	-	-	-	-	-	1,348,686
Total net assets	8,396,406	4,162,937	4,559,743	244,023	1,609,243	1,644	18,973,996
TOTAL LIABILITIES AND NET ASSETS	$ 12,281,375	$ 4,173,024	$ 4,559,743	$ 244,023	$ 2,645,915	$ 55,543	$ 23,959,623

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES

Statement of Activities

Coalition for a Better Acre and Wholly Owned Subsidiaries

For the year ended December 31, 2011

	CBA				ATCDC	CBAAH	MSHLP	MSCLP	NMTC	Total			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Temporarily Restricted	Permanently Restricted	TOTAL
Revenue and support													
Grants and contributions	$ 253 673	$ 74 900	$ -	$ 328 573	$ -	$ -	$ -	$ -	$ -	$ 253 673	$ 74 900	$ -	$ 328 573
Capital grants	-	-	300 600	300 600	-	-	-	-	-	-	-	300 600	300 600
Development fees	93 938			93 938	-	-	-	-	-	93 938	-	-	93 938
Developer overhead	267 427	-	-	267 427	-	-	-	-	-	267 427	-	-	267 427
Partnership management and investor service fees	92 700	-	-	92 700	-	-	-	-	2 000	94 700	-	-	94 700
Rental income net of vacancies and concessions	-	-	-	-	172 051	-	-	150 549	-	322 600	-	-	322 600
Ground lease income	-	-	-	-	-	209 091	19 501	-	-	228 592	-	-	228 592
Interest income	368 594	-	-	368 594	242	86 309	-	414	-	455 559	-	-	455 559
Income from endowment fund - GLCF	(1 239)	-	-	(1 239)	-	-	-	-	-	(1 239)	-	-	(1 239)
Income from endowment fund - Enterprise Bank	(6 951)	-	-	(6 951)	-	-	-	-	-	(6 951)	-	-	(6 951)
Income from investment in corporation	144 482	-	-	144 482	-	-	-	-	-	144 482	-	-	144 482
Sale of state tax credits	820 000	-	-	820 000	-	-	-	-	-	820 000	-	-	820 000
Other income	18 700	-	-	18 700	-	-	-	9	-	18 709	-	-	18 709
Net assets released from restrictions	207 953	(129 000)	(78 953)	-	-	-	-	-	-	207 953	(129 000)	(78 953)	-
Total revenue and support	2 259 277	(54 100)	221 647	2 426 824	172 293	295 400	19 501	150 972	2 000	2 899 443	(54 100)	221 647	3 066 990
Expenditures													
Salaries	601 020	-	-	601 020	16 424	-	-	12 481	-	629 925	-	-	629 925
Payroll taxes and benefits	175 637	-	-	175 637	2 747	-	-	2 190	-	180 574	-	-	180 574
Management fees	-	-	-	-	5 736	-	-	5 112	-	10 848	-	-	10 848
Professional fees	64 654	-	-	64 654	-	-	-	111	-	64 765	-	-	64 765
Contracted services	56 002	-	-	56 002	27 067	-	-	14 851	-	97 920	-	-	97 920
Utilities	13 325	-	-	13 325	17 207	-	-	17 297	-	47 829	-	-	47 829
Office supplies and expense	40 032	-	-	40 032	2 336	-	-	1 574	-	43 942	-	-	43 942
Occupancy	65 741	-	-	65 741	-	-	-	-	-	65 741	-	-	65 741
Program supplies and expense	62 100	-	-	62 100	-	-	-	-	-	62 100	-	-	62 100
Telephone	8 465	-	-	8 465	1 196	-	-	1 064	-	10 725	-	-	10 725
Meetings and travel	13 990	-	-	13 990	-	-	-	-	-	13 990	-	-	13 990
Staff training	10 307	-	-	10 307	24	-	-	-	-	10 331	-	-	10 331
Real estate taxes	-	-	-	-	31 985	-	-	21 098	-	53 083	-	-	53 083
Insurance	5 568	-	-	5 568	9 945	-	-	3 553	-	19 066	-	-	19 066
Interest	15 000	-	-	15 000	-	-	-	53 849	-	68 849	-	-	68 849
Depreciation	1 927	-	-	1 927	10 350	-	-	85 092	-	97 369	-	-	97 369
Amortization	-	-	-	-	-	-	-	240	-	240	-	-	240
Grants contributed	-			-	-	-	-	-	-	-	-	-	-
Miscellaneous	19 154	-	-	19 154	70	-	-	-	456	19 680	-	-	19 680
Total expenditures	1 152 922	-	-	1 152 922	125 087	-	-	218 512	456	1 496 977	-	-	1 496 977
Increase (decrease) in net assets	1 106 355	(54 100)	221 647	1 273 902	47 206	295 400	19 501	(67 540)	1 544	1 402 466	(54 100)	221 647	1 570 013
Net assets beginning of year	5 897 965	97 500	1 127 039	7 122 504	4 115 731	4 264 343	224 522	1 676 783	-	16 179 344	97 500	1 127 039	17 403 883
Current year capital contributions	-	-	-	-	-	-	-	-	100	100	-	-	100
Net assets end of year	$ 7 004 320	$ 43 400	$ 1 348 686	$ 8 396 406	$ 4 162 937	$ 4 559 743	$ 244 023	$ 1 609 243	$ 1 644	$ 17 581 910	$ 43 400	$ 1 348 686	$ 18 973 996

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES
Statement of Cash Flows
Coalition for a Better Acre and Wholly Owned Subsidiaries
For the year ended December 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 1,570,013
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation and amortization	97,609
Income from investment in corporations	(144,482)
Accrued interest not currently payable	15,000
Accrued interest on developer fee payable not currently payable	31,582
Changes in	
Accounts receivable	(42,840)
Prepaid expenses	8,671
Accounts payable - trade	(3,563)
Accrued expenses	8,809
Accrued mortgage interest	(74)
Prepaid rent	(1,546)
Tenant security deposits, net	(1,000)
Net cash provided by operating activities	1,538,179
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash paid for fixed assets	(136,871)
Mortgagee escrow deposits, withdrawals and interest earned, net	(4,686)
Reserve for replacements deposits, withdrawals and interest earned, net	(26,398)
Operating reserve deposits, withdrawals and interest earned, net	(679)
Funding of endowment fund	(89,628)
Investment in corporation	(53,443)
Distribution from investment in corporation	28,129
Advances on notes receivable	(1,842,748)
Net cash used in investing activities	(2,126,324)
CASH FLOWS FROM FINANCING ACTIVITIES	
Capital contributions received	100
Mortgage principal payments	(15,618)
Repayment of advances from related parties, net	541,615
Net cash provided by financing activities	526,097
NET DECREASE IN CASH	(62,048)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,224,357
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 2,162,309
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid for interest	$ 22,341

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors of Coalition for a Better
Acre, Inc and Affiliates

We have audited the consolidated financial statements of Coalition for a Better Acre, Inc and Affiliates as of and for the year ended December 31, 2011, and have issued our report thereon dated June 27, 2012 We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Coalition for a Better Acre, Inc and Affiliates' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Coalition for a Better Acre, Inc and Affiliates' internal control over financial reporting Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coalition for a Better Acre, Inc and Affiliates' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*

This report is intended solely for the information and use of management, Board of Directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties

June 27, 2012
Boston, Massachusetts

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Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with Circular A-133

To the Board of Directors of Coalition for a Better
Acre, Inc and Affiliates

Compliance

We have audited Coalition for a Better Acre, Inc and Affiliates' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Coalition for a Better Acre, Inc and Affiliates' major federal programs for the year ended December 31, 2011 Coalition for a Better Acre, Inc and Affiliates' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of Coalition for a Better Acre, Inc and Affiliates' management Our responsibility is to express an opinion on Coalition for a Better Acre, Inc and Affiliates' compliance based on our audit

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred An audit includes examining, on a test basis, evidence about Coalition for a Better Acre, Inc and Affiliates' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances We believe that our audit provides a reasonable basis for our opinion Our audit does not provide a legal determination of Coalition for a Better Acre, Inc and Affiliates' compliance with those requirements

In our opinion, Coalition for a Better Acre, Inc and Affiliates complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2011

Internal Control Over Compliance

Management of Coalition for a Better Acre, Inc and Affiliates is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs In planning and performing our audit, we considered Coalition for a Better Acre, Inc and Affiliates' internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance Accordingly, we do not express an opinion on the effectiveness of Coalition for a Better Acre, Inc and Affiliates' internal control over compliance

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A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above

This report is intended solely for the information and use of management, Board of Directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties

June 27, 2012
Boston, Massachusetts

COALITION FOR A BETTER ACRE, INC. AND AFFILIATES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2011

A. Summary of Audit Results

1 The auditors report expresses an unqualified opinion on the financial statements of Coalition for a Better Acre, Inc and Affiliates

2 No material weaknesses were identified during the audit of the financial statements

3 No instances of noncompliance material to the financial statements were disclosed during the audit

4 No material weaknesses were identified during the audit of the major federal award programs

5 The auditors' report on compliance for the major federal award programs for the Company expresses an unqualified opinion

6 No audit findings relative to the major federal award programs for the Company were disclosed during the audit

7 The programs tested as a major program included
U S Treasury CDFA # 21 000

8 The threshold for distinguishing between Types A and B programs was $300,000

9 The Company was determined to be a high-risk auditee

B. Findings – Financial Statement Audit

No findings were disclosed during the audit of the financial statements of Coalition for a Better Acre, Inc and Affiliates

C. Findings and Questioned Costs – Major Federal Award Programs Audit

U S Treasury CDFA # 21 000
No matters were reported

D. Summary Schedule of Prior Year Audit Findings

An audit of federal award programs for Coalition for a Better Acre, Inc and Affiliates for the prior year was not required

Additional Data

Software ID:
Software Version:
EIN: 04-2760272
Name: COALITION FOR A BETTER ACRE INC

Form 990, Special Condition Description:

Special Condition Description