

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)

OMB No. 1545-0047

2007

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning **7/01/07**, and ending **6/30/08****B** Check if applicable:☐ Address change☐ Name change☐ Initial return☐ Termination☐ Amended return☐ Application pendingPlease
use IRS
label or
print or
type.
See
Specific
Instruc-
tions.**C** Name of organization**Rutherford County Area Habitat
for Humanity**

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

P.O. Box 8038

Room/suite

City or town, state or country, and ZIP + 4

Murfreesboro**TN 37133-8038****D** Employer identification number**94-3099406****E** Telephone number**615-890-5877****F** Accounting method: ☐ Cash☒ Accrual ☐ Other (specify)

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates ☐ Yes ☒ No**H(c)** Are all affiliates included? ☐ Yes ☒ No

(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☒ Yes ☐ No**I** Group Exemption Number **8545****M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).**G** Website: **www.rutherfordhabitat.org****J** Organization type(check only one) ☒ 501(c) (**3**) (insert no.) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **1,348,668****Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)**

1 Contributions, gifts, grants, and similar amounts received:					
a Contributions to donor advised funds	1a				
b Direct public support (not included on line 1a)	1b		578,345		
c Indirect public support (not included on line 1a)	1c				
d Government contributions (grants) (not included on line 1a)	1d		21,000		
e Total (add lines 1a through 1d) (cash \$ 561,086 noncash \$ 38,259)	1e			599,345	
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			718,032	
3 Membership dues and assessments	3				
4 Interest on savings and temporary cash investments	4			4,053	
5 Dividends and interest from securities	5				
6a Gross rents	6a				
b Less: rental expenses	6b				
c Net rental income or (loss). Subtract line 6b from line 6a	6c				
7 Other investment income (describe _____)	7				
8a Gross amount from sales of assets other than inventory	(A) Securities	8a	(B) Other		
b Less: cost or other basis and sales expenses	8b				
c Gain or (loss) (attach schedule)	8c				
d Net gain or (loss). Combine line 8c, columns (A) and (B)	8d				
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>					
a Gross revenue (not including \$ _____ of contributions reported on line 1b)	9a				
b Less: direct expenses other than fundraising expenses	9b				
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c				
10a Gross sales of inventory, less returns and allowances	10a				
b Less: cost of goods sold	10b				
c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c				
11 Other revenue (from Part VII, line 103)	11			27,238	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12			1,348,668	
13 Program services (from line 44, column (B))	13			1,014,366	
14 Management and general (from line 44, column (C))	14			81,578	
15 Fundraising (from line 44, column (D))	15			68,531	
16 Payments to affiliates (attach schedule)	16			5,000	
17 Total expenses. Add lines 16 and 44, column (A)	17			1,169,475	
18 Excess or (deficit) for the year. Subtract line 17 from line 12	18			179,193	
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			1,500,687	
20 Other changes in net assets or fund balances (attach explanation)	20				
21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21			1,679,880	

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

Form 990 (2007) **Rutherford County Area Habitat****94-3099406**Page **2****Part II** **Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.

	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A See Statement 2	48,720	16,240	16,240	16,240
b Compensation of former officers, directors, key employees, etc. listed in Part V-B				
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	220,542	191,967	10,018	18,557
27 Pension plan contributions not included on lines 25a, b, and c	369	369		
28 Employee benefits not included on lines 25a - 27				
29 Payroll taxes	22,560	17,452	2,197	2,911
30 Professional fundraising fees				
31 Accounting fees	6,250		6,250	
32 Legal fees				
33 Supplies				
34 Telephone	7,200	5,270	986	944
35 Postage and shipping	2,880	2,880		
36 Occupancy	23,525	17,220	3,223	3,082
37 Equipment rental and maintenance	6,437	1,305	5,132	
38 Printing and publications	4,109	1,561	946	1,602
39 Travel				
40 Conferences, conventions, and meetings	9,721	9,721		
41 Interest	75,454	55,232	10,338	9,884
42 Depreciation, depletion, etc. (attach schedule)	28,280	18,070	7,293	2,917
43 Other expenses not covered above (itemize): a See Statement 3 b _____ c _____ d _____ e _____ f _____ g _____	708,428	677,079	18,955	12,394
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	1,164,475	1,014,366	81,578	68,531

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

(i) "Yes," enter (i) the aggregate amount of these joint costs \$ _____ ; (ii) the amount allocated to Program services \$ _____ ; (iii) the amount allocated to Management and general \$ _____ ; and (iv) the amount allocated to Fundraising \$ _____

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Form 990 (2007) **Rutherford County Area Habitat****94-3099406**Page **3****Part III Statement of Program Service Accomplishments** (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose?

► **See Statement 4**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

a **Habitat uses volunteer labor to construct homes for low income families. During the year 5 homes were completed and transferred to homeowners. 20+ homes are in the process as of the end of the year.**

(Grants and allocations \$)

If this amount includes foreign grants, check here ► ☐**760,016**

b **Habitat operates a restore that receives donated merchandise for resale to the public. Restore provides additional funds to allow Habitat to carry out its purpose of providing affordable housing to low income homeowners.**

(Grants and allocations \$)

If this amount includes foreign grants, check here ► ☐**254,350**

c

(Grants and allocations \$)

If this amount includes foreign grants, check here ► ☐

d

(Grants and allocations \$)

If this amount includes foreign grants, check here ► ☐

e Other program services (attach schedule)

(Grants and allocations \$)

If this amount includes foreign grants, check here ► ☐f **Total of Program Service Expenses** (should equal line 44, column (B), Program services)**1,014,366**Form **990** (2007)

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Part IV Balance Sheets (See the instructions.)**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
Assets	45 Cash—non-interest-bearing	260,597	45	213,140	
	46 Savings and temporary cash investments	317	46		
	47a Accounts receivable	47a			
	b Less: allowance for doubtful accounts	47b		47c	
	48a Pledges receivable	48a			
	b Less: allowance for doubtful accounts	48b		48c	
	49 Grants receivable		49		
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a		
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (att. schedule)		50b		
	51a Other notes and loans receivable (attach schedule) See Worksheet	51a 1,030,171			
	b Less: allowance for doubtful accounts	51b			
	52 Inventories for sale or use	1,056,380	51c	1,030,171	
	53 Prepaid expenses and deferred charges	5,101	52	5,706	
	54a Investments—publicly-traded securities	5,494	53	5,494	
	b Investments—other securities (attach schedule)		54a		
55a Investments—land, buildings, and equipment: basis	55a		54b		
b Less: accumulated depreciation (attach schedule)	55b		55c		
56 Investments—other (attach schedule)		56			
57a Land, buildings, and equipment: basis	57a 1,128,434				
b Less: accumulated depreciation (attach schedule) See Statement 5	57b 83,378				
58 Other assets, including program-related investments (describe See Statement 6)	1,051,176	57c	1,045,056		
59 Total assets (must equal line 74). Add lines 45 through 58	458,652	58	820,986		
Liabilities	60 Accounts payable and accrued expenses	2,837,717	59	3,120,553	
	61 Grants payable	36,671	60	24,091	
	62 Deferred revenue	12,704	61	21,690	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		62		
	64a Tax-exempt bond liabilities (attach schedule)		63		
	b Mortgages and other notes payable (attach schedule) See Worksheet	1,258,879	64a	1,368,871	
	65 Other liabilities (describe See Statement 7)	28,776	64b	26,021	
	66 Total liabilities. Add lines 60 through 65	1,337,030	65	1,440,673	
	Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		66	
		67 Unrestricted	1,412,026	67	1,606,133
68 Temporarily restricted		88,661	68	73,747	
69 Permanently restricted			69		
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.					
70 Capital stock, trust principal, or current funds			70		
71 Paid-in or capital surplus, or land, building, and equipment fund			71		
72 Retained earnings, endowment, accumulated income, or other funds			72		
73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)		1,500,687	73	1,679,880	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		2,837,717	74	3,120,553	

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Part VI Other Information (continued)

		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82a	X
82b		38,259	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	N/A	
c	Dues, assessments, and similar amounts from members	85c	
d	Section 162(e) lobbying and political expenditures	85d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a	
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0	89a	
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	N/A	
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	0	
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization	0	
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	X
90a	List the states with which a copy of this return is filed ▶ TN	90a	13
b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)	90b	13
91a	The books are in care of ▶ Beth M. Smith 850 Mercury Blvd. Located at ▶ Murfreesboro, TN Telephone no. ▶ 615-890-5877 ZIP + 4 ▶ 37133-8038	91a	
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)? 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.	91b	X

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Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? Yes No
 If "Yes," enter the name of the foreign country 91c ☐ ☒

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here ☐
 and enter the amount of tax-exempt interest received or accrued during the tax year 92 ☐

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Mortgage transfers					
b Mortgage disc amortization					256,421
c Restore income					109,063
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	4,053	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b Other Revenue					
c					27,238
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		356,601	392,722
105 Total (add line 104, columns (B), (D), and (E))					749,323

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

93a Mortgage transfers represent total cost of homes deeded
 93b Imputed interest earned as homeowners make payments on
 103a Mainly proceeds from payoff of 2nd mortgages upon sales

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes ☒ No ☒
 (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes ☐ No ☒

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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Part XI

Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

- 106** Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
	X

(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals			

- 107** Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
	X

(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals			

- 108** Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No

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.

Gary E. Green
Signature of officer

GARY E. GREEN Treasurer
Type or print name and title

Date **10/9/08**

**Please
Sign
Here**

**Paid
Preparer's
Use Only**

Preparer's
signature

Firm's name (or yours
if self-employed),
address, and ZIP + 4

Timothy J. Montgomery

Date
10/03/08

Check if
self-
employed ☐

Preparer's SSN or PTIN
(See Gen. Instr. X)

Edmondson Betzler & Montgomery PLLC
115 Penn Warren Dr Ste 300 #376
Brentwood, TN 37027-5054

EIN

Phone

no. **615-916-3100**

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Part III **Statements About Activities** (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See Part V-A, Form 990	X	
e Transfer of any part of its income or assets?		X
3a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)		X
b Did the organization have a section 403(b) annuity plan for its employees?		X
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement		X
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g		X
b Did the organization make any taxable distributions under section 4966?		
c Did the organization make a distribution to a donor, donor advisor, or related person?		
d Enter the total number of donor advised funds owned at the end of the tax year		
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year		
f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts		0
g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year		0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ►

- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)

- 11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

- 11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

- 12 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions-subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)

- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:

☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total ►					

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.**Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total			
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	355,354	413,588	399,050	402,946	1,570,938			
16 Membership fees received					0			
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	790,572	512,315	438,543	250,060	1,991,490			
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	5,912	2,944	1,441	820	11,117			
19 Net income from unrelated business activities not included in line 18					0			
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0			
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					0			
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets Stmt 9	32,730	24,079	25,386	1,704	83,899			
23 Total of lines 15 through 22	1,184,568	952,926	864,420	655,530	3,657,444			
24 Line 23 minus line 17	393,996	440,611	425,877	405,470	1,665,954			
25 Enter 1% of line 23	11,846	9,529	8,644	6,555				
26 Organizations described on lines 10 or 11:								
a Enter 2% of amount in column (e), line 24								
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts								
c Total support for section 509(a)(1) test: Enter line 24, column (e)								
d Add: Amounts from column (e) for lines:								
18 11,117	19							
22 83,899	26b	177,948						
e Public support (line 26c minus line 26d total)								
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))								
					83.6152%			
27 Organizations described on line 12:								
a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year:								
(2006) (2005) (2004) (2003)								
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:								
(2006) (2005) (2004) (2003)								
c Add: Amounts from column (e) for lines:								
15 16								
17 20 21								
d Add: Line 27a total and line 27b total								
e Public support (line 27c total minus line 27d total)								
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)								
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))								
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))								
					%			
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.								

Part V Private School Questionnaire (See page 9 of the instructions.)(To be completed **ONLY** by schools that checked the box on line 6 in Part IV)

		N/A	Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	31		
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768) **N/A**Check ☐ **a** if the organization belongs to an affiliated group. Check ☐ **b** if you checked "a" and "limited control" provisions apply.**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table-			
If the amount on line 40 is-			
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.**4-Year Averaging Period Under Section 501(h)**(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.) **N/A**

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			

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

Form

4562Department of the Treasury
Internal Revenue Service**Depreciation and Amortization**
(Including Information on Listed Property)

OMB No. 1545-0172

2007Attachment
Sequence No. **67**

Name(s) shown on return

**Rutherford County Area Habitat
for Humanity**Identifying number
94-3099406

Business or activity to which this form relates

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

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	125,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	500,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
6			
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2006 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12	13	

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

14	Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) and cellulosic biomass ethanol plant property placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	28,280

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

17	MACRS deductions for assets placed in service in tax years beginning before 2007	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B-Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

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

Section C-Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

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

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr.	22	28,280
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

DAA

Form **4562** (2007)

There are no amounts for Page 2

Forms
990 / 990-PF**Other Notes and Loans Receivable****2007**For calendar year 2007, or tax year beginning **7/01/07**, and ending **6/30/08**

Name

**Rutherford County Area Habitat
for Humanity**

Employer Identification Number

94-3099406**Form 990, Part IV, Line 51a - Additional Information**

Name of borrower

Relationship to disqualified person

(1) **Loan Receivable**

(2)

(3)

(4)

(5)

(6)

(7)

(8)

(9)

(10)

Original amount
borrowed

Date of loan

Maturity
date

Repayment terms

Interest
rate

(1)

(2)

(3)

(4)

(5)

(6)

(7)

(8)

(9)

(10)

Security provided by borrower

Purpose of loan

(1)

(2)

(3)

(4)

(5)

(6)

(7)

(8)

(9)

(10)

Consideration furnished by lender

Balance due at
beginning of yearBalance due at
end of yearFair market value
(990-PF only)**1,056,380****1,030,171**

(1)

(2)

(3)

(4)

(5)

(6)

(7)

(8)

(9)

(10)

Totals

1,056,380**1,030,171**

Forms
990 / 990-PF**Mortgages and Other Notes Payable****2007**

For calendar year 2007, or tax year beginning

7/01/07, and ending

6/30/08

Name

**Rutherford County Area Habitat
for Humanity**

Employer Identification Number

94-3099406**Form 990, Part IV, Line 64b - Additional Information**

Name of lender

Relationship to disqualified person

(1) Midsouth Bank	None
(2) Midsouth Bank	None
(3) Midsouth Bank	None
(4) Tennessee Housing Dev Agency	None
(5) Midsouth Bank	None
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1) 1,000,000	11/22/04	11/15/09		5.250
(2) 375,000	4/01/06	11/01/09		4.750
(3) 59,579	6/01/07	6/30/08		8.000
(4) 55,000	8/01/06	12/01/30	183/month	0.000
(5) 100,000	5/22/08	5/22/09		4.750
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower

Purpose of loan

(1) Pledge of Homeowner mtg. rec.	Mortgage
(2) Mortgage notes receivable	Line of credit
(3) None	Line of credit
(4) Note receivable	Finance home for needy individual
(5) Negative pledge on assets	Line of credit
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender

Balance due at
beginning of yearBalance due at
end of year

(1)	926,349	886,349
(2)	221,306	374,657
(3)	59,579	
(4)	51,645	49,445
(5)		58,420
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	1,258,879	1,368,871

Federal Statements

Statement 1 - Form 990, Part I, Line 16 - Payments to Affiliates

Bus Name Address	Purpose	Amount
Habitat International Americus GA	Voluntary dues	\$ 5,000
Total		\$ 5,000

Federal Statements**Statement 2 - Form 990, Part II, Line 25a - Compensation of Current Officers**

<u>Name</u>	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>
Expenses	\$	\$	\$
Beth Smith			
Compensation	16,000	16,000	16,000
Benefit Plan Contribution	240	240	240
Total	<u>\$ 16,240</u>	<u>\$ 16,240</u>	<u>\$ 16,240</u>

Federal Statements**Statement 3 - Form 990, Part II, Line 43 - Other Functional Expenses**

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
Expenses	\$	\$	\$	\$
Const cost/tsfs to homeowners	404,810	404,810		
Bank charges	3,399		3,399	
Dues and fees	4,171	3,471	700	
Insurance	27,498	13,749	5,499	8,250
Office expenses	11,411	1,488	7,300	2,623
Tools	4,918	4,918		
Contract labor	9,589	9,589		
Advertising	1,856	1,856		
Training	2,140	2,140		
Miscellaneous	5,085	4,175	910	
Mortgage disc to homeowners	147,158	147,158		
Restore costs and expenses	68,951	68,951		
HFHI Vista cost share	5,658	5,658		
Payroll service	11,784	9,116	1,147	1,521
Total	\$ 708,428	\$ 677,079	\$ 18,955	\$ 12,394

Statement 4 - Form 990, Part III - Organization's Primary Exempt Purpose

Description

To provide very low income families with simple, decent housing

Federal Statements**Statement 5 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment**

<u>Description</u>	<u>Beginning of Year</u>	<u>Accum Depr</u>	<u>End of Year</u>	<u>Accum Depr</u>
Building				
Office furniture & equipment	\$ 849,925	\$ 38,053	\$ 868,347	\$ 61,364
Vehicle	21,815	12,058	25,552	15,566
Land	7,300	4,988	7,300	6,448
	<u>227,235</u>		<u>227,235</u>	
Total	<u>\$ 1,106,275</u>	<u>\$ 55,099</u>	<u>\$ 1,128,434</u>	<u>\$ 83,378</u>

Statement 6 - Form 990, Part IV, Line 58 - Other Assets

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Construction in process/lots held	\$ 457,624	\$ 819,938
Other assets	1,028	1,048
Total	<u>\$ 458,652</u>	<u>\$ 820,986</u>

Statement 7 - Form 990, Part IV, Line 65 - Other Liabilities

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Escrow funds held	\$ 28,776	\$ 26,021
Total	<u>\$ 28,776</u>	<u>\$ 26,021</u>

Federal Statements

10/3/2008 10:34 AM

Statement 8 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
Beth M. Smith 850 Mercury Blvd. Murfreesboro TN 37133-8038		40	48,000	720	0
Paul Scarlett 3118 St. John's Drive Murfreesboro TN 37129		1	0	0	0
Gary Green 1719 Satinwood Dr. Murfreesboro TN 37129		1	0	0	0
Robbie Snapp 325 S. Second Ave. Murfreesboro TN 37130		1	0	0	0
Joyce Adkins 3001 Madison Ave. Murfreesboro TN 37130		1	0	0	0
Kathy Brandon 715 Hogan Dr. Murfreesboro TN 37128		1	0	0	0
Regina Harvey 106 Wolverine Tr. LaVergne TN 37086		1	0	0	0
Dan Johnson 2614 Lancaster Ct. Murfreesboro TN 37129		1	0	0	0
Thomas Keith 305 Indian Park Dr. Murfreesboro TN 37128		1	0	0	0

Federal Statements

10/3/2008 10:34 AM

Statement 8 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees (continued)

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
Rev. James McCarrol 738 E. Castle St. Murfreesboro TN 37130		1	0	0	0
Al Miller 1603 Buckingham Dr. Murfreesboro TN 37129		1	0	0	0
Mark Moore 3015 St. John's Dr. Murfreesboro TN 37129		1	0	0	0
Wayne Moore 2510 English Hill Dr. Murfreesboro TN 37130		1	0	0	0
Ryan Newby 8024 Valencia Dr. Smyrna TN 37167		1	0	0	0
Barry Tidwell 1328 Lunar Dr. Murfreesboro TN 37129		1	0	0	0
David Yarbrough 2710 Cochise Ct. Murfreesboro TN 37127		1	0	0	0
Steve Ruckart 805 S. Church St. Murfreesboro TN 37130		1	0	0	0

Federal Statements**Statement 9 - Schedule A, Part IV-A, Line 22 - Other Income**

<u>Description</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Miscellaneous income	\$ <u>32,730</u>	\$ <u>24,079</u>	\$ <u>25,386</u>	\$ <u>1,704</u>
Total	\$ <u>32,730</u>	\$ <u>24,079</u>	\$ <u>25,386</u>	\$ <u>1,704</u>

Rutherford Co. Habitat for Humanity
 Depreciation schedule
 6/30/2008

EIN: 94-3099406

Attachment to Part IV, Lines 57a and 57b

	Date in service	Life	Cost	A/D 6/30/2007	Expense 6/30/2008
Land	8/1/2005		227,235.41		
Buildings					
New building	8/1/2005	39	774,218.15	38,052.71	19,851.75
AC Unit	8/30/2007	20	71,356.00		2,973.17
Restore docks	8/30/2007	39	22,772.52		486.59
Equipment					
Computer equipment		5	1,810.00	1,810.00	
Officejet printer	1/18/2001	5	424.98	424.98	
Gateway computer	1/19/2001	5	1,867.00	1,867.00	
Computer/printer	1/8/2004	5	1,077.29	754.11	
Software	1/21/2004	3	3,935.50	3,935.50	
Software	11/9/2006	3	2,625.00	510.42	875.00
Telephone system	12/26/2006	5	2,474.20	247.42	494.84
Computers (2)	6/1/2005	5	999.98	416.67	200.00
Copier	6/23/2005	5	949.40	379.76	189.88
File cabinets	10/7/2005	7	753.12	188.28	107.59
Donor software	4/4/2006	3	2,625.00	1,020.83	875.00
Computers/monitors	10/31/2006	5	1,273.66	169.83	254.73
Time clock	9/7/2007	5	734.90		122.48
Computer/printer	1/7/2008	5	878.95		87.90
Vinyl break tool	3/11/2008	7	2,124.33		101.16
Vehicles					
Forklift	10/12/2005	5	1,000.00	333.33	200.00
1999 Ford E-350	1/15/2004	5	7,300.00	4,988.33	1,460.00
			<u>1,128,435.39</u>	<u>55,099.17</u>	<u>28,280.08</u>
Accumulated depreciation				<u>55,099.17</u>	<u>83,379.25</u>