

REZNICK GROUP, P. C.  
500 EAST PRATT STREET, SUITE 200  
BALTIMORE, MD 21202-3100

SETTLEMENT HOUSING FUND, INC.  
247 WEST 37TH STREET, 4TH FLOOR  
NEW YORK, NY 10018

DEAR GERRY:

ENCLOSED ARE THE ORIGINAL AND ONE COPY OF YOUR INCOME TAX RETURNS  
FOR THE PERIOD ENDED DECEMBER 31, 2008 FOR:

SETTLEMENT HOUSING FUND, INC. AS FOLLOWS...

2008 990 - RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX  
2008 SCHEDULE A - PUBLIC CHARITY STATUS AND PUBLIC SUPPORT  
2008 SCHEDULE B - SCHEDULE OF CONTRIBUTORS  
2008 SCHEDULE D - SUPPLEMENTAL FINANCIAL STATEMENTS  
2008 SCHEDULE G - SUPPLEMENTAL INFO. REGARDING FUNDRAISING/GAMING  
2008 SCHEDULE J - COMPENSATION INFORMATION  
2008 SCHEDULE L - TRANSACTIONS WITH INTERESTED PERSONS  
2008 SCHEDULE O - SUPPLEMENTAL INFORMATION TO FORM 990  
2008 SCHEDULE R - RELATED ORGANIZATIONS AND UNRELATED PARTNERSHIPS  
2008 NEW YORK FORM 500 - ANNUAL FINANCIAL REPORT

EACH ORIGINAL SHOULD BE DATED, SIGNED AND FILED IN ACCORDANCE WITH  
THE FILING INSTRUCTIONS. THE COPY SHOULD BE RETAINED FOR YOUR FILES.

THE ENCLOSED RETURNS WERE PREPARED PRIMARILY FROM DATA AND INFORMATION  
WHICH YOU SUBMITTED. YOU SHOULD REVIEW THE RETURNS TO ENSURE THAT  
THERE ARE NO OMISSIONS OR MISSTATEMENTS.

UPON AN AUDIT OF THE RETURN(S), REQUESTS MAY BE MADE FOR SUPPORTING  
DOCUMENTATION. THEREFORE, WE RECOMMEND THAT YOU RETAIN ALL PERTINENT  
RECORDS.

FORM 990 MUST BE MADE AVAILABLE FOR PUBLIC INSPECTION FOR A PERIOD  
OF THREE YEARS, BEGINNING WITH THE DATE THE RETURN IS FILED. THE  
AVAILABLE DOCUMENT MUST BE AN EXACT COPY OF THE RETURN AND SCHEDULES  
(INCLUDING SCHEDULE B), AS FILED WITH THE IRS, EXCEPT THAT THE NAMES  
AND THE ADDRESSES OF THE CONTRIBUTORS MAY BE EXCLUDED. ANY  
ORGANIZATION THAT FAILS TO COMPLY WITH THIS PROVISION IS SUBJECT TO A  
PENALTY OF \$20 FOR EACH DAY THAT INSPECTION IS NOT PERMITTED, UP TO A  
MAXIMUM OF \$10,000. ANY ORGANIZATION THAT WILLFULLY FAILS TO COMPLY  
SHALL BE SUBJECT TO AN ADDITIONAL PENALTY OF \$5,000. YOU ARE ALSO  
REQUIRED TO PROVIDE COPIES OF THE RETURN IF YOU RECEIVE SUCH A  
REQUEST. SHOULD YOU RECEIVE A REQUEST FOR INSPECTION OR FOR COPIES OF  
YOUR RETURN, YOU MAY WANT TO CONTACT US FOR FURTHER DETAILS.

WE SINCERELY APPRECIATE THIS OPPORTUNITY TO SERVE YOU. PLEASE CONTACT US IF YOU HAVE QUESTIONS CONCERNING THE RETURNS OR IF WE MAY BE OF FURTHER ASSISTANCE.

VERY TRULY YOURS,

PHILIP H. CORNBLATT, CPA  
PRINCIPAL

REZNICK GROUP, P. C.  
500 EAST PRATT STREET, SUITE 200  
BALTIMORE, MD 21202-3100

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INSTRUCTIONS FOR FILING  
SETTLEMENT HOUSING FUND, INC.  
FORM 990 - EXEMPT ORGANIZATION  
FOR THE PERIOD ENDED DECEMBER 31, 2008

\*\*\*\*\*

SIGNATURE...

THE ORIGINAL RETURN SHOULD BE SIGNED (USING FULL NAME AND TITLE)  
AND DATED BY AN AUTHORIZED OFFICER OF THE ORGANIZATION.

FILING...

THE SIGNED RETURN SHOULD BE FILED ON OR BEFORE NOVEMBER 16, 2009  
WITH...

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE CENTER  
OGDEN, UT 84201-0027

PAYMENT OF TAX...

NO PAYMENT OF TAX IS REQUIRED.

TO DOCUMENT THE TIMELY FILING OF YOUR TAX RETURN(S), WE SUGGEST THAT  
YOU OBTAIN AND RETAIN PROOF OF MAILING. PROOF OF MAILING CAN BE  
ACCOMPLISHED BY SENDING THE TAX RETURN(S) BY REGISTERED OR CERTIFIED  
MAIL (METERED BY THE U. S. POSTAL SERVICE) OR THROUGH THE USE OF AN IRS  
APPROVED DELIVERY METHOD PROVIDED BY AN IRS DESIGNATED PRIVATE  
DELIVERY SERVICE.

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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

**2008****Open to Public Inspection****A For the 2008 calendar year, or tax year beginning , 2008, and ending , 20**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>Please use IRS label or print or type. See Specific Instructions.</b>	<b>C</b> Name of organization <u>SETTLEMENT HOUSING FUND, INC.</u>		<b>D</b> Employer identification number <u>23-7078882</u>
		Doing Business As		<b>E</b> Telephone number <u>(212) 265-6530</u>
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>247 WEST 37TH STREET, 4TH FLOOR</u>		
		City or town, state or country, and ZIP + 4 <u>NEW YORK, NY 10018</u>		
		<b>F</b> Name and address of principal officer: <u>CAROL LAMBERG</u> <u>247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018</u>		<b>G</b> Gross receipts \$ <u>5,680,808.</u> <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c) ( 3 ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>J</b> Website: ▶ <u>WWW.SETTLEMENTHOUSINGFUND.ORG</u>		<b>K</b> Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶
		<b>L</b> Year of formation: <u>1969</u>		<b>M</b> State of legal domicile: <u>NY</u>

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <u>DEVELOPMENT SERVICES AND TECHNICAL ASSISTANCE TO LOW AND MODERATE INCOME HOUSING PROJECTS</u>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a) . . . . .	<b>3</b>	<u>29</u>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	<b>4</b>	<u>28</u>
	<b>5</b> Total number of employees (Part V, line 2a) . . . . .	<b>5</b>	<u>66</u>
	<b>6</b> Total number of volunteers (estimate if necessary) . . . . .	<b>6</b>	<u>NONE</u>
	<b>7a</b> Total gross unrelated business revenue from Part VIII, line 12, column (C) . . . . .	<b>7a</b>	
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34 . . . . .	<b>7b</b>		
<b>Revenue</b>	<b>8</b> Contribution and grants (Part VIII, line 1h) . . . . .	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b> Program service revenue (Part VIII, line 2g) . . . . .	<u>666,695.</u>	<u>3,249,255.</u>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	<u>956,501.</u>	<u>1,227,697.</u>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) . . . . .	<u>180,537.</u>	<u>118,845.</u>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	<u>348,806.</u>	<u>44,552.</u>
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .	<u>2,152,539.</u>	<u>4,640,349.</u>
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) . . . . .		<u>NONE</u>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) . . . . .	<u>NONE</u>	<u>NONE</u>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) . . . . .	<u>1,910,993.</u>	<u>2,475,252.</u>
	<b>b</b> Total fundraising expenses, Part IX, column (D), line 25) ▶ <u>257,350.</u>	<u>71,500.</u>	
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) . . . . .	<u>998,590.</u>	<u>1,566,062.</u>
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) . . . . .	<u>2,909,583.</u>	<u>4,112,814.</u>
<b>Net Assets or Fund Balances</b>	<b>19</b> Revenue less expenses. Subtract line 18 from line 12 . . . . .	<u>-757,044.</u>	<u>527,535.</u>
	<b>20</b> Total assets (Part X, line 16) . . . . .	<b>Beginning of Year</b>	<b>End of Year</b>
	<b>21</b> Total liabilities (Part X, line 26) . . . . .	<u>6,031,729.</u>	<u>5,817,586.</u>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20. . . . .	<u>756,367.</u>	<u>194,647.</u>

**Part II Signature Block**

<b>Sign Here</b>	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.			
	▶ Signature of officer		Date	
	▶ Type or print name and title			
<b>Paid Preparer's Use Only</b>	Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions) <u>P00252478</u>
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ <u>REZNICK GROUP, P. C.</u>	EIN ▶ <u>52-1088612</u>	Phone no. ▶ <u>410-783-4900</u>	
	<u>500 EAST PRATT STREET, SUITE 200 BALTIMORE, MD 21202-3100</u>			

May the IRS discuss this return with the preparer shown above? (See instructions) . . . . . ☒ Yes ☐ No

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

Form **990** (2008)JSA  
8E1010 2.000

72318B 7704 11/05/2009 06:24:27 V08-8.1 58-205679-5000

**Application for Extension of Time To File an  
Exempt Organization Return**

OMB No. 1545-1709

▶ File a separate application for each return.

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

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

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

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

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

<b>Type or print</b>  File by the due date for filing your return. See instructions.	Name of Exempt Organization <b>SETTLEMENT HOUSING FUND, INC.</b>	Employer identification number <b>23-7078882</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>247 WEST 37TH STREET, 4TH FLOOR</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>NEW YORK, NY 10018</b>	

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

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

- The books are in the care of ▶ GERALD SCHWARTZ

Telephone No. ▶ 212 265-6530

FAX No. ▶ \_\_\_\_\_

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 2009, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ ☒ calendar year 2008 or  
▶ ☐ tax year beginning \_\_\_\_\_, \_\_\_\_\_, and ending \_\_\_\_\_, \_\_\_\_\_.

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

<b>3a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$
<b>b</b> If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$ <b>NONE</b>
<b>c</b> <b>Balance Due.</b> Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$

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

**For Privacy Act and Paperwork Reduction Act Notice, see Instructions.**

Form **8868** (Rev. 4-2008)

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**

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

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

**Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.**

Type or print  File by the extended due date for filing the return. See instructions.	Name of Exempt Organization	Employer identification number
	SETTLEMENT HOUSING FUND, INC.	23-7078882
	Number, street, and room or suite no. If a P.O. box, see instructions.	For IRS use only
	247 WEST 37TH STREET, 4TH FLOOR	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	NEW YORK, NY 10018	

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

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

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

• The books are in the care of **GERALD SCHWARTZ**

Telephone No. **212 265-6530**

FAX No.

• If the organization does not have an office or place of business in the United States, check this box ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a

list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **11/15/2009**

5 For calendar year **2008**, or other tax year beginning  and ending

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


7 State in detail why you need the extension **INFORMATION FROM A THIRD PARTY HAS NOT BEEN**

**RECEIVED. THIS INFORMATION IS NECESSARY IN ORDER TO FILE A COMPLETE AND ACCURATE RETURN.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a \$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$ <b>NONE</b>
c <b>Balance Due.</b> Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$

**Signature and Verification**

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

Signature  Title **CPA** Date **8/12/09**

REZNICK GROUP, P.C.  
500 EAST PRATT STREET, SUITE 200  
BALTIMORE, MD 21202-3100

Form 8868 (Rev. 4-2008)

**Part III Statement of Program Service Accomplishments** (see instructions)**1** Briefly describe the organization's mission:

DEVELOPMENT SERVICES AND TECHNICAL ASSISTANCE TO LOW AND MODERATE  
INCOME HOUSING PROJECTS

**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 exempt purpose achievements for each of the organization's three largest program services 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 \$ 3,174,799. including grants of \$ ) (Revenue \$ 1,227,697. )  
SEE STATEMENT 1

**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** ▶ \$ 3,174,799. (Must equal Part IX, Line 25, column (B).)

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> . . . . .	<b>1</b> <input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors? . . . . .	<b>2</b> <input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> . . . . .	<b>3</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i> . . . . .	<b>4</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>5</b> <b>Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i> . . . . .	<b>5</b> <input type="checkbox"/>	<input type="checkbox"/>
<b>6</b> Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> . . . . .	<b>6</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> . . . . .	<b>7</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> . . . . .	<b>8</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>9</b> 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? <i>If "Yes," complete Schedule D, Part IV</i> . . . . .	<b>9</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>10</b> Did the organization hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> . . . . .	<b>10</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>11</b> Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? <i>If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i> . . . . .	<b>11</b> <input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>12</b> Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i> . . . . .	<b>12</b> <input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> . . . . .	<b>13</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the U.S.? . . . . .	<b>14a</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? <i>If "Yes," complete Schedule F, Part I</i> . . . . .	<b>14b</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>15</b> 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 United States? <i>If "Yes," complete Schedule F, Part II</i> . . . . .	<b>15</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>16</b> 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 United States? <i>If "Yes," complete Schedule F, Part III</i> . . . . .	<b>16</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>17</b> Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</i> . . . . .	<b>17</b> <input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>18</b> Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> . . . . .	<b>18</b> <input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>19</b> Did the organization report more than \$15,000 on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> . . . . .	<b>19</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>20</b> Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i> . . . . .	<b>20</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>21</b> Did the organization report more than \$5,000 on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	<b>21</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>22</b> Did the organization report more than \$5,000 on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	<b>22</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? <i>If "Yes," complete Schedule J</i> . . . . .	<b>23</b> <input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>24a</b> 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? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25</i> . . . . .	<b>24a</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	<b>24b</b> <input type="checkbox"/>	<input type="checkbox"/>
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	<b>24c</b> <input type="checkbox"/>	<input type="checkbox"/>
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	<b>24d</b> <input type="checkbox"/>	<input type="checkbox"/>
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	<b>25a</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>b</b> Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	<b>25b</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>26</b> 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? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	<b>26</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	<b>27</b> <input type="checkbox"/>	<input checked="" type="checkbox"/>



**Part IV Checklist of Required Schedules (continued)**

	Yes	No
<b>28</b> During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
<b>a</b> Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28a</b> X	
<b>b</b> Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28b</b>	X
<b>c</b> Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28c</b>	X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	<b>29</b>	X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	<b>30</b>	X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	<b>31</b>	X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	<b>32</b>	X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	<b>33</b>	X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . .	<b>34</b> X	
<b>35</b> Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	<b>35</b>	X
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	<b>36</b>	X
<b>37</b> 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? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .	<b>37</b>	X

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

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable . . . . .	<b>1a</b>	60
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .	<b>1b</b>	NONE
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	<b>1c</b>	X
<b>2a</b>	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 . . .	<b>2a</b>	66
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? . . . . .	<b>2b</b>	X
<b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)			
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .	<b>3a</b>	X
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .	<b>3b</b>	
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .	<b>4a</b>	X
<b>b</b>	If "Yes," enter the name of the foreign country: ► See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	<b>5a</b>	X
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .	<b>5b</b>	X
<b>c</b>	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .	<b>5c</b>	
<b>6a</b>	Did the organization solicit any contributions that were not tax deductible? . . . . .	<b>6a</b>	X
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>6b</b>	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75? . . . . .	<b>7a</b>	X
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	<b>7b</b>	
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .	<b>7c</b>	X
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year . . . . .	<b>7d</b>	
<b>e</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .	<b>7e</b>	X
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	<b>7f</b>	X
<b>g</b>	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . . .	<b>7g</b>	
<b>h</b>	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .	<b>7h</b>	
<b>8</b>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .	<b>8</b>	X
<b>9</b>	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b>	Did the organization make any taxable distributions under section 4966? . . . . .	<b>9a</b>	X
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .	<b>9b</b>	X
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12 . . . . .	<b>10a</b>	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . .	<b>10b</b>	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
<b>a</b>	Gross income from members or shareholders . . . . .	<b>11a</b>	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .	<b>11b</b>	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? . . .	<b>12a</b>	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . .	<b>12b</b>	

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**Part VI Governance, Management, and Disclosure** (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

**Section A. Governing Body and Management**

		Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.			
<b>1a</b>	Enter the number of voting members of the governing body . . . . .	<b>1a</b>	29
<b>b</b>	Enter the number of voting members that are independent . . . . .	<b>1b</b>	28
<b>2</b>	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? . . . . .	<b>2</b>	X
<b>3</b>	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? . . .	<b>3</b>	X
<b>4</b>	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . . .	<b>4</b>	X
<b>5</b>	Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .	<b>5</b>	X
<b>6</b>	Does the organization have members or stockholders? . . . . .	<b>6</b>	X
<b>7a</b>	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	<b>7a</b>	X
<b>b</b>	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . .	<b>7b</b>	X
<b>8</b>	Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b>	The governing body? . . . . .	<b>8a</b>	X
<b>b</b>	Each committee with authority to act on behalf of the governing body? . . . . .	<b>8b</b>	X
<b>9a</b>	Does the organization have local chapters, branches, or affiliates? . . . . .	<b>9a</b>	X
<b>b</b>	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .	<b>9b</b>	
<b>10</b>	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990 . . . . .	<b>10</b>	X
<b>11</b>	Is there any officer, director or 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 . . . . .	<b>11</b>	X

**Section B. Policies**

		Yes	No
<b>12a</b>	Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	<b>12a</b>	X
<b>b</b>	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	<b>12b</b>	X
<b>c</b>	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	<b>12c</b>	X
<b>13</b>	Does the organization have a written whistleblower policy? . . . . .	<b>13</b>	X
<b>14</b>	Does the organization have a written document retention and destruction policy? . . . . .	<b>14</b>	X
<b>15</b>	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:		
<b>a</b>	The organization's CEO, Executive Director, or top management official? . . . . .	<b>15a</b>	X
<b>b</b>	Other officers or key employees of the organization? . . . . .	<b>15b</b>	X
Describe the process in Schedule O. (see instructions)			
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	<b>16a</b>	X
<b>b</b>	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	<b>16b</b>	

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed ► NY

**18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make 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 makes its governing documents, conflict of interest policy, and financial statements available to the public.

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► GERALD SCHWARTZ 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018  
212-265-6530





**Part VIII Statement of Revenue**

23-7078882

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b>	Federated campaigns . . . . .	<b>1a</b>				
	<b>b</b>	Membership dues . . . . .	<b>1b</b>				
	<b>c</b>	Fundraising events . . . . .	<b>1c</b>	317,752.			
	<b>d</b>	Related organizations . . . . .	<b>1d</b>				
	<b>e</b>	Government grants (contributions) . .	<b>1e</b>				
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above .	<b>1f</b>	2,931,503.			
	<b>g</b>	Noncash contributions included in lines 1a-1f: \$					
	<b>h</b>	<b>Total.</b> Add lines 1a-1f . . . . . ▶		3,249,255.			
<b>Program Service Revenue</b>				<b>Business Code</b>			
	<b>2a</b>	PROJECT FEES		930,611.	930,611.		
	<b>b</b>	DEVELOPMENT FEES		268,000.	268,000.		
	<b>c</b>	MTG ASSUMPTION		29,086.	29,086.		
	<b>d</b>						
	<b>e</b>						
	<b>f</b>	All other program service revenue . . . . .					
	<b>g</b>	<b>Total.</b> Add lines 2a-2f . . . . . ▶		1,227,697.			
<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest, and other similar amounts) . . . . . STMT. 2 . . ▶		171,208.			171,208.
	<b>4</b>	Income from investment of tax-exempt bond proceeds . . . ▶		NONE			
	<b>5</b>	Royalties . . . . . ▶		NONE			
			(i) Real (ii) Personal				
	<b>6a</b>	Gross Rents . . . . .					
	<b>b</b>	Less: rental expenses . . .					
	<b>c</b>	Rental income or (loss) . .					
	<b>d</b>	Net rental income or (loss) . . . . . ▶		NONE			
	<b>7a</b>	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
				897,660.			
	<b>b</b>	Less: cost or other basis and sales expenses . . . . .		950,023.			
	<b>c</b>	Gain or (loss) . . . . .		-52,363.			
	<b>d</b>	Net gain or (loss) . . . . . ▶		-52,363.			-52,363.
	<b>8a</b>	Gross income from fundraising events (not including \$ 317,752. of contributions reported on line 1c). See Part IV, line 18. . . . . a	STMT 3	38,400.			
	<b>b</b>	Less: direct expenses . . . . . b		90,436.			
	<b>c</b>	Net income or (loss) from fundraising events . STMT. 4 . . ▶		-52,036.			-52,036.
	<b>9a</b>	Gross income from gaming activities. See Part IV, line 19. . . . . a					
	<b>b</b>	Less: direct expenses . . . . . b					
	<b>c</b>	Net income or (loss) from gaming activities . . . . . ▶		NONE			
	<b>10a</b>	Gross sales of inventory, less returns and allowances . . . . . a					
<b>b</b>	Less: cost of goods sold . . . . . b						
<b>c</b>	Net income or (loss) from sales of inventory. . . . . ▶		NONE				
<b>Miscellaneous Revenue</b>			<b>Business Code</b>				
<b>11a</b>	MISC INCOME		96,588.	96,588.			
<b>b</b>							
<b>c</b>							
<b>d</b>	All other revenue . . . . .						
<b>e</b>	<b>Total.</b> Add lines 11a-11d . . . . . ▶		96,588.				
<b>12</b>	<b>Total Revenue.</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . . ▶		4,640,349.	1,324,285.		66,809.	

**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).**

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	<b>(A) Total expenses</b>	<b>(B) Program service expenses</b>	<b>(C) Management and general expenses</b>	<b>(D) Fundraising expenses</b>
<b>1</b> Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	NONE			
<b>2</b> Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	NONE			
<b>3</b> Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	NONE			
<b>4</b> Benefits paid to or for members . . . . .	NONE			
<b>5</b> Compensation of current officers, directors, trustees, and key employees . . . . .	928,719.	746,134.	127,698.	54,887.
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE			
<b>7</b> Other salaries and wages . . . . .	894,327.	718,502.	122,970.	52,855.
<b>8</b> Pension plan contributions (include section 401 (k) and section 403(b) employer contributions) . .	NONE			
<b>9</b> Other employee benefits . . . . .	466,791.	375,019.	64,184.	27,588.
<b>10</b> Payroll taxes . . . . .	185,415.	148,961.	25,495.	10,959.
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management . . . . .	NONE			
<b>b</b> Legal . . . . .	5,346.	NONE	5,346.	NONE
<b>c</b> Accounting . . . . .	27,500.	NONE	27,500.	NONE
<b>d</b> Lobbying . . . . .	NONE			
<b>e</b> Professional fundraising services. See Part IV, line 17	71,500.			71,500.
<b>f</b> Investment management fees . . . . .	NONE			
<b>g</b> Other . . . . .	214,992.	105,190.	97,354.	12,448.
<b>12</b> Advertising and promotion . . . . .	NONE			
<b>13</b> Office expenses . . . . .	NONE			
<b>14</b> Information technology . . . . .	NONE			
<b>15</b> Royalties . . . . .	NONE			
<b>16</b> Occupancy . . . . .	283,369.	227,658.	38,964.	16,747.
<b>17</b> Travel . . . . .	NONE			
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
<b>19</b> Conferences, conventions, and meetings . . . .	42,735.	35,738.	6,798.	199.
<b>20</b> Interest . . . . .	NONE			
<b>21</b> Payments to affiliates . . . . .	NONE			
<b>22</b> Depreciation, depletion, and amortization . . . .	55,996.	44,988.	7,699.	3,309.
<b>23</b> Insurance . . . . .	21,464.	4,507.	16,957.	NONE
<b>24</b> Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
<b>a</b> SUPPLIES -----	26,080.	20,952.	3,587.	1,541.
<b>b</b> MISCELLANEOUS -----	127,365.	2,902.	124,249.	214.
<b>c</b> CONTRIBUTIONS -----	7,690.	7,690.	NONE	NONE
<b>d</b> TELEPHONE -----	26,541.	21,323.	3,649.	1,569.
<b>e</b> POSTAGE -----	8,393.	6,743.	1,154.	496.
<b>f</b> All other expenses -----	718,591.	708,492.	7,061.	3,038.
<b>25</b> <b>Total functional expenses.</b> Add lines 1 through 24f	4,112,814.	3,174,799.	680,665.	257,350.
<b>26</b> <b>Joint Costs.</b> Check here <input type="checkbox"/> If following SOP 98-2. 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
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing . . . . .		<b>1</b>	
	<b>2</b> Savings and temporary cash investments . . . . .	31,388.	<b>2</b>	1,116,618.
	<b>3</b> Pledges and grants receivable, net . . . . .	226,250.	<b>3</b>	813,250.
	<b>4</b> Accounts receivable, net . . . . .	1,942,989.	<b>4</b>	939,040.
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> 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 . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . . STMT. 5 . . . . .	581,729.	<b>7</b>	305,407.
	<b>8</b> Inventories for sales or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . . STMT. 6 . . . . .	29,583.	<b>9</b>	23,384.
	<b>10a</b> Land, buildings, and equipment: cost basis . . . . . <b>10a</b> 463,588.			
	<b>b</b> Less: accumulated depreciation. Complete Part VI of Schedule D. . . . . <b>10b</b> 127,376.	350,260.	<b>10c</b>	336,212.
	<b>11</b> Investments - publicly traded securities . . . . . STMT. 7 . . . . .	2,336,515.	<b>11</b>	1,350,587.
	<b>12</b> Investments - other securities. See Part IV, line 11 . . . . .		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 . . . . .	533,015.	<b>15</b>	933,088.
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	6,031,729.	<b>16</b>	5,817,586.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	77,566.	<b>17</b>	117,818.
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . . STMT. 8 . . . . .	558,769.	<b>19</b>	NONE
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow account liability. Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable . . . . .		<b>24</b>	
	<b>25</b> Other liabilities. Complete Part X of Schedule D . . . . .	120,032.	<b>25</b>	76,829.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25. . . . .	756,367.	<b>26</b>	194,647.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	5,075,362.	<b>27</b>	4,632,463.
	<b>28</b> Temporarily restricted net assets . . . . .	200,000.	<b>28</b>	990,476.
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
	<b>33</b> Total net assets or fund balances . . . . .	5,275,362.	<b>33</b>	5,622,939.
	<b>34</b> Total liabilities and net assets/fund balances . . . . .	6,031,729.	<b>34</b>	5,817,586.

**Part XI Financial Statements and Reporting**

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .	<b>2a</b>	X
<b>b</b>	Were the organization's financial statements audited by an independent accountant? . . . . .	<b>2b</b>	X
<b>c</b>	If "Yes" to lines 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? . . . . .	<b>2c</b>	X
<b>3a</b>	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? . . . . .	<b>3a</b>	X
<b>b</b>	If "Yes," did the organization undergo the required audit or audits? . . . . .	<b>3b</b>	



**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

To be completed by all section 501(c)(3) organizations and section 4947(a)(1)  
nonexempt charitable trusts.

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

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

Name of the organization

SETTLEMENT HOUSING FUND, INC.

Employer identification number

23-7078882

**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: (Please check only **one** organization.)

- 1 ☐ A church, convention of churches, or association of churches described in **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)**. (Attach Schedule H.)
- 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)**. (see instructions)
- 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?

- (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 supported organization? . . . . .
- (ii) A family member of a person described in (i) above? . . . . .
- (iii) A 35% controlled entity of a person described in (i) or (ii) above? . . . . .

	Yes	No
11g(i)		<input checked="" type="checkbox"/>
11g(ii)		<input checked="" type="checkbox"/>
11g(iii)		<input checked="" type="checkbox"/>

h Provide the following information about the organizations the organization supports.

(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?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
<b>Total</b>									

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule A (Form 990 or 990-EZ) 2008

**Part II Support Schedule for Organizations Described in Sections 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.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .	1,070,317.	770,513.	713,683.	666,695.	3,249,255.	6,470,463.
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>4 Total.</b> Add lines 1-3 . . . . .	1,070,317.	770,513.	713,683.	666,695.	3,249,255.	6,470,463.
<b>5</b> 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) . . . . .						
<b>6 Public support.</b> Subtract line 5 from line 4.						6,470,463.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>7</b> Amounts from line 4. . . . .	1,070,317.	770,513.	713,683.	666,695.	3,249,255.	6,470,463.
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	99,182.	123,244.	156,299.	145,559.	171,208.	695,492.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .	7,790.	16,390.	9,986.	113,821.	96,588.	244,575.
<b>11 Total support.</b> Add lines 7 through 10 . . . . .						7,410,530.
<b>12</b> Gross receipts from related activities, etc. (See instructions.) . . . . .					<b>12</b>	7,674,842.
<b>13 First five years.</b> 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 <b>stop here</b> . . . . . ► <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) . . . . .	<b>14</b>	87.31 %
<b>15</b> Public support percentage from 2007 Schedule A, Part IV-A, line 26f . . . . .	<b>15</b>	86.95 %
<b>16a 33 1/3% support test - 2008.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . ► <input checked="" type="checkbox"/>		
<b>b 33 1/3% support test - 2007.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . ► <input type="checkbox"/>		
<b>17a 10%-facts-and-circumstances test - 2008.</b> 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 "fact-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization . . . . . ► <input type="checkbox"/>		
<b>b 10%-facts-and-circumstances test - 2007.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . ► <input type="checkbox"/>		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . . ► <input type="checkbox"/>		

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**  
(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
<b>2</b> 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 . . . . .						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>6 Total.</b> Add lines 1-5 . . . . .						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 . . . . .						
<b>c</b> Add lines 7a and 7b. . . . .						
<b>8 Public support</b> (Subtract line 7c from line 6.) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>9</b> Amounts from line 6. . . . .						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
<b>c</b> Add lines 10a and 10b . . . . .						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .						
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)). . . . .	<b>15</b>	%
<b>16</b> Public support percentage from 2007 Schedule A, Part IV-A, line 27g . . . . .	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for <b>2008</b> (line 10c, column (f) divided by line 13, column (f)) . . . . .	<b>17</b>	%
<b>18</b> Investment income percentage from <b>2007</b> Schedule A, Part IV-A, line 27h. . . . .	<b>18</b>	%

**19a 33 1/3% support tests - 2008.** 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 - 2007.** 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 . . . . . ☐



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

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

► Attach to Form 990, 990-EZ, and 990-PF.

OMB No. 1545-0047

**2008**

**Name of the organization**

SETTLEMENT HOUSING FUND, INC.

**Employer identification number**

23-7078882

**Organization type** (check one):

**Filers of:**

**Section:**

Form 990 or 990-EZ

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

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

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

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

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

**General Rule**

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

**Special Rules**

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

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

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

**Caution.** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization SETTLEMENT HOUSING FUND, INC.

Employer identification number

23-7078882

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	CITIGROUP FOUNDATION 850 THIRD AVENUE, 13TH FLOOR NEW YORK, NY 10022	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	WASHINGTON MUTUAL COMM & EXT AFFS DIV, 589 5TH AVE, 3RD FL NEW YORK, NY 10017	\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	PAUL MOOS FOUNDATION 880 FIFTH AVENUE NEW YORK, NY 10021	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	JEROME DEUTSCH-THE DEUTSCH GROUP 235 EAST 49TH STREET - LOWER LEVEL NEW YORK, NY 10017	\$ 110,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	GUARDIAN 7 HANOVER SQUARE NEW YORK, NY 10004	\$ 40,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	LOCAL INITIATIVES SUPPORT CORPORATION 501 SEVENTH AVENUE NEW YORK, NY 10018	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization SETTLEMENT HOUSING FUND, INC.

Employer identification number

23-7078882

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	WOLF POPPER LLP 845 THIRD AVENUE NEW YORK, NY 10022	\$ 7,686.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	THE CAIOLA FAMILY FOUNDATION INC 230 E 85TH ST NEW YORK, NY 10028	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	THE HEARST FOUNDATIONS 300 WEST 57TH STREET, 26TH FLOOR NEW YORK, NY 10019	\$ 150,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	MARTY & DOROTHY SILVERMAN FOUNDATION 150 E 58TH STREET, STE 29TH FLOOR NEW YORK, NY 10155	\$ 24,250.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	CAPITAL ONE FOUNDATION INC. 1680 CAPITAL ONE DR MCLEAN, VA 22102	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
12	JP MORGAN CHASE FOUNDATION 270 PARK AVENUE, FLOOR 37 NEW YORK, NY 10017	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization SETTLEMENT HOUSING FUND, INC.

Employer identification number

23-7078882

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
13	TIDES CENTER 55 EXCHANGE PLACE, SUITE 402 NEW YORK, NY 10005	\$ 85,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
14	JEFFREY GURAL 247 W. 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	\$ 255,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
15	STEVEN R. SWARTZ 247 W. 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
16	ROBERT BERNE 247 W. 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
17	SITE 10 C/O LP SOLUTIONS, LLC 247 W 37TH STREET NEW YORK, NY 10018	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
18	SITE 10 C/O RAY OF HOPE FOUNDATION 247 W 37TH STREET NEW YORK, NY 10018	\$ 550,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



Name of organization SETTLEMENT HOUSING FUND, INC.

Employer identification number

23-7078882

**Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
19	YOUTH BUILD 58 DAY STREET SOMERVILLE, MA 02144	\$ 364,841.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
20	NEW SETTLEMENT COMMUNITY CAMPUS  NEW YORK, NY	\$ 301,941.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
21	WELLINGTON J. DENAHAN 247 W. 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
22	ROBERT GOLDRICH 247 W. 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
23	NEW YORK COMMUNITY TRUST 909 THIRD AVENUE, 22ND FLOOR NEW YORK, NY 10022	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
24	CHARLES S. WARREN 247 W. 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization SETTLEMENT HOUSING FUND, INC.

Employer identification number

23-7078882

**Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
25	THOMAS P. LYDON 247 W. 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
26	GARY JACOB 247 W. 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
27	JAMIE DEUTSCH FOUNDATION 501 SILVERSIDE RD, STE 123 WILMINGTON, DE 19809	\$ 10,476.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
28	INDEPENDENCE COMMUNITY TRUST 45 MAIN STREET BROOKLYN, NY 11201	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

SCHEDULE D  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization

SETTLEMENT HOUSING FUND, INC.

Supplemental Financial Statements

► Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public  
Inspection

Employer identification number

23-7078882

**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? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> 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 other impermissible private benefit? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> 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).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically importantly land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> 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, violations, and enforcement of the conservation easements it holds? . . . . . ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ► \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing 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      d ☐ Loan or exchange programs  
 b ☐ Scholarly research      e ☐ Other \_\_\_\_\_  
 c ☐ Preservation for future generations

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 Trust, Escrow and Custodial Arrangements.** Complete if 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 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 Investments - Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land . . . . .				
b Buildings . . . . .				
c Leasehold improvements . . . . .		284,356.	39,463.	244,893.
d Equipment . . . . .		179,232.	87,913.	91,319.
e Other . . . . .				
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . .				336,212.

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**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
Financial derivatives and other financial products . . . . .		
Closely-held equity interests . . . . .		
Other _____		
_____		
_____		
_____		
_____		
_____		
_____		
_____		
_____		
<b>Total.</b> (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
_____		
_____		
_____		
_____		
_____		
_____		
_____		
_____		
_____		
_____		
_____		
<b>Total.</b> (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
ACCRUED INTEREST RECEIVABLE	14,676.
INVESTMENT IN IHIP	NONE
DEPOSITS	NONE
DUE FROM AFFILIATES	918,412.
_____	
_____	
_____	
_____	
_____	
_____	
<b>Total.</b> (Column (b) should equal Form 990, Part X, col. (B) line 15.)	933,088.

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

(a) Description of liability	(b) Amount
Federal income taxes	
RENT PAYABLE	76,829.
DEVELOPER FEE PAYABLE	NONE
_____	
_____	
_____	
_____	
_____	
_____	
_____	
<b>Total.</b> (Column (b) should equal Form 990, Part X, col. (B) line 25.)	76,829.

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.

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

<b>1</b>	Total revenue (Form 990, Part VIII, column (A), line 12)	<b>1</b>	4,640,349.
<b>2</b>	Total expenses (Form 990, Part IX, column (A), line 25)	<b>2</b>	4,112,814.
<b>3</b>	Excess or (deficit) for the year. Subtract line 2 from line 1	<b>3</b>	527,535.
<b>4</b>	Net unrealized gains (losses) on investments	<b>4</b>	-179,958.
<b>5</b>	Donated services and use of facilities	<b>5</b>	
<b>6</b>	Investment expenses	<b>6</b>	
<b>7</b>	Prior period adjustments	<b>7</b>	
<b>8</b>	Other (Describe in Part XIV)	<b>8</b>	
<b>9</b>	Total adjustments (net). Add lines 4-8	<b>9</b>	-179,958.
<b>10</b>	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	<b>10</b>	347,577.

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

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>1</b>	4,460,391.
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains on investments . . . . .	<b>2a</b>	-179,958.
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIV) . . . . .	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	-179,958.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	4,640,349.
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIV) . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This should equal Form 990, Part I, line 12.) . . . . .	<b>5</b>	4,640,349.

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

<b>1</b>	Total expenses and losses per audited financial statements		<b>1</b>	4,112,814.
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
<b>a</b>	Donated services and use of facilities	<b>2a</b>		
<b>b</b>	Prior year adjustments	<b>2b</b>		
<b>c</b>	Losses reported on Form 990, Part IX, line 25	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIV)	<b>2d</b>		
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>		<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>		<b>3</b>	4,112,814.
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>		
<b>b</b>	Other (Describe in Part XIV)	<b>4b</b>		
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>		<b>4c</b>	
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This should equal Form 990, Part I, line 18.)		<b>5</b>	4,112,814.

## 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.

[illegible]

[illegible]





**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col. (a) through col. (c))
		SPECIAL EVENT (event type)	(event type)	NONE (total number)	
Revenue	1 Gross receipts . . . . .	356,152.			356,152.
	2 Less: Charitable contributions . . . . .	317,752.			317,752.
	3 Gross revenue (line 1 minus line 2) . . . . .	38,400.			38,400.
Direct Expenses	4 Cash prizes . . . . .				
	5 Non-cash prizes . . . . .				
	6 Rent/facility costs . . . . .				
	7 Other direct expenses . . . . .	90,436.			90,436.
	8 Direct expense summary. Add lines 4 through 7 in column (d) . . . . .				( 90,436. )
9 Net income summary. Combine lines 3 and 8 in column (d) . . . . .					-52,036.

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

	(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col. (a) through col. (c))
Revenue				
1 Gross revenue . . . . .				
Direct Expenses				
6 Volunteer labor . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d) . . . . .				( )
8 Net gaming income summary. Combine lines 1 and 7 in column (d) . . . . .				
9 Enter the state(s) in which the organization operates gaming activities: _____				
a Is the organization licensed to operate gaming activities in each of these states? . . . . .				9a
b If "No," Explain: _____				
10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?				10a
b If "Yes," Explain: _____				
11 Does the organization operate gaming activities with nonmembers? . . . . .				11
12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . .				12

Schedule G (Form 990 or 990-EZ) 2008

		Yes	No
<b>13</b>	Indicate the percentage of gaming activity operated in:		
<b>a</b>	The organization's facility . . . . . <b>13a</b> %		
<b>b</b>	An outside facility . . . . . <b>13b</b> %		
<b>14</b>	Provide the name and address of the person who prepares the organization's gaming/special event books and records:		
	Name ► _____		
	Address ► _____		
<b>15a</b>	Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . <b>15a</b>		
<b>b</b>	If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____.		
<b>c</b>	If "Yes," enter name and address:		
	Name ► _____		
	Address ► _____		
<b>16</b>	Gaming manager information:		
	Name ► _____		
	Gaming manager compensation ► \$ _____		
	Description of services provided ► _____		
	<input type="checkbox"/> Director/officer <input type="checkbox"/> Employee <input type="checkbox"/> Independent contractor		
<b>17</b>	Mandatory distributions:		
<b>a</b>	Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . <b>17a</b>		
<b>b</b>	Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____		

Schedule G (Form 990 or 990-EZ) 2008

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

► **Attach to Form 990. To be completed by organizations  
that answered "Yes" to Form 990, Part IV, line 23.**

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

Name of the organization

SETTLEMENT HOUSING FUND, INC.

Employer identification number

23-7078882

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain . . . . .

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? . . . . .

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- |  |   |
|--|---|
| <input type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                                |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study                               |
| <input type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

- a** Receive a severance payment or change of control payment? . . . . .
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . . . .
- c** Participate in, or receive payment from, an equity-based compensation arrangement? . . . . .
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? . . . . .
- b** Any related organization? . . . . .
- If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? . . . . .
- b** Any related organization? . . . . .
- If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III . . . . .

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III . . . . .

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

X

X

X

X

X

X

X

X

X

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

[illegible]

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

[illegible]

**SCHEDULE J-2  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Continuation Sheet for Form 990**

► **Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.**

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

Name of the Organization

SETTLEMENT HOUSING FUND, INC.

Employer Identification number

23-7078882

**Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(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			
CHARLES S. WARREN, ESQ. PRESIDENT	.25	X		X				NONE	NONE	NONE
ANN BERSON VICE PRESIDENT	.25	X		X				NONE	NONE	NONE
KENT HITESHEW DIRECTOR	.25	X						NONE	NONE	NONE
FRANCES LEVENSON, ESQ. VICE PRESIDENT	.25	X		X				NONE	NONE	NONE
DAVID G. RICHARDSON, ESQ. VICE PRESIDENT	.25	X		X				NONE	NONE	NONE
ANNE H. LINDGREN SECRETARY	.25	X		X				NONE	NONE	NONE
HOWARD D. MENDES DIRECTOR	.25	X						NONE	NONE	NONE
ROBERT BERNE DIRECTOR	.25	X						NONE	NONE	NONE
GOLDIE CHU DIRECTOR	.25	X						NONE	NONE	NONE
JEROME DEUTSCHE DIRECTOR	.25	X						NONE	NONE	NONE
INGRID GOULD ELLEN DIRECTOR	.25	X						NONE	NONE	NONE
BARBARA JOELSON FIFE DIRECTOR	.25	X						NONE	NONE	NONE
SALLY GOODGOLD DIRECTOR	.25	X						NONE	NONE	NONE
JEFFREY GURAL DIRECTOR	.25	X						NONE	NONE	NONE
SUE HELLER DIRECTOR	.25	X						NONE	NONE	NONE
GARY JACOB VICE PRESIDENT	.25	X		X				NONE	NONE	NONE
PETER C. KORNMAN DIRECTOR	.25	X						NONE	NONE	NONE
DANIEL KRONENFELD DIRECTOR	.25	X						NONE	NONE	NONE
MARVIN MARKUS DIRECTOR	.25	X						NONE	NONE	NONE
GENE NORMAN DIRECTOR	.25	X						NONE	NONE	NONE
PHILIP PITRUZZELLO DIRECTOR	.25	X						NONE	NONE	NONE

**For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.**

**Schedule J-2 (Form 990) 2008**

JSA

8E1294 1.000

72318B 7704 11/05/2009 06:24:27 V08-8.1 58-205679-5000

► Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

Name of the Organization

Employer Identification number

SETTLEMENT HOUSING FUND, INC.

23-7078882

## Part I

## Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

[illegible]

**SCHEDULE L**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Transactions With Interested Persons**

▶ Attach to Form 990 or Form 990-EZ.  
▶ To be completed by organizations that answered  
"Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c,  
or Form 990-EZ, Part V, lines 38b or 40b.

OMB No. 1545-0047

**2008**

**Open To Public  
Inspection**

Name of the organization

SETTLEMENT HOUSING FUND, INC.

Employer identification number

23-7078882

**Part I Excess Benefit Transactions** (section 501(c)(3) and section 501(c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

- 2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ \$
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ \$

**Part II Loans to and/or From Interested Persons.**

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total . . . . . ▶ \$										

**Part III Grants or Assistance Benefitting Interested Persons.**

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

**Part IV Business Transactions Involving Interested Persons.**

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
GARY JACOB	DIRECTOR	43,200.	RENT UP WORK DONE		X
JEFFREY GURAL	DIRECTOR	249,454.	RENT PAID TO NEWMARK RE		X

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule L (Form 990 or 990-EZ) 2008



**SCHEDULE O  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

► **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

Name of the organization

SETTLEMENT HOUSING FUND, INC.

Employer identification number

23-7078882

INDEPENDENT VOTING MEMBERS

PART VI SECTION A LINE 2

FRAN LEVENSON, DIRECTOR AND VICE PRESIDENT, IS THE MOTHER OF LEE

WARSHAVSKY, GENERAL COUNSEL.

Name of the organization

Employer identification number

SETTLEMENT HOUSING FUND, INC.

23-7078882

BOARD REVIEW OF 990

PART VI SECTION A LINE 10

A DRAFT OF THE FORM 990 IS REVIEWED AND AUTHORIZED BY A MEMBER OF THE

BOARD OF DIRECTORS PRIOR TO FILING WITH THE IRS.

Name of the organization

Employer identification number

SETTLEMENT HOUSING FUND, INC.

23-7078882

CONFLICT OF INTEREST

PART VI SECTION B LINE 12C

THE WRITTEN CONFLICT OF INTEREST POLICY IS DISCUSSED AT THE ANNUAL

MEETING AND ALL OFFICERS AND DIRECTORS SIGN A STATEMENT ACKNOWLEDGING THE

POLICY.

Name of the organization

Employer identification number

SETTLEMENT HOUSING FUND, INC.

23-7078882

## GOVERNING DOCUMENTS AND POLICIES

## PART VI, SECTION C LINE 19

THE ORGANIZATION'S GOVERNING DOCUMENTS AND POLICIES ARE AVAILABLE FOR

PUBLIC INSPECTION AT THE ORGANIZATION'S OFFICE DURING REGULAR BUSINESS

HOURS UPON REQUEST. THE DOCUMENTS ARE ALSO FILED WITH THE NEW YORK STATE

DIVISION OF CORPORATIONS, AND ARE AVAILABLE UPON REQUEST.

Name of the organization

Employer identification number

SETTLEMENT HOUSING FUND, INC.

23-7078882

## OTHER EXPENSES

## PART IX LINE 24F

PROGRAM

MANAGEMENT

FUNDRAISING

PUBLICATIONS AND PRINTING

7,754

1,249

540

EQUIPMENT RENTAL

33,956

5,812

2,498

FEDERAL GRANT EXPENSES

666,782

NONE

NONE

TOTAL

708,492

7,061

3,038

Name of the organization

Employer identification number

SETTLEMENT HOUSING FUND, INC.

23-7078882

## TRANSACTIONS WITH INTERESTED PERSONS

## PART IV LINE 28A

1. OFFICER: JEFFREY GURAL

RELATED ENTITY: NEWMARK KNIGHT FRANK

TITLE OR ROLE: CHAIRMAN

RELATIONSHIP: JEFFREY IS THE CHAIRMAN OF NKF, A REAL ESTATE

SERVICE FIRM, WHICH PROVIDES SERVICES TO SETTLEMENT

HOUSING FUND.

2. OFFICER: GARY JACOB

RELATED ENTITY: GLENWOOD MANAGEMENT CORP &amp; ASSOC. BUILDERS &amp; OWNERS

TITLE OR ROLE: EVP AND BOARD MEMBER, RESPECTIVELY

RELATIONSHIP: AFFIRMATIVE MARKETING CLIENT

Name of the organization

Employer identification number

SETTLEMENT HOUSING FUND, INC.

23-7078882

COMPENSATION

PART VI, LINES 15A &amp; 15B

SALARIES ARE COMPARED WITH OTHER COMPARABLE NOT-FOR-PROFIT ORGANIZATIONS

**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

- **Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.**  
► **See separate instructions.**

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

**Name of the organization**

SETTLEMENT HOUSING FUND, INC.

**Employer identification number**

23-7078882

**Part I Identification of Disregarded Entities**

(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

**Part II Identification of Related Tax-Exempt Organizations**

(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
SEE SCHEDULE R-1					

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2008



**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, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner?	
							Yes	No		Yes	No
1610 ASSOCIATES LIMITED PARTNE 247 WEST 37TH STREET, 4TH FLOOR 1615 ST. JOHNS PLACE, LP 01-05 247 WEST 37TH STREET, 4TH FLOOR 690 GATES, L.P. 20-0039928 247 WEST 37TH STREET, 4TH FLOOR 745 GATES, L.P. 20-0039891 247 WEST 37TH STREET, 4TH FLOOR MARCY BAER ASSOCIATES, L.P. 13 247 WEST 37TH STREET, 4TH FLOOR TWO BRIDGESET ASSOCIATES, LP 1 247 WEST 37TH STREET, 4TH FLOOR -----	LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG.	NY NY NY NY NY NY NY NY NY	N/A N/A N/A N/A N/A N/A N/A N/A N/A					X X X X X X X X			X X X X X X X X

**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
TWO BRIDGESET TOWERS, INC. 13-3849582 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018 MARCY BAER, INC. 13-3727272 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018 1610 GENERAL PARTNERS, INC. 13-3678342 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018 1615 ST. JOHNS PLACE, INC. 01-0571702 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018 745 GATES INC. 20-0039911 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018 690 GATES, INC 20-0039982 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018 -----	LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG. LOW INC. HSG.	NY NY NY NY NY NY NY NY	N/A N/A N/A N/A N/A N/A N/A N/A	C CORP C CORP C CORP C CORP C CORP C CORP C CORP C CORP	130,988. -42,280. -3,046. -4,197. -411. -397.	289. 1,358,099. 295,260. 893,854. 6,995,353. 4,561,179.	100.0000 100.0000 100.0000 100.0000 100.0000 100.0000 100.0000

**Part V Transactions With Related Organizations****Note.** Complete line 1 if any entity is listed in Parts II, III, or IV.

	Yes	No
<b>1</b> During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?		
<b>a</b> Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity . . . . .	<b>1a</b>	X
<b>b</b> Gift, grant, or capital contribution to other organization(s) . . . . .	<b>1b</b>	X
<b>c</b> Gift, grant, or capital contribution from other organization(s) . . . . .	<b>1c</b>	X
<b>d</b> Loans or loan guarantees to or for other organization(s) . . . . .	<b>1d</b>	X
<b>e</b> Loans or loan guarantees by other organization(s) . . . . .	<b>1e</b>	X
<b>f</b> Sale of assets to other organization(s) . . . . .	<b>1f</b>	X
<b>g</b> Purchase of assets from other organization(s) . . . . .	<b>1g</b>	X
<b>h</b> Exchange of assets . . . . .	<b>1h</b>	X
<b>i</b> Lease of facilities, equipment, or other assets to other organization(s) . . . . .	<b>1i</b>	X
<b>j</b> Lease of facilities, equipment, or other assets from other organization(s) . . . . .	<b>1j</b>	X
<b>k</b> Performance of services or membership or fundraising solicitations for other organization(s) . . . . .	<b>1k</b>	X
<b>l</b> Performance of services or membership or fundraising solicitations by other organization(s) . . . . .	<b>1l</b>	X
<b>m</b> Sharing of facilities, equipment, mailing lists, or other assets . . . . .	<b>1m</b>	X
<b>n</b> Sharing of paid employees . . . . .	<b>1n</b>	X
<b>o</b> Reimbursement paid to other organization for expenses . . . . .	<b>1o</b>	X
<b>p</b> Reimbursement paid by other organization for expenses . . . . .	<b>1p</b>	X
<b>q</b> Other transfer of cash or property to other organization(s) . . . . .	<b>1q</b>	X
<b>r</b> Other transfer of cash or property from other organization(s) . . . . .	<b>1r</b>	X
<b>2</b> 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(s)	(B) Transaction type (a–r)	(C) Amount involved
(1) SEE SCHEDULE R-1		
(2)		
(3)		
(4)		
(5)		
(6)		

## Part VI Unrelated Organizations Taxable as a Partnership

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.

[illegible]

Schedule R (Form 990) 2008

**Part II** Continuation of Identification of Related Tax-Exempt Organizations

(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
SEMIPERM HOUSING DEVELOPMENT FUND CORP. 13-4333566 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	LOW INC. HSGNY		501( C ) ( 3 )	9	N/ A
SHUHAB HOUSING DEVELOPMENT FUND CORP. 02-0614246 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	LOW INC. HSGNY		501( C ) ( 3 )	7	N/ A
745 GATES HOUSING DEVELOPMENT FUND CORP. 06-1623227 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	LOW INC. HSGNY		501( C ) ( 3 )	9	N/ A
690 GATES HOUSING DEVELOPMENT FUND CORP. 13-4189060 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	LOW INC. HSGNY		501( C ) ( 3 )	9	N/ A
BROOKSET HOUSING DEVELOPMENT FUND CORP. 06-1622109 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	LOW INC. HSGNY		501( C ) ( 3 )	9	N/ A
THE CRENUATED COMPANY, LTD 14-1719016 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	LOW INC. HSGNY		501( C ) ( 3 )	9	N/ A
TWO BRIDGESSET HOUSING DEVELOPMENT FUND 13-3686755 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	LOW INC. HSGNY		501( C ) ( 3 )	9	N/ A
NEWSET II HDFC 13-4101214 247 WEST 37TH STREET, 4TH FLOOR NEW YORK, NY 10018	LOW INC. HSGNY		501( C ) ( 3 )	9	N/ A

## Part III

**Schedule R-1 (Form 990) 2008**

## Part IV

[illegible]

**Part V** Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(7) MARCY BAER ASSOCIATES, LIMITED PARTNERSHIP	K	40,988.
(8) 1610 ASSOCIATES LIMITED PARTNERSHIP	K	30,000.
(9) THE CRENUATED COMPANY, LTD	K	370,173.
(10) TWO BRIDGESET ASSOCIATES LIMITED PARTNERSHIP	D	305,407.
(11) 745 GATES LIMITED PARTNERSHIP	D	466,950.
(12) 690 GATES LIMITED PARTNERSHIP	D	472,805.
(13) SEMIPERM HOUSING DEVELOPMENT FUND CORP.	D	300,999.
(14) NEWSETT II HOUSING DEVELOPMENT FUND CORP.	D	98,999.
(15) 1610 ASSOCIATES LIMITED PARTNERSHIP	D	226,000.
(16) TWO BRIDGESET ASSOCIATES LIMITED PARTNERSHIP	D	853,701.
(17)		
(18)		
(19)		
(20)		
(21)		
(22)		
(23)		
(24)		

Schedule R-1 (Form 990) 2008

FORM 990, PART III - PROGRAM SERVICES  
=====4A PROGRAM SERVICE  
-----

SETTLEMENT HOUSING PROVIDES TECHNICAL ASSISTANCE DEVELOPMENT SERVICES AND SUPERVISION OF LOW AND MODERATE INCOME HOUSING PROJECTS. SETTLEMENT HOUSING DEVELOPED 56 PROJECTS WITH 8,700 APARTMENTS IN THE BRONX, BROOKLYN, QUEENS AND MANHATTAN. THE ORGANIZATION OVERSEES 44 BUILDINGS WITH 2,210 APARTMENT UNITS.

A NEW MODEL FOR HELPING HOMELESS FAMILIES WAS APPROVED, AND A BUILDING WAS CONSTRUCTED FOR THIS PURPOSE ON WEST 102 STREET. STAFF WAS HIRED TO START UP THE PROGRAM.

SETTLEMENT HOUSING FUND FORMED A PARTNERSHIP WITH THE NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY TO DEVELOP A SCHOOL WITH A COMMUNITY CENTER AND SWIMMING POOL NEAR OUR LARGEST DEVELOPMENT IN THE BRONX. A SUBSIDIARY 501(C)(3) ORGANIZATION WAS FORMED.

SETTLEMENT HOUSING FUND AND A NEIGHBORHOOD PARTNER DEVELOPED A PLAN FOR 70 UNITS OF AFFORDABLE HOUSING ON THE LOWER EAST SIDE OF MANHATTAN.

SETTLEMENT HOUSING FUND OBTAINED FUNDS FROM THE DEPARTMENT OF LABOR FOR A YOUTHBUILD PROGRAM AT ITS SITES IN BEDFORD STUYVESANT.



## FORM 990, PART VIII - INVESTMENT INCOME

=====

DESCRIPTION -----	( A ) TOTAL REVENUE -----	( B ) RELATED OR EXEMPT REVENUE -----	( C ) UNRELATED BUSINESS REV. -----	( D ) EXCLUDED REVENUE -----
INTEREST AND DIVIDENDS	171,208. -----	-----	-----	171,208. -----
TOTALS	171,208. =====	=====	=====	171,208. =====

FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS  
=====DESCRIPTION  
-----AMOUNT  
-----

SPECIAL EVENT

317,752.

TOTAL

-----  
317,752.  
=====

## FORM 990, PART VIII - FUNDRAISING EVENTS

=====

DESCRIPTION -----	GROSS I NCOME -----	DIRECT EXPENSES -----	NET I NCOME -----
SPECIAL EVENT	38,400.	90,436.	-52,036.
	-----	-----	-----
TOTALS	38,400.	90,436.	-52,036.
	=====	=====	=====

## FORM 990, PART X - NOTES AND LOANS RECEIVABLE

=====

BORROWER: TWO BRIDGESET LP - 50% OF LOAN  
INTEREST RATE: NONE  
DATE OF NOTE: 08/25/1999  
MATURITY DATE: 10/29/2025  
REPAYMENT TERMS: LOAN OF \$700,000 IS STATED AT PV DISCOUNT @5%  
PURPOSE OF LOAN: SUPPORT CONSTRUCTION OF TWO BRIDGES TOWER

BEGINNING BALANCE DUE .....	581,729.
ENDING BALANCE DUE .....	305,407.

-----

TOTAL BEGINNING NOTES AND LOANS RECEIVABLE	581,729.
--	----------

=====

TOTAL ENDING NOTES AND LOANS RECEIVABLES	305,407.
--	----------

=====

## FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
PREPAID EXPENSES	29,583.	23,384.
	-----	-----
TOTALS	29,583.	23,384.
	=====	=====

## FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
MONEY MARKET FUND	541,076.	NONE
US TREASURIES	31,097.	NONE
CORPORATE BONDS	526,838.	366,380.
EQUITIES	871,401.	262,006.
OTHER MARKETABLE INVESTMENTS	210,916.	223,255.
INVESTMENT IN CO-OP	155,187.	NONE
OTHER INVESTMENTS	NONE	498,946.
	-----	-----
TOTALS	2,336,515.	1,350,587.
	=====	=====

## FORM 990, PART X - DEFERRED REVENUE

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
DEFERRED REVENUE	558,769.	NONE
	-----	-----
TOTALS	558,769.	NONE
	=====	=====

Employer identification number

23-7078882

[illegible]

<b>6b Total.</b> Combine the amounts in column (f). Enter here and on Schedule D, line 6b . . . . .	-52,363.
---	----------

Schedule D-1 (Form 1041) 2008



REZNICK GROUP, P. C.  
500 EAST PRATT STREET, SUITE 200  
BALTIMORE, MD 21202-3100

\*\*\*\*\*

INSTRUCTIONS FOR FILING  
SETTLEMENT HOUSING FUND, INC.  
NY FORM 500  
NEW YORK 500 - ANNUAL FILING FOR CHARITABLE ORG.  
FOR THE PERIOD ENDED DECEMBER 31, 2008

\*\*\*\*\*

SIGNATURE...

THE ORIGINAL RETURN SHOULD BE DATED AND SIGNED BY TWO OFFICERS  
OF ORGANIZATION.

FILING...

THE SIGNED RETURN SHOULD BE FILED ON OR BEFORE NOVEMBER 16, 2009  
WITH...

NYS DEPARTMENT OF LAW  
(OFFICE OF THE ATTORNEY GENERAL)  
CHARITIES BUREAU - REGISTRATION SECTION  
120 BROADWAY  
NEW YORK, NEW YORK 10271

A FILING FEE OF \$275. MUST BE SUBMITTED WITH THE REPORT PAYABLE  
TO THE NYS DEPARTMENT OF LAW.

Form <b>CHAR500</b>  <small>This form used for Article 7-A, EPTL and dual filers (replaces forms CHAR 497, CHAR 010 and CHAR 006)</small>	<b>Annual Filing for Charitable Organizations</b> New York State Department of Law (Office of the Attorney General) Charities Bureau - Registration Section 120 Broadway New York, NY 10271 <a href="http://www.oag.state.ny.us/charities/charities.html">www.oag.state.ny.us/charities/charities.html</a>	<b>2 0 0 8</b>  <b>Open to Public Inspection</b>
---	---	--

### 1. General Information

a. For the fiscal year beginning (mm/dd/yyyy) <u>01/01 / 2 0 0 8</u> and ending (mm/dd/yyyy) <u>12/31/2008</u>											
b. Check if applicable for NYS: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial filing <input type="checkbox"/> Final filing <input type="checkbox"/> Amended filing <input type="checkbox"/> NY registration pending	c. Name of organization <div style="border: 1px solid black; padding: 5px;">SETTLEMENT HOUSING FUND, INC.</div> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 60%;">Number and street (or P.O. box if mail not delivered to street address)</td> <td style="width: 40%;">Room/suite</td> </tr> <tr> <td>247 WEST 37TH STREET, 4TH FLOOR</td> <td></td> </tr> <tr> <td colspan="2">City or town, state or country and zip + 4</td> </tr> <tr> <td colspan="2">NEW YORK, NY, 10018</td> </tr> </table>		Number and street (or P.O. box if mail not delivered to street address)	Room/suite	247 WEST 37TH STREET, 4TH FLOOR		City or town, state or country and zip + 4		NEW YORK, NY, 10018		d. Fed. employer ID no. (EIN) (##-####) 23-7078882 e. NY State registration no. (##-###-###) 01-73-97 f. Telephone number (212) 265-6530 g. Email
Number and street (or P.O. box if mail not delivered to street address)	Room/suite										
247 WEST 37TH STREET, 4TH FLOOR											
City or town, state or country and zip + 4											
NEW YORK, NY, 10018											

### 2. Certification - Two Signatures Required

We certify under penalties of perjury that we reviewed this report, including all attachments, and to the best of our knowledge and belief, they are true, correct and complete in accordance with the laws of the State of New York applicable to this report.

a. President or Authorized Officer	Signature _____	Printed Name _____	Title _____	Date _____
b. Chief Financial Officer or Treasurer	Signature _____	Printed Name _____	Title _____	Date _____

### 3. Annual Report Exemption Information

a. **Article 7-A** annual report exemption (Article 7-A registrants and dual registrants)  
 Check ☐ if total contributions from NY State (including residents, foundations, corporations, government agencies, etc.) did not exceed \$25,000 **and** the organization did not use the services of a professional fund raiser (PFR) or fund raising counsel (FRC) to solicit contributions during this fiscal year.

**NOTE:** An organization may also check the box to claim this exemption if no PFR or FRC was used **and** either: 1) the organization received an allocation from a federated fund, United Way or incorporated community appeal **and** contributions from all other sources did not exceed \$25,000 **or** 2) it received all or substantially all of its contributions from a single government agency to which it submitted an annual financial report similar to that required by Article 7-A).

b. **EPTL** annual report exemption (EPTL registrants and dual registrants)  
 Check ☐ if total gross receipts for this fiscal year did not exceed \$25,000 **and** the assets (market value) of the organization did not exceed \$25,000 at any time during this fiscal year.

For EPTL or Article-7A registrants claiming the annual report exemption under the one law under which they are registered and for dual registrants claiming the annual report exemptions under both laws, simply complete part 1 (General Information), part 2 (Certification) and part 3 (Annual Report Exemption Information) above.

**Do not submit a fee, do not complete the following schedules and do not submit any attachments to this form.**

### 4. Article 7-A Schedules

If you did **not** check the Article 7-A annual report exemption above, complete the following for this fiscal year:

a. Did the organization use a professional fund raiser, fund raising counsel or commercial co-venturer for fund raising activity in NY State? . . . ☐ Yes\* ☒ No  
 \* If "Yes", complete Schedule 4a.

b. Did the organization receive government contributions (grants)? . . . ☐ Yes\* ☒ No  
 \* If "Yes", complete Schedule 4b.

### 5. Fee Submitted: See last page for summary of fee requirements.

Indicate the filing fee(s) you are submitting along with this form:		<b>Submit only one check or money order for the total fee, payable to "NYS Department of Law"</b>
a. Article 7-A filing fee . . . . .	\$ <u>25.</u>	
b. EPTL filing fee . . . . .	\$ <u>250.</u>	
c. <b>Total fee</b> . . . . .	\$ <u>275.</u>	

### 6. Attachments: For organizations that are not claiming annual report exemptions under both laws, see last page for required attachments.

## 5. Fee Instructions

The filing fee depends on the organization's Registration Type. For details on Registration Type and filing fees, see the Instructions for Form CHAR500.

Organization's Registration Type	Fee Instructions
• Article 7-A	Calculate the Article 7-A filing fee using the table in <b>part a</b> below. The EPTL filing fee is \$0.
• EPTL	Calculate the EPTL filing fee using the table in <b>part b</b> below. The Article 7-A filing fee is \$0.
• Dual	Calculate both the Article 7-A and EPTL filing fees using the tables in <b>parts a and b</b> below. Add the Article 7-A and EPTL filing fees together to calculate the total fee. Submit a <b>single</b> check or money order for the total fee.

### a) Article 7-A filing fee

Total Support & Revenue	Article 7-A Fee
more than \$250,000	\$25
up to \$250,000 *	\$10

\* Any organization that contracted with or used the services of a professional fund raiser (PFR) or fund raising counsel (FRC) during the reporting period must pay an Article 7-A filing fee of \$25, regardless of total support and revenue.

### b) EPTL filing fee

Net Worth at End of Year	EPTL Fee
Less than \$50,000	\$25
\$50,000 or more, but less than \$250,000	\$50
\$250,000 or more, but less than \$1,000,000	\$100
\$1,000,000 or more, but less than \$10,000,000	\$250
\$10,000,000 or more, but less than \$50,000,000	\$750
\$50,000,000 or more	\$1500

## 6. Attachments - Document Attachment Check-List

Check the boxes for the documents you are attaching.

### For All Filers

#### Filing Fee

☒ Single check or money order payable to "NYS Department of Law"

#### Copies of Internal Revenue Service Forms

☒ IRS Form 990

☒ Schedule A to IRS Form 990

☒ Schedule B to IRS Form 990

☐ IRS Form 990-T

☐ IRS Form 990-EZ

☐ Schedule A to IRS Form 990-EZ

☐ Schedule B to IRS Form 990-EZ

☐ IRS Form 990-T

☐ IRS Form 990-PF

☐ Schedule B to IRS Form 990-PF

☐ IRS Form 990-T

### Additional Article 7-A Document Attachment Requirement

#### Independent Accountant's Report

☒ Audit Report (total support & revenue more than \$250,000)

☐ Review Report (total support & revenue \$100,001 to \$250,000)

☐ No Accountant's Report Required (total support & revenue not more than \$100,000)

**CONSOLIDATED FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITORS' REPORT**

**SETTLEMENT HOUSING FUND, INC.  
AND WHOLLY-OWNED SUBSIDIARIES**

**DECEMBER 31, 2008 AND 2007**

PRELIMINARY - NOT FOR  
REVIEW AND DISCUSSION  
ONLY - SUBJECT TO CHANGE

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Settlement Housing Fund, Inc.

We have audited the accompanying consolidated statements of financial position of Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries (the Organization) as of December 31, 2008 and 2007, and the related consolidated statements of activities, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

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

In our opinion, the consolidated financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries as of December 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

As described in note 14, the Organization has restated its 2007 financial statements to reflect a correction in the 2007 financial statements for one of its wholly-owned subsidiaries and to record an investment on the equity method previously consolidated in the Organization's financial statements.

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information on pages 30 through 34 and the Settlement Housing Fund, Inc. financial report are presented for purposes of additional analysis of the consolidated financial statements rather than presenting the financial position, results of operations and cash flows of the individual companies. Such information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Baltimore, Maryland  
XXXXXX

PRELIMINARY DRAFT FOR  
REVIEW AND DISCUSSION  
ONLY - SUBJECT TO CHANGE

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2008 and 2007

ASSETS

	2008	2007
Cash and cash equivalents	\$ 1,573,312	\$ 992,658
Cash - escrows	2,177,237	2,049,546
Cash - security deposits	271,714	253,118
Investments - marketable	851,641	1,640,252
Investments - other	498,946	498,946
Contributions and grants receivable	1,016,519	241,213
Fees and expense reimbursement receivable	547,790	208,460
Tenant and Section 8 receivables	523,413	620,912
Accrued interest and other receivables	30,974	75,436
Mortgage receivable	305,407	581,729
Prepaid expenses, deposits and other assets	138,970	254,725
Due from affiliates	561,150	323,493
Leasehold improvements, net of accumulated depreciation of \$12,665,273 and \$10,764,108	35,542,256	37,055,534
Furniture and equipment, net of accumulated depreciation of \$180,184 and \$144,328	1,665,426	1,641,206
Financing fees, net of accumulated amortization of \$32,926 and \$29,374	798,267	811,976
Total assets	<u>\$ 46,503,022</u>	<u>\$ 47,249,204</u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable and accrued expenses	\$ 1,589,154	\$ 1,210,723
Accrued interest	763,307	1,157,361
Tenant security deposit liability	272,870	252,905
Deferred rent payable	76,829	53,207
Notes payable	34,598,655	34,874,514
Total liabilities	<u>37,300,815</u>	<u>37,548,710</u>
NONCONTROLLING OWNERSHIP INTEREST	<u>4,673,273</u>	<u>4,716,086</u>
COMMITMENTS AND CONTINGENCIES	-	-
NET ASSETS		
Unrestricted	2,588,458	3,834,408
Unrestricted - board designated	950,000	950,000
Temporarily restricted	990,476	200,000
Total net assets	<u>4,528,934</u>	<u>4,984,408</u>
Total liabilities and net assets	<u>\$ 46,503,022</u>	<u>\$ 47,249,204</u>

See notes to consolidated financial statements



Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

CONSOLIDATED STATEMENTS OF ACTIVITIES

Year ended December 31, 2008

	Unrestricted	Temporarily Restricted	Total
Operating revenue, gains and other support			
Program fees	\$ 1,227,697	\$ -	\$ 1,227,697
Rental income	7,173,548	-	7,173,548
Contributions	1,941,027	990,476	2,931,503
Special events, net of direct costs of \$90,436	265,716	-	265,716
Interest and dividends	214,522	-	214,522
Loss on investments	(232,321)	-	(232,321)
Miscellaneous revenue	1,854,045	-	1,854,045
Amount released from temporarily restricted	200,000	(200,000)	
Total operating revenue, gains and other support	12,644,234	790,476	13,434,710
Expenses			
Program services			
Housing services	9,825,154	-	9,825,154
Program services for development and technical assistance	3,174,800	-	3,174,800
Supportive services			
Management and general	680,664	-	680,664
Fundraising	257,350	-	257,350
Total expenses	13,937,968	-	13,937,968
Change in net assets before income (loss)			
allocated to noncontrolling ownership interest	(1,293,734)	790,476	(503,258)
Income (loss) allocated to noncontrolling ownership interest	(47,784)	-	(47,784)
Change in net assets	(1,245,950)	790,476	(455,474)
Net assets, beginning of year	4,784,408	200,000	4,984,408
Net assets, end of year	\$ 3,538,458	\$ 990,476	\$ 4,528,934

(continued)

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

CONSOLIDATED STATEMENTS OF ACTIVITIES - CONTINUED

Year ended December 31, 2007

	Unrestricted	Temporarily Restricted	Total
Operating revenue, gains and other support			
Program fees	\$ 956,501	\$ -	\$ 956,501
Rental income	6,698,805	-	6,698,805
Contributions	466,695	200,000	666,695
Special events, net of direct costs of \$97,275	234,985	-	234,985
Interest and dividends	232,967	-	232,967
Loss on investments	(64,538)	-	(64,538)
Miscellaneous revenue	1,381,317	-	1,381,317
Total operating revenue, gains and other support	9,906,732	200,000	10,106,732
Expenses			
Program services			
Housing services	9,356,946	-	9,356,946
Program services for development and technical assistance	2,026,366	-	2,026,366
Supportive services			
Management and general	655,201	-	655,201
Fundraising	228,016	-	228,016
Total expenses	12,266,529	-	12,266,529
Change in net assets before income (loss) allocated to noncontrolling ownership interest	(2,359,797)	200,000	(2,159,797)
Income (loss) allocated to noncontrolling ownership interest	(753,693)	-	(753,693)
Change in net assets	(1,606,104)	200,000	(1,406,104)
Net assets, beginning of year	5,186,340	-	5,186,340
Adjustment to beginning net assets	1,204,172	-	1,204,172
Net assets, end of year	\$ 4,784,408	\$ 200,000	\$ 4,984,408

See notes to consolidated financial statements

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

STATEMENT OF CASH FLOWS

Years ended December 31, 2008 and 2007

	2008	2007
Cash flows from operating activities		
Change in net assets	\$ (455,474)	\$ (1,406,104)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Net loss on investments (realized and unrealized)	232,321	64,538
Net (loss) gain on investment - other	276,322	(27,701)
Loss allocated to noncontrolling interest	(47,784)	(753,693)
Depreciation	1,840,336	1,840,635
Amortization	13,709	18,449
(Increase) decrease in assets		
Contributions receivable	(775,306)	163,787
Fees receivable	(339,330)	937,375
Tenant and Section 8 receivables	97,499	57,013
Accrued interest and other receivables	44,462	78,365
Prepaid expenses and deposits	115,755	73,971
Due from affiliates	(237,657)	(254,002)
Tenant security deposits	(18,596)	(71,764)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	378,431	(669,604)
Accrued interest	(394,054)	370,595
Tenant security deposit liability	19,965	57,193
Deferred rent payable	23,623	53,207
Net cash provided by operating activities	774,222	532,260
Cash flows from investing activities		
Proceeds from sale of investments	556,288	690,740
Purchase of investments	-	(333,139)
Escrow deposits	(127,691)	254,889
Fixed asset additions	(351,278)	(1,814,050)
Net cash provided by (used in) investing activities	77,319	(1,201,560)
Cash flows from financial activities		
Contributions from noncontrolling interest	4,972	2,010,538
Repayment of notes payable	(275,859)	(1,090,405)
Proceeds from notes payable	-	-
Net cash (used in) provided by financing activities	(270,887)	920,133
NET INCREASE IN CASH	580,654	250,833
Cash and cash equivalents, beginning	992,658	741,825
Cash and cash equivalents, end	\$ 1,573,312	\$ 992,658
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	\$ 1,264,529	\$ 747,098

See notes to consolidated financial statements

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008 and 2007

NOTE 1 - ORGANIZATION

The consolidated financial statements represent the following corporations: Settlement Housing Fund, Inc. (SHF), a nonprofit organization, and its for-profit subsidiaries (Subsidiaries) (collectively known as the Organization) as follows:

<u>Entity</u>	<u>Ownership</u>
Marcy Baer, Inc.	100%
1610 General Partners, Inc.	100%
1615 St. John's Place, Inc.	100%
745 Gates, Inc.	100%
690 Gates, Inc.	100%

In addition, the Organization includes in its financial statements five additional entities as required by the Financial Accounting Standards Board's (FASB) Emerging Issues Task Force No. 04-5, "Determining Whether a General Partner Controls a Limited Partnership of Similar Entity When the Limited Partners Have Certain Rights" (EITF 04-5) is as follows:

<u>Entity</u>	<u>Ownership</u>
Marcy Baer, L.P.	1%
1610 General Partners, L.P.	1%
1615 St. John's Place, L.P.	0.01%
745 Gates, L.P.	0.01%
690 Gates, L.P.	0.01%

SHF provides technical assistance, development services and supervision to low and moderate income housing projects, including projects owned by the Organization's affiliates and projects in which the Organization's affiliates are principals in joint ventures. Services include analyzing projects, choosing and supervising development teams, obtaining financing and subsidies, and supervising management and social services. The Organization is supported primarily by fees charged for services provided and foundation and corporate contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

Contributions and Net Assets

The Company accounts for contributions in accordance with SFAS 116, "Accounting for Contributions Received and Contributions Made" (June 1993) and SFAS 117, "Financial Statements of Not-for-Profit Organizations" (June 1993). Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution or pledge is received. The gifts are reported as either permanently or temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Support that is restricted by donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction.

Reclassifications

Certain amounts from 2007 have been reclassified to conform with 2008 presentation, which includes the offset of developer fee accrued as receivable and deferred.

Use of Estimates

The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Noncontrolling Ownership Interest

This amount represents the aggregate positive balance of the limited partners' equity interest in the nonwholly-owned limited partnerships that are consolidated under EITF 04-5.

Principles of Consolidation

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

The consolidated financial statements include SHF, its Wholly-Owned Subsidiaries, and those entities requiring consolidation under EITF 04-5. All material intercompany transactions and balances have been eliminated.

Equity Method Investments

The Organization accounts for its investment in Two Bridges, Towers, Inc. using the equity method of accounting. Under the equity method, the investments are recorded at cost, and increased or decreased by the Organization's share of the wholly-owned subsidiaries' income or losses, and decreased by the amount of any distributions received. For those investments where losses have exceeded costs, the Organization has not recognized those losses in excess of costs. These losses represent noncash activities, and there is no obligation to fund the excess losses. As of December 31, 2008 and 2007, unrecorded losses in excess of basis total \$57,092 and \$52,603, respectively, and these amounts will be offset with future gains.

Cash and Cash Equivalents

For purposes of the statements of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

Loans and Fees Receivable and Bad Debts

Loans and fees receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Advances Receivable

At times, SHF makes advances to entities for predevelopment, construction, and operating costs. These advances are noninterest bearing and due on demand.

Tenant Receivables

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

Tenant receivables are reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of tenant accounts receivable. It is reasonably possible that management's estimate of the allowance will change. As of December 31, 2008 and 2007, the allowance for doubtful accounts was \$224,828 and \$164,905 respectively.

Revenue Recognition

The Organization receives fees for the performance of project development services for the limited partnerships it organizes pursuant to fee agreements. The fees are generally earned over the development period in accordance with the fee agreements. Such fee agreements typically require the Organization to provide guarantees as to project completion and payment of any development cost overruns and operating deficits for a period of time. The Organization evaluates and estimates its projected exposure to additional costs under such guarantees and defers revenue recognition accordingly. Development fees are recognized as revenue as the milestones in the development agreements are achieved and to the extent there is a source available to pay the fee.

Grant income is recorded as revenue when the expense associated with the grant has been incurred.

Rental income, principally from short-term leases on apartment units, is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases between the consolidated partnerships and tenants of the property are operating leases.

The Organization receives supervisory fees from several of its affiliated projects. In addition, the Organization provides services, such as marketing, to unaffiliated projects. The fees are recognized as revenue when earned.

Functional Expenses

The costs of providing SHF's programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services based upon estimates and other methodologies.

Investments Marketable

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

In accordance with SFAS No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations" the Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the consolidating statements of financial position.

Unrealized gains and losses are included in the change in net assets in the accompanying consolidating statements of activities. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Fixed Assets

Fixed assets are stated at cost. Furniture and equipment are depreciated over the estimated useful lives of the assets (three to seven years) using the straight-line method. Leasehold improvements are amortized over the term of the lease. Management generally capitalizes items in excess of \$500.

Impairment of Long-Lived Assets

In accordance with Statement of Financial Accounting Standards (SFAS) No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," the Organization reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized during the year ended December 31, 2008 and 2007.

Loan Fees

Loan fees are amortized over the term of the loan using the straight-line method. Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Amortization expense for the years ended December 31, 2008 and 2007 were \$13,709 and \$18,449, respectively. Estimated amortization expense for the ensuing years through December 31, 2012 is \$27,310.



Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

Income Taxes

SHF is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The city and state taxes reflected in the consolidated statements of activities and included in management and general expenses for the Wholly-Owned Subsidiaries are minimum New York City and State taxes due from corporations.

The Wholly-Owned Subsidiaries of the Organization are treated as partnerships and corporations for tax purposes. Partnership taxable income or loss passes through to, and is reportable by, the partners, individually. The Corporations have been carrying losses. These losses amounted to \$318,247 at December 31, 2008. Losses are carried forward for future netting against taxable income. These losses are carried forward for a period of time [as defined by the IRS] and then permanently suspended if unused. SFAS 109, *Accounting for Income Taxes*, states that losses carried forward should be computed as assets using the applicable tax rate and reported on the consolidating statements of financial position, subject to valuation allowance. In the case of the Wholly-Owned Subsidiaries, it is more likely than not that the respective asset will never be realized as the possibility of net income or gain is unlikely for these corporations. Therefore, no asset has been recognized in this financial report as the valuation allowance would equal 100% of the asset value.

Recent Accounting Pronouncements

In June 2006, the FASB issued FIN 48, "Accounting for Uncertainty in Income Taxes" an interpretation of FASB Statement No. 109. The effective date of FIN 48 was for fiscal years beginning after December 15, 2006. The effective date was delayed in 2007 and was delayed again in 2008 for nonpublic companies. The new effective date for FIN 48 for nonpublic companies is for fiscal years beginning after December 15, 2008. The Company has elected to defer application of FIN 48, as permitted by FSP FIN 48-3, "Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises," until 2009. The Company does not anticipate that the provisions of FIN 48 will have any significant impact on its financial statements. However, additional disclosures may be required of situations, if any, where the Company's tax positions are considered uncertain.

In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS No. 157, "Fair Value Measurements." This statement establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

disclosure about fair value measurements. It applies only to fair value measurements that are already required or permitted by other accounting standards and is expected to increase the consistency of those measurements. The statement is effective for fiscal years beginning after November 15, 2008.

NOTE 3 - INVESTMENTS - MARKETABLE

FAS 157 discusses valuation techniques, such as market approach (comparable markprices), the income approach (present value of future income or cash flow) and the cost approach (cost to replace the service capacity of an asset or replacement cost). The statement utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure a fair value into three broad levels. The following is a brief description of those three levels:

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

Level 2 - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active; or

Level 3 - Unobservable inputs that reflect the reporting entity's own assumptions.

Investments measured at fair value on a recurring basis consisted of the level 1 input (as defined above).

	2008		2007	
	Market value	Cost	Market value	Cost
Corporate bonds	\$ 366,380	\$ 362,508	\$ 526,838	\$ 524,282
US treasuries	-	-	31,097	29,914
Equities	262,006	416,892	871,401	830,852
Other	223,255	222,640	210,916	225,644
	<u>\$ 851,641</u>	<u>\$ 1,002,040</u>	<u>\$ 1,640,252</u>	<u>\$ 1,610,692</u>

For the years ended December 31, 2008 and 2007, SHF's realized gain (loss) on investments was (\$81,922) and (\$34,978), respectively. As of December 31, 2008 and 2007 the unrealized gain on investments was \$(150,399) and (\$29,560), respectively.

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

NOTE 4 - INVESTMENTS - OTHER

The Organization holds shares in Housing Partnership Insurance, Inc. (HPI). HPI is an association captive insurer organization that provides insurance to its owners. As of December 31, 2008, the Organization owns one share of Class A Common Stock and 324 shares of Class C Common Stock. The investment is recorded at cost which management believes approximates fair value on the statement of financial position. Management has used level 2 inputs as defined in Note 3 to determine the fair value of this investment. As of December 31, 2008 and 2007, the investment balance was \$343,758.

SHF has investments in a housing co-operative which is carried at cost which management believes approximates fair value. Management has used level 3 inputs as defined in Note 3 to determine the fair value of this investment. As of December 31, 2008 and 2007, the investment balance was \$155,188.

NOTE 5 - CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable are due in 2008 and 2007 as follows:

	<u>2008</u>	<u>2007</u>
Pledges receivable - foundations and funds	\$ 200,000	\$221,000
Pledges receivable - individuals	<u>613,250</u>	<u>5,250</u>
Grants receivable	<u>203,269</u>	<u>14,963</u>
	<u>\$1,016,519</u>	<u>\$241,213</u>

NOTE 6 - NET ASSETS

Temporarily Restricted

Temporarily restricted net assets are available for the following purposes or periods:

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

	2008	2007
Semiperm project - restricted for project development	\$ -	\$ 200,000
Contributions restricted until 2009	990,476	-
	<u>\$990,476</u>	<u>\$ 200,000</u>

Unrestricted - Board Designated

SHF has unrestricted net assets designated by the board for \_\_\_\_\_. However, no specific programs have been earmarked for this purpose. Investments are available for the accomplishment of this purpose. As of December 31, 2008 and 2007, \$950,000 has been segregated by the board for each year.

NOTE 7 - PENSION

SHF sponsors a defined contribution pension plan covering all full-time employees after two years of service, dependent on position, who have reached the age of 21. SHF contributes 10% of each eligible employee's salary. The employee must contribute 3%. Voluntary contributions by the employees are permissible. Pension expense for 2008 and 2007 was \$142,860 and \$159,760, respectively.

NOTE 8 - LEASE

The Organization rents its premises under a lease terminating September 14, 2017. The annual base rent is \$210,000, from September 15, 2007 through September 14, 2008, and will increase annually at a percentage of 2.5% plus escalators for real estate tax and maintenance. The Organization will recognize \$230,021 per year of rental expense on a straight-line basis.

Minimum future rental payments for each of the next five years and thereafter and in the aggregate are:

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

<u>Year</u>	<u>Rental payment</u>
2009	\$ 216,820
2010	222,240
2011	227,796
2012	233,491
2013	239,328
Thereafter	<u>940,254</u>
Total	<u>\$ 2,079,929</u>

NOTE 9 - NOTES PAYABLE

Marcy Baer Associates Limited Partnership

The \$7,383,992 loan is payable to the Housing Trust Fund Corporation, a subsidiary of the New York State Housing Finance Agency and is secured by a mortgage on the rental property. The loan bore interest at 0.75% per annum and matured on August 31, 2008. In accordance with the terms of the loan agreement, no principal payments were due until maturity and the Partnership had prepaid all interest due over the life of the loan. Pursuant to the loan agreement, upon maturity, the lender is required to either refinance the mortgage or assign the mortgage to a nonprofit affiliate of the general partner. As of December 31, 2008, the mortgage has not yet been assigned and is considered in technical default by the lender. The default will be eliminated as soon as the loan and mortgage are assigned to a nonprofit affiliate of the general partner, as is expected. The prepaid interest remaining to be amortized at December 31, 2008 and 2007 was \$-0- and \$32,974, respectively, and is included in other assets. Interest expense for the years ended December 31, 2008 and 2007, was \$32,974 and \$53,488, respectively.

1610 Associates Limited Partnership

The Partnership has a \$2,055,634 loan from the HPD. This loan is evidenced by a note which is secured by a mortgage on the underlying property. The loan bears interest at 1% per annum and is also subject to a .25% per annum service fee. Interest and the service fee are payable monthly. All outstanding principal and unpaid interest are due on the maturity date on December 3, 2022. Interest expense charged to operations during 2008 was \$25,892. Accrued interest at December 31, 2008 was \$2,139.

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

1615 St. John's Place, L.P.

The Partnership has a permanent loan from the City of New York Housing Development Corporation in the principal amount of \$788,000, secured by a first mortgage. The loan bears interest at a rate of 7.05% per annum. Principal and interest payments of \$5,269 are due in monthly installments through maturity on November 30, 2034. As of December 31, 2008 and 2007, \$751,807 and \$761,653, respectively, remains payable. As of December 31, 2008 and 2007, accrued interest was \$4,533 and \$4,533, respectively.

The Partnership has also obtained a permanent loan from the Housing Trust Fund Corporation in the principal amount of \$700,000, secured by a second mortgage. The loan bears interest at a rate of 1.00% per annum. Principal payments are due only to the extent of cash flow, as defined in the Partnership agreement, through maturity on November 30, 2034. As of December 31, 2008 and 2007, \$700,000 and \$700,000, respectively, remains payable. As of December 31, 2008 and 2007, accrued interest was \$29,151 and \$22,151, respectively.

Aggregate annual maturities of the mortgage loan payable over each of the next five years and thereafter as of December 31, 2008, will be as follows:

2009	\$	10,562
2010		11,332
2011		12,157
2012		13,042
2013		13,992
Thereafter		<u>1,390,722</u>
	\$	<u>1,451,807</u>

690 Gates Limited Partnership

The Partnership has a construction loan dated September 19, 2003, with New York City Housing Development Corporation (NYCHDC) in an amount not to exceed \$7,400,000. The terms of the loan provide for an annual accrual of interest to be calculated by NYCHDC. The loan is funded from short-term bonds in the amount of \$400,000 at an interest rate equal to 2.3% per annum and long-term bonds in the amount of \$7,000,000 at an interest rate of 5.3% per annum. As of December 31, 2008 and 2007, \$7,000,000, remains outstanding. As

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

of December 31, 2008 and 2007, accrued interest of \$26,633 and \$82,253, respectively, remain payable. The loan is secured by a mortgage on the property. As of December 31, 2008, the loan is considered in default by the lender for unpaid letter of credit fees. The lender has not sought repayment of the loan or charged the Partnership the default rate of interest.

After certain conversion conditions have been met, the construction loan will convert to a permanent loan. As required under the loan agreement, the loan was required to be converted to a permanent loan on March, 1, 2007 and was extended to January 31, 2009. Subsequently, HDC has continued to extend the loan on a month-to-month basis through the completion of the project. The conversion to permanent status did not occur as of December 31, 2008. Once converted, the loan will be assumed by HDC and extended for a term of 30 years. The interest rate will become fixed at a rate of 5.3% per annum. Monthly payments of principal and interest in the amount of \$36,727 are required upon conversion.

The Partnership has entered into a loan agreement with 690 Gates Housing Development Fund Corporation (690 HDFC) for the sum of \$4,088,875. The note is advanced to the Partnership following a requisition schedule. The terms of the note provide for annual interest to be incurred at a rate of 1.0% per annum. The note shall be paid solely out of surplus cash as defined in the note until maturity, July 17, 2033. However, from time to time the lender may forgive certain amounts due under the loan. This note is subordinate to any other mortgages and is secured by the rents and profits of the Partnership. As of December 31, 2008 and 2007, \$3,116,580 and \$3,577,297 of principal, respectively, is outstanding. As of December 31, 2008 and 2007, accrued interest of \$416,910 and \$376,687, respectively, remain payable. During 2008 and 2007, principal of \$665,361 and \$306,934, respectively, was forgiven.

The Partnership has also entered into a loan agreement with the Department of Housing Preservation and Development (HPD) for the sum of \$596,120. The loan is secured by the real property of the Partnership and provides annual interest to be incurred at a rate of 1.0% per annum. The amount is payable on demand in the event of default on the first two mortgages. As noted above, the Partnership is in technical default of its first mortgage and this loan is now payable on demand until the default is cured. As of December 31, 2008 and 2007, accrued interest of \$10,262 and \$4,301, respectively, remains payable.

745 Gates Limited Partnership

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

The Partnership has a construction loan with New York City Housing Development Corporation (HDC) in an amount not to exceed \$8,400,000. The terms of the loan provided for monthly accrual of interest. The loan is funded from short-term bonds of \$1,585,000 at an interest rate of 2.3% per annum and long-term bonds in the amount of \$6,815,000 at an interest rate of 4.6% per annum. During 2007, the short-term bonds were repaid. As of December 31, 2008 and 2007, \$6,815,000 remains outstanding. As of December 31, 2008 and 2007, accrued interest of \$26,124 and \$487,190, respectively, remains payable. The construction loan is secured by a mortgage on the property. As of December 31, 2008, the loan is considered in default by the lender for unpaid letter of credit fees. The lender has not sought repayment of the loan or charged the Partnership the default rate of interest.

After certain conversion conditions have been met, the construction loan will convert to a permanent loan. As required under the loan agreement, the loan was required to be converted to a permanent mortgage on March 1, 2007 and was extended to January 31, 2009. Subsequently, HDC has continued to extend the loan on a month-to-month basis through completion of the project. The conversion to permanent status did not occur as of December 31, 2008. Once converted, the loan is extended for a term of 30 years and the interest rate will become fixed at a rate of 5.3% per annum. Monthly payments of principal and interest in the amount of \$53,185 are required upon conversion.

The Partnership has also entered into a loan agreement with 745 Gates Housing Development Fund Corporation (745 HDFC), an affiliate of the general partner, for the sum of \$6,569,900. The terms of the note provide for annual interest to be incurred at a rate of 1% per annum. The note shall be paid solely out of surplus cash as defined in the note until maturity, July 17, 2033. However, from time to time the lender may forgive certain amounts due under the loan. This note is subordinate to any other mortgages and is secured by the rents and profits of the Partnership. As of December 31, 2008 and 2007, \$5,275,642 and \$5,662,667 of principal, respectively, are outstanding. As of December 31, 2008 and 2007, accrued interest of \$234,010 and \$169,068, respectively, remains payable. During 2008 and 2007, principal of \$619,895 and \$674,363, respectively, was forgiven.

The Partnership has entered into a loan agreement with the Department of Housing Preservation and Development (HPD) for the sum of \$903,880. The note is secured by a mortgage on the real property of the Partnership. The terms of the note provide for annual interest to be incurred at a rate of 1% per annum. The amount is payable on demand in the event of default on the first two mortgages. During 2008, the short-term bonds were repaid.



Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

As of December 31, 2008 and 2007, the outstanding balance was \$903,880 and \$903,880 and accrued interest of \$18,078 and \$9,039, respectively, remains payable.

NOTE 10 - ESCROW DEPOSITS AND RESTRICTED BALANCES

Marcy Baer Associates, LP

Pursuant to the terms of loan and partnership agreements, an operating reserve and replacement reserve have been established. The balance of the operating reserve at December 31, 2008 and 2007 was \$234,295 and \$217,321, respectively, and is to be used only for funding operating deficits of the project. The balance of the replacement reserve at December 31, 2008 and 2007 was \$1,111,337 and \$1,100,123 respectively, and is to be used only for the future improvement and replacement of the rental property.

The Partnership has invested its operating reserve and replacement reserve deposits in various debt-securities which are uninsured and have been classified as held-to-maturity and are carried at amortized cost on the consolidating statements of financial position.

1610 Associates, LP

Pursuant to the terms of the funding and disbursement agreement for project reserves with the mortgage lender, the Partnership is required to establish an operating reserve to fund operating deficits. Disbursements made from the operating reserve are subject to the approval of New York City Department of Housing Preservation and Development (HPD). Additional deposits are to be made based on project account surplus as defined in the agreement. These additional deposits are to be made upon notification of the lender. The balance of the operating reserve at December 31, 2008 and 2007 was \$271,019 and \$276,313, respectively.

The Partnership has created a special reserve account for monies received from Section 8 and public assistance for previous tenants. The balance of the special reserve at December 31, 2008 and 2007 was \$12,353 and \$12,198, respectively.

The Partnership is also required to make monthly deposits to a replacement reserve in an amount equal to 2% of gross monthly rent. Disbursements from the replacement reserve require approval of HPD. The balance of the replacement reserve at December 31, 2008 and 2007 was \$50,650 and 46,084, respectively.

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

The Partnership escrow accounts for water and insurance at December 31, 2008 and 2007 was \$32,305 and \$26,871, respectively.

The Partnership has invested its operating reserve and replacement reserve deposits in various debt-securities which are uninsured and have been classified as held-to-maturity and are carried at amortized cost on the balance sheet.

1615 St. John's Place, LP

In accordance with the terms of the loan agreement, the Partnership is required to make monthly deposits of \$1,667 to the replacement reserve. For the years ended December 31, 2008 and 2007, the balance of the replacement reserve was \$86,126 and \$64,092, respectively.

In accordance with the terms of the loan agreement, the Partnership is required to make monthly deposits to the tax and insurance escrow. For the years ended December 31, 2008 and 2007, the balance of the insurance escrow was \$16,166 and \$13,315, respectively.

In accordance with the terms of the loan agreement, the general partner is required to establish and maintain an operating reserve. For the years ended December 31, 2008 and 2007, the balance of the operating reserve was \$149,565 and \$79,241, respectively.

The general partner has established and maintains a water and sewer reserve. For the years ended December 31, 2008 and 2007, the balance of the water and sewer reserve was \$7,423 and \$7,720, respectively.

745 Gates, LP

The general partner, on behalf of the Partnership, shall establish a replacement and reserve account with total deposits totaling \$265 per residential unit per year. As of December 31, 2008, this reserve had not been funded.

The general partner, on behalf of the Partnership, established an operating and maintenance reserve account in the amount equal to \$854,000 for the purpose of repairs and maintenance during construction while units remained vacant. This reserve was funded from the proceeds of the 745 HDFC loan. Annually, the general partner has agreed to deposit \$60,000 plus

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

30% of the general partner cash flow proceeds, as defined in the Partnership agreement. The maximum aggregate amount of this reserve shall not exceed twelve months of operating and debt expenses. Except during the rehabilitation phase, withdrawals from such account shall be made only with the consent of the special limited partner if such withdrawals exceed \$2,500 in any calendar year. The funds from this account and all interest generated shall be allocated to the general partner at the completion of the tax credit compliance period. Any deposit made into this reserve account by the general partner pursuant to the requirements of the Permanent Lender or HUD shall count towards satisfying the obligations of the general partner pursuant to this section. As of December 31, 2008, the initial amount of the reserve was funded; the funds were used during construction for certain repairs and maintenance; an additional \$329,000 will be funded upon permanent loan conversion. As of December 31, 2008 and 2007, the balance was \$159,097.

690 Gates, LP

The general partner, on behalf of the Partnership, shall establish a replacement and reserve account with deposits totaling \$265 per residential unit per year. As of December 31, 2008 and 2007, this reserve had not been funded.

The general partner, on behalf of the Partnership, shall establish an operating and maintenance reserve account in the amount equal to \$350,000 for the purpose of funding operating losses during construction. This reserve shall be funded from proceeds from a capital contribution as defined in Partnership agreement, and annually, the general partner has agreed to deposit \$30,000 plus 25% of the general partner cash flow proceeds, as defined in the Partnership agreement. The maximum aggregate amount of this reserve shall not exceed twelve months of operating and debt expenses. Except during the rehabilitation phase, withdrawals from such account shall be made only with the consent of the special limited partner if such withdrawals exceed \$2,500 in any calendar year. The funds from this account and all interest generated shall be allocated to the general partner at the completion of the tax credit compliance period. Any deposit made into this reserve account by the general partner pursuant to the requirements of the Permanent Lender or HUD shall count towards satisfying the obligations of the general partner pursuant to this section. As of December 31, 2008, the initial amount of the reserve was funded; an additional \$158,000 will be funded upon permanent loan conversion. As of December 31, 2008 and 2007, the balance was \$47,171.

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

NOTE 11 – RELATED PARTY AND AFFILIATED ENTITY TRANSACTIONS

Annual Fees

The Organization earns a supervisory fee from Marcy Baer Associates Limited Partnership for services performed in the supervision and development of certain operating procedures. For the years ended December 31, 2008 and 2007, supervisory fees of \$40,988 and \$40,988, respectively, have been earned and received.

The Organization earns an accounting and data processing fee from 1610 Associates Limited Partnership for services performed in maintaining the books and records for the partnership. For the years ended December 31, 2008 and 2007, fees of \$15,000 and \$15,000, respectively, were earned. As of December 31, 2008 and 2007, total fees of \$110,000 and \$95,000, respectively, remained unpaid and are included in fees receivable.

In addition, the Organization has earned partnership management fee for services related to reporting and monitoring operations of the 1610 Associates Limited Partnership. The amount of fee earned for 2008 and 2007 was \$15,000 per year. The amount of fees earned and unpaid at December 31, 2008 and 2007 was \$116,000 and \$101,000, respectively.

The Organization was paid an incentive management fee for services provided in oversight of operations for the project owned by Two Bridgeset Associates. Fees earned for 2008 and 2007 were \$0 and \$49,500. Fees previously earned and unpaid at December 31, 2008 and 2007 were \$81,675.

The Organization was paid supervisory fees for services rendered in connection with the oversight of the property and activities of The Crenulated Company. For the years ended December 31, 2008 and 2007, fees of \$370,173 and \$322,448 were earned.

St. John's Place Family Center Housing Development Fund Corporation pays a supervisory fee to SHF for services performed in the supervision and development of certain operating procedures. For the years ended December 31, 2008 and 2007, supervisory fees of \$62,684 and \$62,684, respectively, have been earned and received.

Developer Fee

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

The Organization along with an unrelated co-developer earned a developer fee from Two Bridgeset Associates Limited Partnership to develop a mixed-income apartment building. The fee for these services is \$5,067,500, 55% of which is earned by the Organization. As of December 31, 2008 and 2007, the Organization was owed \$772,026 for fee earned and not paid. This amount will be recognized as revenue upon receipt of payment.

The Organization earned a developer fee from 1615 St. John's Place Limited Partnership to develop a mixed-income apartment building. The agreement provides for a total developer fee in the amount of \$922,595. The Organization has been paid and earned \$822,595 in development fees under the agreement and \$100,000 remains to be paid.

The Organization earned a developer fee from 745 Gates Limited Partnership to develop a mixed-income apartment building. The agreement provides for a total developer fee in the amount of \$1,568,217. As of December 31, 2008 and 2007, the Organization has been paid \$1,200,000 and \$368,217 is owed under the agreement. The amount owed will be recognized as revenue upon receipt.

The Organization earned a developer fee from 690 Gates Limited Partnership for services rendered in connection with the development of the project and supervision of the construction. The agreement provides for a total developer fee in the amount of \$1,620,068. As of December 31, 2008 and 2007, the Organization has been paid \$1,281,084 and \$338,984 is owed under this agreement. The amount owed will be recognized as revenue upon receipt of payment.

Mortgages

On August 25, 1999, the Organization and The Dime Savings Bank of New York, FSB (The Dime) entered into an assignment and assumption agreement whereby The Dime assigned to the Organization a mortgage together with a promissory note receivable of \$1,400,000. This is a direct subsidy loan to support the construction of Two Bridge Towers. The Dime administers this advance on behalf of the Federal Home Loan Bank of New York. The Organization agreed to assume the obligations under the loan, on behalf of Two Bridgeset Associates Limited Partnership, including monitoring and enforcement. The loan bears no interest and is due on October 29, 2025. In December 2008, the Company assigned a 50% interest in the note receivable to Two Bridges Neighborhood Council, Inc. This receivable is stated at the present value of \$700,000 for 2008 and \$1,400,000 for 2007 using a discount

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

rate of 5%. As of December 31, 2008 and 2007, the balance of the mortgage receivable was \$305,407 and \$581,729, respectively.

Advances

The Organization has made advances to 745 Gates Limited Partnership to fund development and operational costs. The advances are noninterest bearing and payable upon demand. As of December 31, 2008 and 2007, \$98,733 and \$98,727 respectively, remained unpaid and are included in due from affiliates.

The Organization has made advances to 690 Gates Limited Partnership to fund development and operational costs. The advances are noninterest bearing and payable upon demand. As of December 31, 2008 and 2007, \$133,821 and \$133,796, respectively, remained unpaid and are included in due from affiliates.

The Organization has made advances to Semiperm Housing Development Fund Corporation for development and operational costs. These advances are non-interest bearing and payable on demand. The amount outstanding at December 31, 2008 and 2007 was \$300,999 and \$204,626, respectively.

The Organization has made advances to Newsett II Housing Development Fund Corporation for development and operational costs. These advances are noninterest bearing and payable on demand. The amount outstanding at December 31, 2008 and 2007 was \$98,999.

The Organization assigned its purchase agreement on the property for the New Settlement school project to the School Construction Authority. The Organization is still owed \$162,493 for the unreturned portion of its deposit made when entering into the purchase agreement.

NOTE 12 - CONCENTRATION OF CREDIT RISK

The Organization maintains its cash balances in several accounts in various banks. The cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 at each bank. At times, these balances may exceed the federal insurance limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

government provided insurance. The amount of uninsured cash balances at December 31, 2008 and 2007 was \$0 and \$262,754, respectively.

Investments are not bank deposits or FDIC insured and are not guaranteed by the brokerage house. These funds are subject to investment risk due to market fluctuations including possible loss of the principal amount invested.

NOTE 14 - RESTATEMENT

One of the Organization consolidated subsidiaries reissued its 2007 financial statements for an understatement of debt forgiveness and it was determined that one of the Organization's investments did not meet the requirements for consolidation and was adjusted to record that investment on the equity method. The effect of these corrections was to reduce net assets by \$1,204,172 for 2007.

**SUPPLEMENTAL INFORMATION**



Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2008

	Settlement Housing Fund, Inc.	Marcy Baer, Inc.	Marcy Baer, LP	1610 General Partners, Inc.	1610 Associates, LP	1615 St. John's Place, Inc.	1615 St. John's Place, LP	745 Gates, Inc.	745 Gates LP	690 Gates, Inc.	690 Gates LP	Consolidated Balance	Eliminating Balances	Adjusted Balances
<b>ASSETS</b>														
Cash and cash equivalents	\$ 1,116,618	\$ 29,435	\$ 109,159	\$ 3,460	\$ 49,611	\$ 945	\$ 45,079	\$ -	\$ 91,225	\$ -	\$ 127,780	\$ 1,573,312	\$ -	\$ 1,573,312
Cash - escrows	-	-	1,345,632	-	366,057	-	259,280	-	159,097	-	47,171	2,177,237	-	2,177,237
Cash - security deposits	-	-	46,113	-	19,789	-	23,404	-	116,777	-	65,631	271,714	-	271,714
Investments - marketable	851,641	-	-	-	-	-	-	-	-	-	-	851,641	-	851,641
Investments - other	498,946	1,224,660	-	(82,163)	-	697,769	-	-	-	-	-	2,339,212	(1,840,366)	498,846
Contributions and grants receivable	1,016,519	-	-	-	-	-	-	-	-	-	-	1,016,519	-	1,016,519
Fees and expense reimbursement receivable	939,040	-	-	-	-	-	-	-	-	-	-	939,040	(391,250)	547,790
Tenant and Section 8 receivables	-	-	45,876	-	31,724	-	24,347	-	332,153	-	89,313	523,413	-	523,413
Accrued interest and other receivables	14,676	2,511	-	116,100	691	-	-	-	5,636	-	7,460	147,074	(116,100)	30,974
Mortgage receivable	305,407	-	-	-	-	-	-	-	-	-	-	305,407	-	305,407
Prepaid expenses and deposits	23,384	-	40,805	-	12,000	-	632	-	11,230	-	51,019	139,070	-	139,070
Due from affiliates	715,143	-	-	-	-	-	-	-	-	-	-	715,143	(153,993)	561,150
Leasehold improvements, net	244,893	-	4,702,492	-	1,434,155	-	5,978,101	-	12,521,318	-	11,441,643	36,322,602	(780,346)	35,542,256
Furniture and equipment, net	91,319	-	71,757	-	-	-	144,571	-	766,901	-	590,878	1,665,426	-	1,665,426
Deferred financing fees, net	-	-	-	-	-	-	54,268	-	449,451	-	294,548	798,267	-	798,267
<b>Total assets</b>	<b>\$ 5,817,586</b>	<b>\$ 1,256,606</b>	<b>\$ 6,361,834</b>	<b>\$ 37,397</b>	<b>\$ 1,914,027</b>	<b>\$ 698,714</b>	<b>\$ 6,529,682</b>	<b>\$ -</b>	<b>\$ 14,453,788</b>	<b>\$ -</b>	<b>\$ 12,715,443</b>	<b>\$ 49,785,077</b>	<b>\$ (3,282,055)</b>	<b>\$ 46,503,022</b>
<b>LIABILITIES, NET ASSETS AND STOCKHOLDERS' EQUITY</b>														
<b>LIABILITIES</b>														
Accounts payable and accrued expenses	\$ 117,818	\$ 12,781	\$ 35,804	\$ 12,578	\$ 52,877	\$ 3,906	\$ 60,558	\$ 2,000	\$ 878,949	\$ -	\$ 411,883	\$ 1,589,154	\$ -	\$ 1,589,154
Accrued interest	-	-	-	-	2,139	-	29,151	-	278,212	-	453,805	763,307	-	763,307
Developer fee payable	-	-	-	-	-	-	100,000	-	368,217	-	338,984	807,201	(807,201)	-
Tenant security deposit liability	-	-	46,113	-	18,170	-	23,404	-	117,960	-	67,223	272,870	-	272,870
Due to affiliate	-	-	-	119,401	226,000	14,654	15,595	3,877	120,016	3,373	209,017	711,933	(711,933)	-
Deferred rent payable	76,829	-	-	-	-	-	-	-	-	-	-	76,829	-	76,829
Notes and loans payable	-	-	7,383,992	-	2,055,634	-	1,451,807	-	12,994,522	-	10,712,700	34,598,655	-	34,598,655
<b>Total liabilities</b>	<b>194,647</b>	<b>12,781</b>	<b>7,465,909</b>	<b>131,979</b>	<b>2,354,820</b>	<b>18,560</b>	<b>1,680,515</b>	<b>5,877</b>	<b>14,757,876</b>	<b>3,373</b>	<b>12,193,612</b>	<b>38,819,949</b>	<b>(1,519,134)</b>	<b>37,300,815</b>
<b>NONCONTROLLING OWNERSHIP INTEREST</b>														
-	-	-	-	-	-	-	-	-	-	-	-	-	4,673,273	4,673,273
<b>NET ASSETS</b>														
Unrestricted	3,682,463	-	-	-	-	-	-	-	-	-	-	3,682,463	(1,094,005)	2,588,458
Unrestricted - board designated	950,000	-	-	-	-	-	-	-	-	-	-	950,000	-	950,000
Temporarily restricted	990,476	-	-	-	-	-	-	-	-	-	-	990,476	-	990,476
<b>Total net assets</b>	<b>5,622,939</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,622,939</b>	<b>(1,094,005)</b>	<b>4,528,934</b>
<b>STOCKHOLDERS' AND PARTNERS' EQUITY</b>														
Accumulated deficit	-	1,243,825	(1,104,075)	(94,582)	(440,793)	680,154	4,849,167	(5,877)	(304,088)	(3,373)	521,831	5,342,189	(5,342,189)	-
<b>Total stockholders' equity</b>	<b>-</b>	<b>1,243,825</b>	<b>(1,104,075)</b>	<b>(94,582)</b>	<b>(440,793)</b>	<b>680,154</b>	<b>4,849,167</b>	<b>(5,877)</b>	<b>(304,088)</b>	<b>(3,373)</b>	<b>521,831</b>	<b>5,342,189</b>	<b>(5,342,189)</b>	<b>-</b>
<b>Total liabilities, net assets and stockholders' equity</b>	<b>\$ 5,817,586</b>	<b>\$ 1,256,606</b>	<b>\$ 6,361,834</b>	<b>\$ 37,397</b>	<b>\$ 1,914,027</b>	<b>\$ 698,714</b>	<b>\$ 6,529,682</b>	<b>\$ -</b>	<b>\$ 14,453,788</b>	<b>\$ -</b>	<b>\$ 12,715,443</b>	<b>\$ 49,785,077</b>	<b>\$ (3,282,055)</b>	<b>\$ 46,503,022</b>

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2007

	Settlement Housing Fund, Inc.	Marcy Baer, Inc.	Marcy Baer, LP	1610 General Partners, Inc.	1610 Associates, LP	1615 St. John's Place, Inc.	1615 St. John's Place, LP	745 Gates, Inc.	745 Gates LP	690 Gates, Inc.	690 Gates LP	Consolidated Balance	Eliminating Balances	Adjusted Balances
<b>ASSETS</b>														
Cash and cash equivalents	\$ 572,464	\$ 23,818	\$ 115,153	3,803	\$ 100	893	\$ 35,384	\$ -	\$ 80,292	\$ -	\$ 160,751	\$ 992,658	\$ -	\$ 992,658
Cash - escrows	-	-	1,317,444	-	361,466	-	164,368	-	159,097	-	47,171	2,049,546	-	2,049,546
Cash - security deposits	-	-	43,911	-	18,398	-	25,143	-	104,722	-	60,944	253,118	-	253,118
Investments - marketable	1,640,252	-	-	-	-	-	-	-	-	-	-	1,640,252	-	1,640,252
Investments - other	498,946	1,224,660	-	(82,163)	-	697,769	-	-	-	-	-	2,339,212	(1,840,266)	498,946
Contributions and grants receivable	241,213	-	-	-	-	-	-	-	-	-	-	241,213	-	241,213
Fees and expense reimbursement receivable	914,820	-	-	-	-	-	-	-	-	-	-	914,820	(706,360)	208,460
Tenant and Section 8 receivables	-	-	60,823	-	33,863	-	7,586	-	406,965	-	111,675	620,912	-	620,912
Accrued interest and other receivables	26,764	1,667	6,136	101,000	8,728	-	50,000	-	8,426	-	23,715	226,436	(151,000)	75,436
Mortgage receivable	581,729	-	-	-	-	-	-	-	-	-	-	581,729	-	581,729
Prepaid expenses and deposits	29,583	-	79,373	-	20,978	-	4,733	-	54,084	-	65,974	254,725	-	254,725
Due from affiliates	550,105	-	5,911	-	-	-	-	-	-	-	-	556,016	(232,523)	323,493
Leasehold improvements, net	238,044	-	5,102,979	-	1,547,265	-	6,179,301	-	13,244,215	-	11,524,076	37,835,880	(780,346)	37,055,534
Furniture and equipment, net	112,216	-	53,904	-	1,146	-	144,571	-	749,288	-	580,081	1,641,206	-	1,641,206
Deferred financing fees, net	-	-	-	-	1,381	-	56,439	-	449,451	-	304,705	811,976	-	811,976
Total assets	\$ 5,406,136	\$ 1,250,145	\$ 6,785,634	\$ 22,640	\$ 1,993,325	\$ 698,662	\$ 6,667,525	\$ -	\$ 15,256,540	\$ -	\$ 12,879,092	\$ 50,959,699	\$ (3,710,495)	\$ 47,249,204
<b>LIABILITIES, NET ASSETS AND STOCKHOLDERS' EQUITY</b>														
<b>LIABILITIES</b>														
Accounts payable and accrued expenses	\$ 77,567	\$ 10,080	\$ 55,144	\$ 10,828	\$ 51,750	\$ 2,256	\$ 50,361	\$ 626	\$ 647,296	\$ -	\$ 304,815	\$ 1,210,723	\$ -	\$ 1,210,723
Accrued interest	-	-	-	-	2,139	-	26,684	-	665,297	-	463,241	1,157,361	-	1,157,361
Developer fee payable	-	-	-	-	-	-	100,000	-	380,023	-	300,323	780,346	(780,346)	-
Tenant security deposit liability	-	-	43,911	-	18,398	-	25,143	-	104,762	-	60,691	252,905	-	252,905
Due to affiliate	-	-	-	104,401	196,000	12,078	15,595	4,854	98,727	2,967	150,878	585,500	(585,500)	-
Deferred rent payable	53,207	-	-	-	-	-	-	-	-	-	-	53,207	-	53,207
Notes and loans payable and letter of credit	-	-	7,383,992	-	2,055,634	-	1,461,653	-	13,381,547	-	11,173,417	35,456,243	(581,729)	34,874,514
Total liabilities	130,774	10,080	7,483,047	115,229	2,323,921	14,334	1,679,436	5,480	15,277,652	2,967	12,453,365	39,496,285	(1,947,575)	37,548,710
<b>NONCONTROLLING OWNERSHIP INTEREST</b>														
-	-	-	-	-	-	-	-	-	-	-	-	-	4,716,086	4,716,086
<b>NET ASSETS</b>														
Unrestricted	4,125,362	-	-	-	-	-	-	-	-	-	-	4,125,362	(290,954)	3,834,408
Unrestricted - board designated	950,000	-	-	-	-	-	-	-	-	-	-	950,000	-	950,000
Temporarily restricted	200,000	-	-	-	-	-	-	-	-	-	-	200,000	-	200,000
Total net assets	5,275,362	-	-	-	-	-	-	-	-	-	-	5,275,362	(290,954)	4,984,408
<b>STOCKHOLDERS' AND PARTNERS' EQUITY</b>														
Accumulated deficit	-	1,240,065	(697,413)	(92,589)	(330,596)	684,328	4,988,089	(5,480)	(21,112)	(2,967)	425,727	6,188,052	(6,188,052)	-
Total stockholders' equity	-	1,240,065	(697,413)	(92,589)	(330,596)	684,328	4,988,089	(5,480)	(21,112)	(2,967)	425,727	6,188,052	(6,188,052)	-
Total liabilities, net assets and stockholders' equity	\$ 5,406,136	\$ 1,250,145	\$ 6,785,634	\$ 22,640	\$ 1,993,325	\$ 698,662	\$ 6,667,525	\$ -	\$ 15,256,540	\$ -	\$ 12,879,092	\$ 50,959,699	\$ (3,710,495)	\$ 47,249,204

Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

CONSOLIDATING STATEMENT OF ACTIVITIES

December 31, 2008

	Unrestricted Settlement Housing Fund, Inc.	Restricted Settlement Housing Fund, Inc.	Total Settlement Housing Fund, Inc.	Marcy Baer, Inc.	Marcy Baer, LP	1610 General Partners, Inc.	1610 Associates, LP	1615 St. John's Place, Inc.	1615 St. John's Place, LP	745 Gates, Inc.	745 Gates, LP	690 Gates, Inc.	690 Gates, LP	Consolidated Balance	Eliminating Balance	Adjusted Balances
Revenue, gains and other income																
Program fees	\$ 1,227,697	\$ -	\$ 1,227,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,227,697		\$ 1,227,697
Rental Income	-	-	-	-	585,736	-	285,018	-	326,548	-	3,886,227	-	2,090,019	7,173,548	-	7,173,548
Contributions	1,941,027	990,476	2,931,503	-	-	-	-	-	-	-	-	-	-	2,931,503	-	2,931,503
Special events, net of direct costs of \$90,436	265,716	-	265,716	-	-	-	-	-	-	-	-	-	-	265,716	-	265,716
Interest and dividends	171,208	-	171,208	-	30,455	112	5,619	32	6,751	-	345	-	-	214,522	-	214,522
Net loss on investments	(232,321)	-	(232,321)	-	-	-	-	-	-	-	-	-	-	(232,321)	-	(232,321)
Miscellaneous revenue	96,588	-	96,588	10,884	9,989	15,000	4,595	-	4,952	-	979,140	-	732,897	1,854,045	-	1,854,045
Release from restriction	200,000	(200,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue, gains and other income	3,669,915	790,476	4,460,391	10,884	626,180	15,112	295,232	32	338,251	-	4,865,712	-	2,822,916	13,434,710	-	13,434,710
Expenses																
Program services for housing																
Housing services	-	-	-	-	201,327	-	78,051	-	67,717	-	2,079,934	-	965,236	3,392,265	-	3,392,265
Administrative and management	-	-	-	-	207,188	15,000	160,323	80	152,083	-	1,438,029	-	816,752	2,789,455	-	2,789,455
Repairs and maintenance expenses	-	-	-	-	167,359	-	25,298	-	27,744	-	666,431	-	336,014	1,222,846	-	1,222,846
Taxes and insurance	-	-	-	5,474	33,235	455	15,102	2,476	16,448	329	202,245	329	125,946	402,039	-	402,039
Professional fees	-	-	-	1,650	28,219	1,650	14,018	1,650	9,810	-	23,013	9	23,118	100,137	-	100,137
Depreciation and amortization	-	-	-	-	400,486	-	115,637	-	203,371	68	739,036	68	459,746	1,918,412	-	1,918,412
Program services for development and technical assistance	3,174,800	-	3,174,800	-	-	-	-	-	-	-	-	-	-	3,174,800	-	3,174,800
Supporting services																
Management and general	680,664	-	680,664	-	-	-	-	-	-	-	-	-	-	680,664	-	680,664
Fundraising	257,350	-	257,350	-	-	-	-	-	-	-	-	-	-	257,350	-	257,350
Total expenses	4,112,814	-	4,112,814	7,124	1,037,814	17,105	405,429	4,206	477,173	397	5,148,688	406	2,726,812	13,937,968	-	13,937,968
Change in net assets before income (loss) allocated to noncontrolling ownership interest	(442,899)	790,476	347,577	3,760	(411,634)	(1,993)	(110,197)	(4,174)	(138,922)	(397)	(282,976)	(406)	96,104	(503,258)	-	(503,258)
Income (loss) allocated to noncontrolling ownership interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(47,784)
Change in net assets	(442,899)	790,476	347,577	3,760	(411,634)	(1,993)	(110,197)	(4,174)	(138,922)	(397)	(282,976)	(406)	96,104	(503,258)	-	(455,474)
Net assets or accumulated deficit, beginning of year	5,075,362	200,000	5,275,362	1,240,065	(697,413)	(92,589)	(330,596)	684,328	4,988,089	(5,480)	(21,112)	(2,967)	425,727	11,463,414	(6,479,006)	4,984,408
Contributions	-	-	-	-	4,972	-	-	-	-	-	-	-	-	4,972	(4,972)	-
Net assets or accumulated deficit, end of year	\$ 4,632,463	\$ 990,476	\$ 5,622,939	\$ 1,243,825	\$ (1,104,075)	\$ (94,582)	\$ (440,793)	\$ 680,154	\$ 4,849,167	\$ (5,877)	\$ (304,088)	\$ (3,373)	\$ 521,831	\$ 10,965,128	\$ (6,483,978)	\$ 4,528,934

## Settlement Housing Fund, Inc. and Wholly-Owned Subsidiaries

## CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended December 31, 2007

	Unrestricted Settlement Housing Fund, Inc.	Temporarily Restricted Settlement Housing Fund, Inc.	Total Settlement Housing Fund, Inc.	Marcy Baer, Inc.	Marcy Baer, LP	1610 General Partners, Inc.	1610 Associates, LP	1615 St. John's Place, Inc.	1615 St. John's Place, LP	745 Gates, Inc.	745 Gates, LP	690 Gates, Inc.	690 Gates, LP	Consolidated Balance	Eliminating Balance	Adjusted Balances
Revenue, gains and other income																
Program fees	\$ 956,501	\$ -	\$ 956,501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 956,501	\$ -	\$ 956,501
Rental income	-	-	-	-	542,866	-	257,733	-	313,559	-	3,665,808	-	1,918,839	6,698,805	-	6,698,805
Contributions	666,695	-	666,695	-	-	-	-	-	-	-	-	-	-	666,695	-	666,695
Special events, net of direct costs of \$97,275	234,985	-	234,985	-	-	-	-	-	-	-	-	-	-	234,985	-	234,985
Interest and dividends	145,559	-	145,559	-	59,836	88	16,707	112	10,066	-	562	-	37	232,967	-	232,967
Net loss on investments	(64,538)	-	(64,538)	-	-	-	-	-	-	-	-	-	-	(64,538)	-	(64,538)
Miscellaneous revenue	113,821	-	113,821	10,863	24,419	15,000	4,527	4,740	3,603	-	780,331	-	311,813	1,269,117	112,200	1,381,317
Release from restriction	300,000	(300,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue, gains and other income	2,353,023	(300,000)	2,053,023	10,863	627,121	15,088	278,967	4,852	327,228	-	4,446,701	-	2,230,689	9,994,532	112,200	10,106,732
Expenses																
Program services for housing																
Housing services	-	-	-	-	212,193	-	79,697	-	77,029	-	1,720,571	-	1,118,689	3,208,179	-	3,208,179
Administrative and management	-	-	-	-	193,196	15,000	137,459	12,178	148,893	-	1,027,071	-	503,089	2,036,886	-	2,036,886
Repairs and maintenance expenses	-	-	-	-	181,232	-	26,822	-	41,968	-	917,787	-	591,316	1,759,125	-	1,759,125
Taxes and insurance	-	-	-	3,541	31,899	30	15,343	2,545	18,009	-	213,325	-	150,733	435,425	-	435,425
Professional fees	-	-	-	1,800	21,538	1,600	9,766	-	8,017	-	-	-	15,526	58,247	-	58,247
Depreciation and amortization	-	-	-	-	397,808	-	118,792	-	203,371	-	703,968	-	435,145	1,859,084	-	1,859,084
Program services for development and technical assistance	2,026,366	-	2,026,366	-	-	-	-	-	-	-	-	-	-	2,026,366	-	2,026,366
Supporting services																
Management and general	655,201	-	655,201	-	-	-	-	-	-	-	-	-	-	655,201	-	655,201
Fundraising	228,016	-	228,016	-	-	-	-	-	-	-	-	-	-	228,016	-	228,016
Total expenses	2,909,583	-	2,909,583	5,341	1,037,866	16,630	387,879	14,723	497,287	-	4,582,722	-	2,814,498	12,266,529	-	12,266,529
Change in net assets before income (loss) allocated to noncontrolling ownership interest	(556,560)	(300,000)	(856,560)	5,522	(410,745)	(1,542)	(108,912)	(9,871)	(170,059)	-	(136,021)	-	(583,809)	(2,271,997)	112,200	(2,159,797)
Income (loss) allocated to noncontrolling ownership interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(753,693)	(753,693)
Change in net assets	(556,560)	(300,000)	(856,560)	5,522	(410,745)	(1,542)	(108,912)	(9,871)	(170,059)	-	(136,021)	-	(583,809)	(2,271,997)	865,893	(1,406,104)
Net assets or accumulated deficit, beginning of year	5,631,922	500,000	6,131,922	1,234,543	(288,291)	(91,047)	(221,684)	694,199	5,158,148	(5,480)	(1,032,908)	(2,967)	148,438	11,724,873	(6,538,533)	5,186,340
Adjustment to beginning net assets															1,204,172	1,204,172
Contributions	-	-	-	-	1,623	-	-	-	-	-	1,147,817	-	861,098	2,010,538	(2,010,538)	-
Net assets or accumulated deficit, end of year	\$ 5,075,362	\$ 200,000	\$ 5,275,362	\$ 1,240,065	\$ (697,413)	\$ (92,589)	\$ (330,596)	\$ 684,328	\$ 4,988,089	\$ (5,480)	\$ (21,112)	\$ (2,967)	\$ 425,727	\$ 11,463,414	\$ (6,479,006)	\$ 4,984,408



**FINANCIAL STATEMENTS**  
**SETTLEMENT HOUSING FUND, INC.**  
**DECEMBER 31, 2008 AND 2007**

PRELIMINARY DRAFT FOR  
REVIEW AND DISCUSSION  
ONLY - SUBJECT TO CHANGE

Settlement Housing Fund, Inc.

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Settlement Housing Fund, Inc.

STATEMENTS OF FINANCIAL POSITION

December 31, 2008 and 2007

ASSETS

	2008	2007
Cash and cash equivalents	\$ 1,116,618	\$ 572,464
Investments - marketable	851,641	1,640,252
Investments - other	498,946	498,946
Accrued interest and other receivables	14,676	26,764
Prepaid expenses and deposits	23,384	29,583
Contributions and grants receivable	813,250	226,250
Fees and expense reimbursements receivable	939,040	914,820
Mortgage receivable	305,407	581,729
Due from affiliates	918,412	565,068
Leasehold improvements (net of accumulated depreciation of \$39,463 and \$12,529, respectively)	244,893	238,044
Furniture and equipment (net of accumulated depreciation of \$87,913 and \$58,851, respectively)	91,319	112,216
Total assets	<u>\$ 5,817,586</u>	<u>\$ 5,406,136</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 117,818	\$ 77,567
Deferred rent payable	76,829	53,207
Total liabilities	<u>194,647</u>	<u>130,774</u>

NET ASSETS

Unrestricted	3,682,463	4,125,362
Unrestricted - board designated	950,000	950,000
Temporarily restricted	990,476	200,000
Total net assets	<u>5,622,939</u>	<u>5,275,362</u>
Total liabilities and net assets	<u>\$ 5,817,586</u>	<u>\$ 5,406,136</u>

See notes to financial statements



Settlement Housing Fund, Inc.

STATEMENTS OF ACTIVITIES  
December 31, 2008 and 2007

	2008			2007		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Operating revenue, gains and other support						
Grants and contributions	\$ 1,941,027	\$ 990,476	\$ 2,931,503	\$ 666,695		\$ 666,695
Special events, net of direct costs of \$90,436 and \$97,275	265,716	-	265,716	234,985	-	234,985
Program fees	1,227,697	-	1,227,697	1,070,100	-	1,070,100
Interest and dividends	171,208	-	171,208	145,559	-	145,559
Net gain/(loss) on investments	(232,321)	-	(232,321)	(64,538)	-	(64,538)
Miscellaneous revenue	96,588	-	96,588	222	-	222
Net assets released from restrictions	200,000	(200,000)	-	300,000	(300,000)	-
Total operating revenue, gains and other support	3,669,915	790,476	4,460,391	2,353,023	(300,000)	2,053,023
Expenses						
Program services						
Development and technical assistance	3,174,800	-	3,174,800	2,026,366	-	2,026,366
Supportive services						
Management and general	680,664	-	680,664	655,201	-	655,201
Fundraising	257,350	-	257,350	228,016	-	228,016
Total expenses	4,112,814	-	4,112,814	2,909,583	-	2,909,583
Change in net assets	(442,899)	790,476	347,577	(556,560)	(300,000)	(856,560)
Net assets, beginning of year	5,075,362	200,000	5,275,362	5,631,922	500,000	6,131,922
Net assets, end of year	\$ 4,632,463	\$ 990,476	\$ 5,622,939	\$ 5,075,362	\$ 200,000	\$ 5,275,362

See notes to financial statements

Settlement Housing Fund, Inc.

STATEMENTS OF CASH FLOWS

Years ended December 31, 2008 and 2007

	2008	2007
Cash flows from operating activities		
Change in net assets	\$ 347,577	\$ (856,560)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Realized and unrealized loss on investments	232,321	64,538
Net gain (loss) on investments	276,322	(27,701)
Depreciation	55,996	38,084
(Increase) decrease in assets		
Contributions receivable	(587,000)	178,750
Fees receivable	(24,220)	914,929
Accrued interest and other receivables	12,088	(179,969)
Prepaid expenses and deposits	6,199	1,261
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	40,255	(35,500)
Deferred revenue	23,622	53,207
Net cash provided by operating activities	383,160	151,039
Cash flows from investing activities		
Sale of investments	556,288	357,599
Affiliate advances	(353,344)	-
Refunds (deposits) on property acquisition	-	(12,555)
Fixed asset additions	(41,948)	(357,837)
Net cash (used in) provided by investing activities	160,996	(12,793)
NET INCREASE (DECREASE) IN CASH	544,156	138,246
Cash, beginning	572,462	434,216
Cash, end	\$ 1,116,618	\$ 572,462
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	\$ -	\$ 30,384

See notes to financial statements

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2008 and 2007

NOTE 1 - ORGANIZATION

Settlement Housing Fund, Inc. (the Organization) provides technical assistance, development services and supervision to low and moderate income housing projects, including projects owned by affiliates and projects in which affiliates of the Organization are principals in joint ventures. Services include analyzing projects, choosing and supervising development teams, obtaining financing and subsidies, and supervising management and social services. The Organization is supported primarily by fees charged for services provided and foundation and corporate contributions and grants.

The Organization has elected to present parent-only financial statements as supplementary information accompanying the primary consolidated financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Contributions and Net Assets

The Company accounts for contributions in accordance with SFAS 116, "Accounting for Contributions Received and Contributions Made" (June 1993) and SFAS 117, "Financial Statements of Not-for-Profit Organizations" (June 1993). Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution or pledge is received. The gifts are reported as either permanently or temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Support that is restricted by donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction.

Reclassifications

Certain amounts from 2007 have been reclassified to conform with 2008 presentation, which includes the offset of developer fee accrued as receivable and deferred.

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

Use of Estimates

The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Cash and Cash Equivalents

For purposes of the statements of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

Accounts Receivable

Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Functional Expenses

The costs of providing the Organization's programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services based upon estimates and other methodologies.

Marketable Securities

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

In accordance with SFAS No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations" the Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities are reports at their fair values in the statement of financial position.

Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Program Fee Revenues

The Organization receives fees for the performance of project development services. These fees are generally earned from projects being developed by affiliated entities. The fees are earned over the development period in accordance with the fee agreements. Such fee agreements typically require the Organization to provide guarantees as to project completion and payment of any development cost overruns and operating deficits for a period of time. The Organization evaluates and estimates its projected exposure to additional costs under such guarantees and defers revenue recognition accordingly. Development fees are recognized as revenue as the milestones in the development agreements are achieved and to the extent there is a source available to make payment. Fees earned without an identified source of payment are recognized when collected.

The Organization receives supervisory fees from several of its affiliated projects. In addition, the Organization provides services, such as marketing, to unaffiliated projects. The fees are recognized as revenue when earned.

Fees for all other services are recognized as earned in accordance with agreements or as services are rendered.

Fixed Assets

Fixed assets are stated at cost. Donated fixed assets are recorded at their fair market value at the time of receipt. Furniture and equipment are depreciated over the estimated useful lives of the assets (three to seven years) using the straight-line method. Leasehold improvements are amortized over the term of the lease. Management generally capitalizes items in excess of \$500.

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

Investment in Subsidiaries

The Organization accounts for its investments in wholly-owned subsidiaries using the equity method of accounting. Under the equity method, the investments are recorded at cost, and increased or decreased by the Organization's share of the wholly-owned subsidiaries' income or losses, and decreased by the amount of any distributions received. For those investments where losses have exceeded costs, the Organization has not recognized those losses in excess of costs. These losses represent noncash activities, and there is no obligation to fund the excess losses. As of December 31, 2008 and 2007, unrecorded losses in excess of basis total \$304,411 and \$1,156,651, respectively, and will be offset against future gains.

Recent Accounting Pronouncements

In June 2006, the FASB issued FIN 48, "Accounting for Uncertainty in Income Taxes" an interpretation of FASB Statement No. 109. The effective date of FIN 48 was for fiscal years beginning after December 15, 2006. The effective date was delayed in 2007 and was delayed again in 2008 for nonpublic companies. The new effective date for FIN 48 for nonpublic companies is for fiscal years beginning after December 15, 2008. The Company has elected to defer application of FIN 48, as permitted by FSP FIN 48-3, "Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises," until 2009. The Company does not anticipate that the provisions of FIN 48 will have any significant impact on its financial statements. However, additional disclosures may be required of situations, if any, where the Company's tax positions are considered uncertain.

In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS No. 157, "Fair Value Measurements." This statement establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosure about fair value measurements. It applies only to fair value measurements that are already required or permitted by other accounting standards and is expected to increase the consistency of those measurements. The statement is effective for fiscal years beginning after November 15, 2008.

NOTE 3 - INVESTMENTS – MARKETABLE

FAS 157 discusses valuation techniques, such as market approach (comparable markprices), the income approach (present value of future income or cash flow) and the cost approach (cost to replace the service capacity of an asset or replacement cost). The statement utilizes a

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

fair value hierarchy that prioritizes the inputs to valuation techniques used to measure a fair value into three broad levels. The following is a brief description of those three levels:

- Level 1 – Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active; or
- Level 3 – Unobservable inputs that reflect the reporting entity's own assumptions.

Investments measured at fair value on a recurring basis consisted of the following type of level 1 input (as defined above).

	2008		2007	
	Market value	Cost	Market value	Cost
Corporate bonds	\$ 366,380	\$ 362,508	\$ 526,838	\$ 524,282
US treasuries	-	-	31,097	29,914
Equities	262,006	416,892	871,401	830,852
Other	223,255	222,640	210,916	225,644
	<u>\$ 851,641</u>	<u>\$ 1,002,040</u>	<u>\$ 1,640,252</u>	<u>\$ 1,610,692</u>

The Organization's realized loss on investments was (\$52,363) and (\$34,978) for the years ended December 31, 2008 and 2007, respectively. As of December 31, 2008 and 2007, the unrealized gain loss on investments was (\$179,958) and (\$29,560), respectively.

The investments are not bank deposits or FDIC insured and are not guaranteed by the brokerage house. These funds are subject to investment risk due to market fluctuations including possible loss of the principal amount invested.

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

NOTE 4 - OTHER INVESTMENTS

The Organization holds shares in Housing Partnership Insurance, Inc. (HPI). HPI is an association captive insurer organization that provides insurance to its owners. As of December 31, 2008, the Organization owns one share of Class A Common Stock and 324 shares of Class C Common Stock. The investment is recorded at cost which management believes approximates fair value on the statement of financial position. Management has used level 2 inputs as defined in Note 3 to determine the fair value of this investment. As of December 31, 2008 and 2007, the investment balance was \$343,758.

SHF has investments in a housing co-operative which is carried at cost which management believes approximates fair value. Management has used level 3 inputs as defined in Note 3 to determine the fair value of this investment. As of December 31, 2008 and 2007, the investment balance was \$155,187.

NOTE 5 - GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable are due in 2008 and 2007 as follows:

	2008	2007
Pledges receivable - foundations and funds	\$ 200,000	\$ 221,000
Pledges receivable - individuals	613,250	5,250
	<u>813,250</u>	<u>226,250</u>
Grants receivable	203,269	14,963
	<u>\$ 1,016,519</u>	<u>\$ 241,213</u>

NOTE 6 - NET ASSETS

Temporarily Restricted

Temporarily restricted net assets are available for the following purposes or periods:



Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Semiperm project - restricted for project development	\$ -	\$ 200,000
Contributions restricted until 2009	990,476	-
	<u>\$ 990,476</u>	<u>200000</u>

NOTE 7 - PENSION

The Organization sponsors a defined contribution pension plan covering all full-time employees after two years of service, dependent on position, who have reached the age of twenty-one. The Organization contributes 10% of each eligible employee's salary. The employee must contribute 3%. Voluntary contributions by the employees are permissible. Pension expense for 2008 and 2007 was \$142,084 and \$159,760, respectively.

NOTE 8 - LEASE

The Organization rents its premises under a lease terminating September 14, 2017. The annual base rent is \$210,000, from September 15, 2007 through September 15, 2008, and will increase annually at a percentage of 2.5% plus escalators for rental expense on a straight-line basis. The Organization will recognize \$230,021 per year of rental expense on a straight-line basis.

Minimum future rental payments for each of the next five years and thereafter and in the aggregate are:

<u>Year</u>	<u>Amount</u>
2009	\$ 216,371
2010	221,780
2011	227,325
2012	233,008
2013	238,833
Thereafter	960,549
Total	<u>\$ 2,097,866</u>

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

NOTE 9 – RELATED PARTY AND AFFILIATED ENTITY TRANSACTIONS

Annual Fees

The Organization earns a supervisory fee from Marcy Baer Associates Limited Partnership for services performed in the supervision and development of certain operating procedures. For the years ended December 31, 2008 and 2007, supervisory fees of \$40,988 and \$40,988, respectively, have been earned and received.

The Organization earns an accounting and data processing fee from 1610 Associates Limited Partnership for services performed in maintaining the books and records for the partnership. For the years ended December 31, 2008 and 2007, fees of \$15,000 and \$15,000, respectively, were earned. As of December 31, 2008 and 2007, total fees of \$110,000 and \$95,000, respectively, remained unpaid and are included in fees receivable.

In addition, the Organization has earned partnership management fee for services related to reporting and monitoring operations of the 1610 Associates Limited Partnership. The amount of fee earned for 2008 and 2007 was \$15,000 per year. The amount of fees earned and unpaid at December 31, 2008 and 2007 was \$116,000 and \$101,000, respectively.

The Organization was paid an incentive management fee for services provided in oversight of operations for the project owned by Two Bridgeset Associates. Fees earned for 2008 and 2007 were \$0 and \$49,500. Fees previously earned and unpaid at December 31, 2008 and 2007 were \$81,675.

The Organization was paid supervisory fees for services rendered in connection with the oversight of the property and activities of The Crenulated Company. For the years ended December 31, 2008 and 2007, fees of \$370,173 and \$322,448 were earned.

St. John's Place Family Center Housing Development Fund Corporation pays a supervisory fee to SHF for services performed in the supervision and development of certain operating procedures. For the years ended December 31, 2008 and 2007, supervisory fees of \$62,684 and \$62,684, respectively, have been earned and received.

Developer Fee

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

The Organization along with an unrelated co-developer earned a developer fee from Two Bridgeset Associates Limited Partnership to develop a mixed-income apartment building. The fee for these services is \$5,067,500, 55% of which is earned by the Organization. As of December 31, 2008 and 2007, the Organization was owed \$772,026 for fee earned and not paid. This amount will be recognized as revenue upon receipt of payment.

The Organization earned a developer fee from 1615 St. John's Place Limited Partnership to develop a mixed-income apartment building. The agreement provides for a total developer fee in the amount of \$922,595. The Organization has been paid and earned \$822,595 in development fees under the agreement.

The Organization earned a developer fee from 745 Gates Limited Partnership to develop a mixed-income apartment building. The agreement provides for a total developer fee in the amount of \$1,568,217. As of December 31, 2008 and 2007, the Organization has been paid \$1,200,000 and \$368,217 is owed under the agreement. The amount owed will be recognized as revenue upon receipt.

The Organization earned a developer fee from 690 Gates Limited Partnership for services rendered in connection with the development of the project and supervision of the construction. The agreement provides for a total developer fee in the amount of \$1,620,068. As of December 31, 2008 and 2007, the Organization has been paid \$1,281,084 and \$338,984 is owed under this agreement. The amount owed will be recognized as revenue upon receipt of payment.

Mortgages

On August 25, 1999, the Organization and The Dime Savings Bank of New York, FSB (The Dime) entered into an assignment and assumption agreement whereby The Dime assigned to the Organization a mortgage together with a promissory note receivable of \$1,400,000. This is a direct subsidy loan to support the construction of Two Bridge Towers. The Dime administers this advance on behalf of the Federal Home Loan Bank of New York. The Organization agreed to assume the obligations under the loan, on behalf of Two Bridgeset Associates Limited Partnership, including monitoring and enforcement. The loan bears no interest and is due on October 29, 2025. In December 2008, the Company assigned a 50% interest in the note receivable to Two Bridges Neighborhood Council, Inc. This receivable is stated at the present value of the \$1,400,000 using a discount rate of 5%. As of December 31, 2008 and 2007, the balance of the mortgage receivable was \$305,407 and \$581,729, respectively.

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

Advances

The Organization has made advances to 745 Gates Limited Partnership to fund development and operational costs. The advances are noninterest bearing and payable upon demand. As of December 31, 2008 and 2007, \$98,733 and \$98,727 respectively, remained unpaid and are included in due from affiliates.

The Organization has made advances to 690 Gates Limited Partnership to fund development and operational costs. The advances are noninterest bearing and payable upon demand. As of December 31, 2008 and 2007, \$133,821 and \$133,796, respectively, remained unpaid and are included in due from affiliates.

The Organization has made advances to Semiperm Housing Development Fund Corporation for development and operational costs. These advances are non-interest bearing and payable on demand. The amount outstanding at December 31, 2008 and 2007 was \$300,999 and \$204,626, respectively.

The Organization has made advances to Newsett II Housing Development Fund Corporation for development and operational costs. These advances are noninterest bearing and payable on demand. The amount outstanding at December 31, 2008 and 2007 was \$98,999.

The Organization assigned its purchase agreement on the property for the New Settlement school project to the School Construction Authority. The Organization is still owed \$162,493 for the unreturned portion of its deposit made when entering into the purchase agreement.

NOTE 10 - CONCENTRATION OF CREDIT RISK

The Organization maintains its cash balances in several accounts in various banks. The cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 at each bank. At times, these balances may exceed the federal insurance limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of government provided insurance. The amount of uninsured cash balances at December 31, 2008 and 2007 was \$0 and \$262,754, respectively.

Settlement Housing Fund, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2008 and 2007

Investments are not bank deposits or FDIC insured and are not guaranteed by the brokerage house. These funds are subject to investment risk due to market fluctuations including possible loss of the principal amount invested.

PRELIMINARY DRAFT FOR  
REVIEW AND DISCUSSION  
ONLY - SUBJECT TO CHANGE

**SUPPLEMENTAL INFORMATION**

Settlement Housing Fund, Inc.

SCHEDULES OF FUNCTIONAL EXPENSES

Years ended December 31, 2008 and 2007

	2008					2007				
	Program Services	Supporting Services				Program Services	Supporting Services			
	Development and Technical Assistance	Management and General	Fund Raising	Subtotal	Total	Development and Technical Assistance	Management and General	Fund Raising	Subtotal	Total
Salaries	\$ 1,464,636	\$ 250,668	\$ 107,742	\$ 358,410	\$ 1,823,046	\$ 1,197,768	\$ 204,995	\$ 88,111	\$ 293,106	\$ 1,490,874
Payroll taxes	148,961	25,495	10,959	36,454	185,415	136,224	23,314	10,022	33,336	169,560
Employee health and retirement benefits	375,019	64,184	27,588	91,772	466,791	337,525	57,767	24,829	82,596	420,121
Total salaries and related expenses	1,988,617	340,347	146,289	486,636	2,475,253	1,671,517	286,076	122,962	409,038	2,080,555
Professional fees and contract service payments	105,190	130,200	83,948	214,148	319,338	47,065	87,747	86,840	174,587	221,652
Occupancy	227,658	38,964	16,747	55,711	283,369	181,224	31,015	13,331	44,346	225,570
Telephone	21,323	3,649	1,569	5,218	26,541	23,114	3,956	1,700	5,656	28,770
Postage	6,743	1,154	496	1,650	8,393	5,784	990	426	1,416	7,200
Supplies	20,952	3,587	1,541	5,128	26,080	21,926	3,753	1,613	5,366	27,292
Conferences, training seminars and travel	35,738	6,798	199	6,997	42,735	36,637	7,202	-	7,202	43,839
Publications and printing	7,754	1,249	540	1,789	9,543	19,599	3,764	-	3,764	23,363
Purchase, rental and maintenance of equipment	33,956	5,812	2,498	8,310	42,266	34,694	5,938	2,552	8,490	43,184
Insurance	4,507	16,957	-	16,957	21,464	2,877	10,822	-	10,822	13,699
Depreciation and amortization	44,988	7,699	3,309	11,008	55,996	30,598	5,236	2,251	7,487	38,085
Contributions	7,690	-	-	-	7,690	1,075	-	-	-	1,075
Federal grant expenses	666,782	-	-	-	666,782	-	-	-	-	-
Miscellaneous	2,902	124,248	214	124,462	127,364	(49,744)	208,702	(3,659)	205,043	155,299
	<u>\$ 3,174,800</u>	<u>\$ 680,664</u>	<u>\$ 257,350</u>	<u>\$ 938,014</u>	<u>\$ 4,112,814</u>	<u>\$ 2,026,366</u>	<u>\$ 655,201</u>	<u>\$ 228,016</u>	<u>\$ 883,217</u>	<u>\$ 2,909,583</u>