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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning , 2011, and ending , 20

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

C Name of organization: RHA/AFFORDABLE HOUSING II, INC.

Doing Business As:

Number and street (or P O box if mail is not delivered to street address): 3060 PEACHTREE ROAD, N.E. Room/suite: 900

City or town, state or country, and ZIP + 4: ATLANTA, GA 30305

D Employer identification number: 58-2392012

E Telephone number: (404) 364-2939

G Gross receipts $ 3,723,328.

F Name and address of principal officer: BRYANT G. COATS
SAME AS C ABOVE

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

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

H(c) Group exemption number ▶

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

J Website ▶ N/A

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1998 **M** State of legal domicile GA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO DEVELOP, OWN, AND OPERATE LOW-INCOME HOUSING FACILITIES; AND TO PERFORM ALL OTHER ACTS NECESSARY OR INCIDENTAL TO THE ABOVE.

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	10.
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	6.
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	0
6	Total number of volunteers (estimate if necessary)	6	
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	0	0
9	Program service revenue (Part VIII, line 2g)	3,441,648.	3,451,993.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,857.	271,335.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,444,505.	3,723,328.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	447,384.	407,338.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,764,491.	3,182,264.
18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	3,211,875.	3,589,602.
19	Revenue less expenses Subtract line 18 from line 12	232,630.	133,726.

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	15,892,707.	16,991,885.
21	Total liabilities (Part X, line 26)	15,632,615.	16,598,067.
22	Net assets or fund balances Subtract line 21 from line 20	260,092.	393,818.

Part II Signature Block

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

Sign Here

▶ Signature of officer — Date 11/15/2012

▶ NICK SULLIVAN, VP
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
R. HAMPTON MALLIS, CPA		11/15/12		P00716330

Firm's name ▶ REZNICK GROUP, P.C. Firm's EIN ▶ 52-1088612

Firm's address ▶ 3560 LENOX ROAD, NE, SUITE 2800 ATLANTA, GA 30326-4276 Phone no 404-847-9447

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

For Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2011)

JSA
1E1010 1 000

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12

Part III **Statement of Program Service Accomplishments**
Check if Schedule O contains a response to any question in this Part III . . . . . ☐

1 Briefly describe the organization's mission.
TO DEVELOP, OWN, AND OPERATE LOW-INCOME HOUSING FACILITIES; AND TO PERFORM ALL OTHER ACTS NECESSARY OR INCIDENTAL TO THE ABOVE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O

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

4a (Code:) (Expenses $ 3,589,602 including grants of $) (Revenue $ 3,723,328.)
OWNERSHIP AND OPERATION OF EXISTING LOW-INCOME HOUSING UNITS

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 ▶ 3,589,602.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	24a	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	X	
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		X
25 a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33	X	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	X	
35 a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O.	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable 1a 0			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable 1b 0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . 2a 0			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)			
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b	If "Yes," enter the name of the foreign country: ▶ _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	**Organizations that may receive deductible contributions under section 170(c).**			
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year 7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . .	7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? . . .	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	**Sponsoring organizations maintaining donor advised funds.**			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	**Section 501(c)(7) organizations.** Enter.			
a	Initiation fees and capital contributions included on Part VIII, line 12 . . . . . 10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10b			
11	**Section 501(c)(12) organizations.** Enter			
a	Gross income from members or shareholders 11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**			
a	Is the organization licensed to issue qualified health plans in more than one state?	13a		
	Note. See the instructions for additional information the organization must report on Schedule O			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans 13b			
c	Enter the amount of reserves on hand 13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*	14b		

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

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O	1a 10		
b	Enter the number of voting members included in line 1a, above, who are independent	1b 6		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	X	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6	Did the organization have members or stockholders?	6		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9		X

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ GA, NC,

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

☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization. ▶ JOHN WEST 3060 PEACHTREE RD N E., STE 900, ATL, GA , 30305 404-364-2900

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CHET BRADEEN DIRECTOR	.10	X						0	27,905.	0
(2) BRYANT G. COATS CEO/DIRECTOR	2.00	X		X				0	842,651.	34,610.
(3) ROBERT B. COATS, JR. CHAIRMAN	.50	X						0	76,338.	0
(4) JAMES D. LOFTIN, JR. DIRECTOR	.10	X						0	26,429.	0
(5) CHARLES NORTHCUTT SECRETARY/DIRECTOR	.10	X		X				0	26,525.	0
(6) HOWARD OAKS DIRECTOR	.10	X						0	27,828.	0
(7) WILLIAM P. WALKER DIRECTOR	1.00	X						0	97,196.	0
(8) GORDON J. SIMMONS COO/DIRECTOR	0	X		X				0	680,178.	65,772.
(9) JOHN T. CARSSOW DIRECTOR	.10	X						0	31,250.	0
(10) ALISON DRUMMOND DIRECTOR	.10	X						0	16,250.	0
(11) JOHN WEST CFO/VICE PRESIDENT	2.00			X				0	629,773.	46,299.
(12) CHASE NORTHCUTT VICE PRESIDENT	3.00			X				0	343,770.	16,500.
(13) NICK N. SULAIMAN VICE PRESIDENT	2.00			X				0	201,240.	10,650.
(14) HEATHER-DAWN ASHLEY SENIOR VICE PRESIDENT	15.00			X				0	110,132.	8,000.

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total ▶								0	3,137,465.	181,831.
c Total from continuation sheets to Part VII, Section A ▶								0	0	0
d Total (add lines 1b and 1c) ▶								0	3,137,465.	181,831.

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

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 1		

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

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f $					
	h Total. Add lines 1a-1f		0			
Program Service Revenue		Business Code				
	2a RENT FROM LOW-INCOME UNITS		3,451,993	3,451,993		
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		3,451,993			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		1,549			1,549
	4 Income from investment of tax-exempt bond proceeds		469			469
	5 Royalties		0			
		(i) Real	(ii) Personal			
	6a Gross rents					
	b Less rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)		0			
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory		269,317			
	b Less cost or other basis and sales expenses					
	c Gain or (loss)		269,317			
	d Net gain or (loss)		269,317.			
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b Less direct expenses	b				
	c Net income or (loss) from fundraising events		0			
	9a Gross income from gaming activities See Part IV, line 19	a				
	b Less direct expenses	b				
	c Net income or (loss) from gaming activities		0			
	10a Gross sales of inventory, less returns and allowances	a				
	b Less cost of goods sold	b				
	c Net income or (loss) from sales of inventory		0			
	Miscellaneous Revenue	Business Code				
	11a					
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d		0			
	12 Total revenue. See instructions		3,723,328	3,451,993		2,018.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21	0			
2 Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	0			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	366,255.	366,255.		
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0			
9 Other employee benefits	0			
10 Payroll taxes	41,083.	41,083.		
11 Fees for services (non-employees)				
a Management	229,746.	229,746.		
b Legal	87,454.	87,454.		
c Accounting	45,291.	45,291.		
d Lobbying	0			
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	0			
g Other	0			
12 Advertising and promotion	3,833.	3,833.		
13 Office expenses	86,421.	86,421.		
14 Information technology	0			
15 Royalties	0			
16 Occupancy	0			
17 Travel	0			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	3,970.	3,970.		
20 Interest	857,967.	857,967.		
21 Payments to affiliates	330,188.	330,188.		
22 Depreciation, depletion, and amortization	515,281.	515,281.		
23 Insurance	148,348.	148,348.		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a BAD DEBT EXPENSE	165,769.	165,769.		
b MAINTENANCE & SUPPLIES	242,244.	242,244.		
c UTILITIES EXPENSE	243,756.	243,756.		
d CONTRACTS	103,043.	103,043.		
e All other expenses	118,953.	118,953.		
25 **Total functional expenses.** Add lines 1 through 24e	3,589,602.	3,589,602.		
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	188,326.	1	148,734.
	2	Savings and temporary cash investments	0	2	0
	3	Pledges and grants receivable, net	0	3	0
	4	Accounts receivable, net	578,963.	4	1,321,901.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)	0	6	0
	7	Notes and loans receivable, net	0	7	0
	8	Inventories for sale or use	0	8	0
	9	Prepaid expenses and deferred charges	46,843.	9	36,262.
	10a	Land, buildings, and equipment. cost or other basis. Complete Part VI of Schedule D — 10a: 16,656,714.			
	b	Less: accumulated depreciation — 10b: 2,820,376.	14,687,226.	10c	13,836,338.
	11	Investments - publicly traded securities	0	11	0
	12	Investments - other securities See Part IV, line 11	0	12	0
	13	Investments - program-related. See Part IV, line 11	0	13	0
	14	Intangible assets	0	14	346,004.
	15	Other assets. See Part IV, line 11	391,349.	15	1,302,646.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	15,892,707.	16	16,991,885.
Liabilities	17	Accounts payable and accrued expenses	185,330.	17	125,735.
	18	Grants payable	0	18	0
	19	Deferred revenue	81,005.	19	1,383,836.
	20	Tax-exempt bond liabilities	0	20	4,975,000.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23	Secured mortgages and notes payable to unrelated third parties	15,155,118.	23	9,866,153.
	24	Unsecured notes and loans payable to unrelated third parties	0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	211,162.	25	247,343.
	26	**Total liabilities.** Add lines 17 through 25	15,632,615.	26	16,598,067.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets		27	
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ ☒ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds	0	30	0
	31	Paid-in or capital surplus, or land, building, or equipment fund	0	31	0
	32	Retained earnings, endowment, accumulated income, or other funds	260,092.	32	393,818.
	33	Total net assets or fund balances	260,092.	33	393,818.
	34	Total liabilities and net assets/fund balances	15,892,707.	34	16,991,885.

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	3,723,328.
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,589,602.
3	Revenue less expenses. Subtract line 2 from line 1	3	133,726.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	260,092.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	393,818.

Part XII Financial Statements and Reporting

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

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

Form **990** (2011)

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization	**Employer identification number**
RHA/AFFORDABLE HOUSING II, INC.	58-2392012

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

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

1 ☐ A church, convention of churches, or association of churches 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).**

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

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

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

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

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

9 ☒ An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

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

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

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

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

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

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

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

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(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	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions) 12

13 **First five years.** 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 **stop here** . . . . . ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)) . . . . . 14 %

15 Public support percentage from 2010 Schedule A, Part II, line 14 . . . . . 15 %

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

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

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

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

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

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	3,817,312	3,560,917	3,374,946	3,444,505	3,723,328	17,921,008
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5	3,817,312	3,560,917	3,374,946	3,444,505	3,723,328	17,921,008
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						17,921,008

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6	3,817,312	3,560,917	3,374,946	3,444,505	3,723,328	17,921,008
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)	3,817,312	3,560,917	3,374,946	3,444,505	3,723,328	17,921,008

14 **First five years.** 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 **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	100.00 %
16	Public support percentage from 2010 Schedule A, Part III, line 15	16	100.00 %

Section D. Computation of Investment Income Percentage

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

19a **331/3% support tests - 2011.** If the organization did not check the box on line 14, and line 15 is more than 331/3%, and line 17 is not more than 331/3%, check this box and **stop here** The organization qualifies as a publicly supported organization ▶ [X]

b **331/3% support tests - 2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 331/3%, and line 18 is not more than 331/3%, check this box and **stop here** The organization qualifies as a publicly supported organization ▶ ☐

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

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

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization: RHA/AFFORDABLE HOUSING II, INC.

Employer identification number: 58-2392012

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e.g., recreation or education)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

2 Complete lines 2a through 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 Tax 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, and not on a historic structure listed in the National Register	2d	

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

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

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

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 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 (ASC 958), 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 (ASC 958), 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 (ASC 958) 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 acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

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

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

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

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

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

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

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

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and 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 current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ _____ %
- c Temporarily restricted endowment ▶ _____ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,429,385.		1,429,385.
b Buildings		14,713,907.	2,641,611.	12,072,296.
c Leasehold improvements				
d Equipment		237,292.	48,109.	189,183.
e Other		276,130.	130,656.	145,474.
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				13,836,338.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. *(Column (b) must 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
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

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

(a) Description	(b) Book value
(1) TENANT SECURITY DEPOSITS	89,532.
(2) FUNDS HELD BY BOND TRUSTEE	842,495.
(3) REPLACEMENT RESERVE	302,899.
(4) OTHER RESERVES	67,720.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	1,302,646.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED INTEREST PAYABLE	113,268.
(3) TENANT SECURITY DEPOSITS	88,749.
(4) ACCRUED REAL ESTATE TAXES	23,461.
(5) OTHER CURRENT LIABILITIES	21,865.
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	247,343.

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

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	3,723,328.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	3,589,602.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	133,726.
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net) Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	133,726.

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

1	Total revenue, gains, and other support per audited financial statements			1	3,454,011.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines 2a through 2d			2e	
3	Subtract line 2e from line 1			3	3,454,011.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1.				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	269,317.		
c	Add lines 4a and 4b			4c	269,317.
5	Total revenue Add lines 3 and 4c. *(This must equal Form 990, Part I, line 12.)*			5	3,723,328.

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

1	Total expenses and losses per audited financial statements			1	3,339,602.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines 2a through 2d			2e	
3	Subtract line 2e from line 1			3	3,339,602.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	250,000.		
c	Add lines 4a and 4b			4c	250,000.
5	Total expenses. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 18)*			5	3,589,602.

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, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIV Supplemental Information *(continued)*

OTHER REVENUE INCLUDED ON RETURN BUT NOT ON BOOKS

SCHEDULE D PART XII #4B

REVENUE INCLUDED ON THE RETURN THAT IS NOT INCLUDED IN THE AUDITED FINANCIAL STATEMENTS CONSISTS OF A GAIN OF $269,317 ON THE SALE OF LOUDON AFFORDABLE HOUSING, L.L.C., A WHOLLY OWNED PROJECT OF RHA/ AFFORDABLE HOUSING II, INC.

OTHER EXPENSES INCLUDED ON RETURN BUT NOT ON BOOKS

SCHEDULE D PART XIII #4B

EXPENSES INCLUDED ON THE RETURN THAT ARE NOT INCLUDED IN THE AUDITED FINANCIAL STATEMENTS CONSISTS OF A $250,000 PAYMENT MADE TO AN AFFILIATE, RHA/HOUSING, INC.

PAYMENTS TO AFFILIATES	250,000

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization: RHA/AFFORDABLE HOUSING II, INC.

Employer identification number: 58-2392012

Part I Questions Regarding Compensation

			Yes	No
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.			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g., maid, chauffeur, chef)		
b	If any of the boxes on line 1a are 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	1b		
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?	2		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III.			
	☒ Compensation committee	☐ Written employment contract		
	☒ Independent compensation consultant	☒ Compensation survey or study		
	☐ Form 990 of other organizations	☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
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?	5a		X
b	Any related organization?	5b		X
	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?	6a		X
b	Any related organization?	6b		X
	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	7		X
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 Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 BRYANT G. COATS	(i)	0	0	0	0	0	0	0
	(ii)	554,672.	281,781.	6,198.	34,610.	0	877,261.	0
2 GORDON J. SIMMONS	(i)	0	0	0	0	0	0	0
	(ii)	437,108.	236,281.	6,789.	65,772.	0	745,950.	0
3 JOHN WEST	(i)	0	0	0	0	0	0	0
	(ii)	397,984.	225,691.	6,098.	46,299.	0	676,072.	0
4 CHASE NORTHCUTT	(i)	0	0	0	0	0	0	0
	(ii)	210,000.	130,000.	3,770.	16,500.	0	360,270.	0
5 NICK N. SULAIMAN	(i)	0	0	0	0	0	0	0
	(ii)	141,240.	60,000.	0	10,650.	0	211,890.	0
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
RHA/Affordable Housing II, Inc

Employer identification number
58-2392012

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	SC State Housing Finance and Dev Auth	59-1585639	83712EFZ2	5/6/2011		Refinance and renovate 2 housing projects		✓		✓		✓
B												
C												
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	0			
2	Amount of bonds legally defeased	0			
3	Total proceeds of issue	4829619			
4	Gross proceeds in reserve funds	482575			
5	Capitalized interest from proceeds	0			
6	Proceeds in refunding escrows	0			
7	Issuance costs from proceeds	95856			
8	Credit enhancement from proceeds	0			
9	Working capital expenditures from proceeds	0			
10	Capital expenditures from proceeds	0			
11	Other spent proceeds	4002498			
12	Other unspent proceeds	248690			
13	Year of substantial completion	not completed			

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		✓						
15	Were the bonds issued as part of an advance refunding issue?		✓						
16	Has the final allocation of proceeds been made?		✓						
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	✓							

Part III Private Business Use

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		✓						
2	Are there any lease arrangements that may result in private business use of bond-financed property?		✓						

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?	✓							
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	✓							
c	Are there any research agreements that may result in private business use of bond-financed property?		✓						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		0 %		%		%		%
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		0 %		%		%		%
6	Total of lines 4 and 5		0 %		%		%		%
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	✓							

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		✓						
2	Is the bond issue a variable rate issue?		✓						
3a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		✓						
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								
4a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		✓						
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?	✓							
6	Did the bond issue qualify for an exception to rebate?		✓						

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations ☐ Yes ☑ No

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Other spent proceeds was $3,869 in accrued interest, and $3,998,628 used to refinance taxable debt incurred by the organization prior to the bond issue to acquire the assets being refinanced

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization	Employer identification number
RHA/AFFORDABLE HOUSING II, INC.	58-2392012

DESCRIPTION OF CONTROL OF MANAGEMENT DUTIES

PART VI SECTION A #3

THE PROPERTIES ARE MANAGED BY AMBLING MANAGEMENT COMPANY, AN UNRELATED PARTY OF THE CORPORATION, PURSUANT TO A MANAGEMENT AGREEMENT APPROVED BY HUD. THE CURRENT MANAGEMENT AGREEMENTS PROVIDE FOR A MANAGEMENT FEE AS A PERCENTAGE OF MONTHLY COLLECTIONS RANGING FROM 5% TO 8.5%. ON CERTAIN PROJECTS THE MANAGING AGENT ALSO RECEIVES A FEE FOR MONTHLY ACCOUNTING, RECORD KEEPING, AND DATA PROCESSING OF $3.50 PER UNIT PER MONTH, AND A MONTHLY INFORMATION TECHNOLOGY FEE OF $2.50 PER UNIT PER MONTH.

DESCRIPTION OF CONFLICT OF INTEREST POLICY

PART VI SECTION B #12C

THE CONFLICTS OF INTEREST POLICY IS REVIEWED WITH THE DIRECTORS ANUALLY. THE DIRECTORS ARE EACH ASKED TO FILL OUT FORMS WHICH ASK IF A CONFLICT EXISTS OR NOT AND IDENTIFY ANY POTENTIAL CONFLICTS WHICH EXIST. IF THERE ARE ANY POTENTIAL ISSUES THAT ARISE, THEY ARE BROUGHT TO THE ATTENTION OF THE WHOLE BOARD.

DESCRIPTION OF COMPENSATION DETERMINATION

PART VI SECTION B #15A & #15B

THE PROCESS FOR DETERMINING COMPENSATION FOR THE PRESIDENT, CHAIRMAN, OFFICERS, AND DIRECTORS BEGINS WITH AN INDEPENDENT COMPENSATION CONSULTANT. THE COMPENSATION CONSULTANT PREPARES A REPORT OF THE MARKET RATE OF COMPENSATION FOR EACH OF THE EXECUTIVE POSITIONS. THE REPORT IS

Name of the organization	Employer identification number
RHA/AFFORDABLE HOUSING II, INC.	58-2392012

THEN GIVEN TO THE COMPENSATION COMMITTEE WHO, TOGETHER WITH THE SENIOR MANAGEMENT, EVALUATES THE PERFORMANCE OF THE EXECUTIVES AND THE COMPANY. AFTER THIS THE COMPENSATION COMMITTEE FORMULATES RECOMMENDATIONS TO THE BOARD OF DIRECTORS AS TO WHAT SHOULD BE THE APPROPRIATE LEVELS OF COMPENSATION. THE BOARD OF DIRECTORS THEN ADOPTS A RESOLUTION ESTABLISHING THE LEVEL OF COMPENSATION. DIRECTORS WHOSE COMPENSATION IS BEING VOTED ON, OR WHOSE RELATIVES' COMPENSATION IS BEING VOTED ON, ARE EXCUSED FROM THE DELIBERATIONS AND DO NOT VOTE ON THEIR OWN OR THEIR RELATIVES' COMPENSATION.

DESCRIPTION OF AVAILABILITY OF DOCUMENTS

PART VI SECTION C #19

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

DESCRIPTION OF REVIEW PROCESS FOR FORM 990

PART VI SECTION B #11B

THE DRAFT 990 IS EMAILED TO ALL DIRECTORS WITH A NOTE THAT IT WILL BE FILED ON A SPECIFIED DATE, SUBJECT TO ANY COMMENTS WHICH MAY BE MADE BY DIRECTORS. DIRECTORS ARE INSTRUCTED TO RAISE ANY ISSUES THEY ARE CONCERNED ABOUT IN THE 990 WITH THE ORGANIZATION'S COUNSEL.

DESCRIPTION OF FAMILY RELATIONSHIPS

PART VI SECTION A #2

ROBERT B. COATS, JR. IS THE FATHER OF BRYANT G. COATS.

CHARLES NORTHCUTT IS THE FATHER OF CHASE NORTHCUTT.

Name of the organization	Employer identification number
RHA/AFFORDABLE HOUSING II, INC.	58-2392012

NOTE RE RELATED ORGANIZATIONS.

IN ADDITION TO THE ENTITIES LISTED IN SCHEDULE R, THE ORGANIZATION IS RELATED TO ALL ORGANIZATIONS INCLUDED IN GROUP EXEMPTION 8555 BECAUSE ALL OF THOSE ORGANIZATIONS HAVE THE SAME BOARD OF DIRECTORS AS DOES THIS ORGANIZATION.

DESCRIPTION OF NET GAIN OR LOSS ON SALE OF OTHER PROPERTY

PART VIII #7D

THE GAIN REPORTED ON LINE 7D OF SECTION VIII IS THE RESULT OF A SALE OF A 99 PERCENT INTEREST IN LOUDON AFFORDABLE HOUSING, L.L.C.

DESCRIPTION OF HOURS FOR RELATED ORGANIZATIONS

PART VII SECTION A COLUMN B

EACH INDIVIDUAL DIRECTOR OR OFFICER WORKED THE FOLLOWING AVERAGE NUMBER OF HOURS PER WEEK FOR OTHER RELATED ENTITIES.

CHET BRADEEN	1.0
BRYANT G. COATS	38.0
ROBERT B. COATS	9.5
JAMES D. LOFTIN	1.0
CHARLES NORTHCUTT	1.0
HOWARD OAKS	1.0
WILLIAM P. WALKER	14.0
GORDON J. SIMMONS	40.0
JOHN T. CARSSOW	1.0
ALLISON DRUMMOND	1.0
JOHN WEST	38.0

Name of the organization: RHA/AFFORDABLE HOUSING II, INC.

Employer identification number: 58-2392012

CHASE NORTHCUTT	37.0
NICK N. SULAIMAN	38.0
HEATHER-DAWN ASHLEY	25.0

ATTACHMENT 1

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

NAME AND ADDRESS	DESCRIPTION OF SERVICES	COMPENSATION
AMBLING MANAGEMENT COMPANY 348 ENTERPRISE DRIVE VALDOSTA, GA 31601	MANAGEMENT FEE	255,173.
PETER M. WRIGHT, ESQ. 3060 PEACHTREE ROAD, N.W., SUITE 900 ATLANTA, GA 30305	LEGAL SERVICES	213,775.
	TOTAL COMPENSATION	468,948.

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization
RHA/AFFORDABLE HOUSING II, INC.

Employer identification number
58-2392012

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) PICKENS AFFORDABLE HOUSING, LLC 75-3141035 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	SC	-114,413.	2,538,011.	N/A
(2) NORTH AUGUSTA AFFORDABLE HOUSING, LLC 75-3141033 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	SC	-28,826.	3,824,919.	N/A
(3) ASHEBORO AFFORDABLE HOUSING LLC 75-3141041 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	NC	-34,771.	3,695,111.	N/A
(4) WINSTON AFFORDABLE HOUSING, LLC 75-3141040 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	NC	11,019.	3,612,747.	N/A
(5) LOUDON AFFORDABLE HOUSING LLC 75-3141031 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	TN	28,046.		N/A
(6)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) RESOURCE HEALTHCARE OF AMERICA, INC 58-1848245 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	HEALTHCARE	GA	501(C)(3)	11B	N/A		X
(2) RESIDENTIAL HEALTHCARE AFFILIATES, INC. 06-1680816 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	HEALTHCARE	NC	501(C)(3)	11A	N/A		X
(3) RHA/NORTH CAROLINA MR, INC 58-1804051 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	DISABLED CARE	NC	501(C)(3)	9	N/A		X
(4) RHA/SULLIVAN, INC 58-1859039 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	ELDERLY CARE	TN	501(C)(3)	9	N/A		X
(5) RHA HEALTH SERVICES, INC 58-1863838 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	DISABLED CARE	NC	501(C)(3)	9	N/A		X
(6) RHA SHARED RISK FUNDING, INC 58-2270723 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	SUPPORT ORG.	TN	501(C)(3)	11B	N/A		X
(7) RHA/HOUSING, INC 58-2131548 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	GA	501(C)(3)	9	N/A		X

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization
RHA/AFFORDABLE HOUSING II, INC.

Employer identification number
58-2392012

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) MILITARY HOUSING OF AMERICA, INC 58-2516555 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	GA	501(C)(3)	PF	N/A		X
(2) RHA MANAGEMENT SERVICES, INC 58-2366152 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	501(C)(3)	11B	N/A		X
(3) RHA AFFORDABLE HOUSING III, INC 58-2440916 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	GA	501(C)(3)	9	N/A		X
(4) STUDENT HOUSING OF AMERICA, INC 58-2472789 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	GA	501(C)(3)	9	N/A		X
(5) HOWELL'S CHILD CARE CENTER, INC 59-1347774 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE RENTAL	NC	501(C)(3)	9	N/A		X
(6) FAMILY ALTERNATIVES, INC 56-1360087 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	DISABLED CARE	NC	501(C)(3)	9	N/A		X
(7)							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) BELLS FERRY DEVELOP 58-2617779 3060 PEACHTREE RD NW STE 900	RE DEVELOPMEN	GA	N/A	N/A	0	0		X			X	
(2) BELLS FERRY MANAGEM 68-0497257 3060 PEACHTREE RD NW STE 900	RE DEVELOPMEN	GA	N/A	N/A	0	0		X			X	
(3) PEAKS AT MLK DR MAN 04-3721167 3060 PEACHTREE RD NW STE 900	RE DEVELOPMEN	GA	N/A	N/A	0	0		X			X	
(4) CONSTTUTION AVE DEV 20-0960345 3060 PEACHTREE RD NW STE 900	RE DEVELOPMEN	GA	N/A	N/A	0	0		X			X	
(5) MLK DRIVE DEVLPMENT 58-2531453 3060 PEACHTREE RD NW STE 900	RE DEVELOPMEN	GA	N/A	N/A	0	0		X			X	
(6) AUGUSTA HILLS DEV I 58-2528116 3060 PEACHTREE RD NW STE 900	RE DEVELOPMEN	GA	N/A	N/A	0	0		X			X	
(7) AUGUSTA HILLS APT I 58-2530575 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) RHA/HOLDINGS, INC 58-1758566 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(2) EXTENDED FAMILY ENTERPRISES, INC 71-0564535 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	AR	N/A	C CORP	0	0	
(3) COLUMBIA CREEK MANAGEMENT, INC 58-2510843 ONE BUCKHEAD PLAZA, SUITE 900, 3060 PEAC ATLANTA, GA 3030	MANAGEMENT	GA	N/A	C CORP	0	0	
(4) HERITAGE GREEN MANAGEMENT, INC. 58-2528120 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(5) CASA MELVID MANAGEMENT, INC 58-2528122 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(6) THE PEAKS OF KNOXVILLE, INC 58-2531450 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	TN	N/A	C CORP	0	0	
(7) HOLLY RIDGE MANAGEMENT, INC 58-2536940 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) KNOXVILLE PEAKS APT 62-1837782 3060 PEACHTREE RD NW STE 900	RE RENTAL	TN	N/A	N/A	0	0		X			X	
(2) PEAKS AT BELLS FERR 74-3006817 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(3) PEAKS AT WEST ATLAN 74-3010099 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(4) MLK DRIVE APARTMENT 47-0868032 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(5) HERITAGE GREEN APRT 47-0868029 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(6) HOLLY RIDGE APARTME 76-0706619 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(7) CONSTITUTION AV APT 20-0960401 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) RHA CONSULTING & MANAGEMENT SERVICES, IN 58-2574995 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	NC	N/A	C CORP	0	0	
(2) CONSTITUTION AVENUE MANAGEMENT, INC 20-0959971 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(3) PINEWOOD PARK MANAGEMENT, INC. 47-0873390 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(4) H H B & ASSOCIATES, INC 56-1349357 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	NC	N/A	C CORP	0	0	
(5) PECAN GROVE MANAGEMENT I, INC 20-0959914 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(6) CANDLER FORREST MANAGEMENT, INC 20-2486336 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(7) GATES PARK CROSSING HFOP MANAGEMENT, INC 20-2486575 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) PINEWOOD PARK PARTN 20-1075933 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(2) GATE PRK CROSS HFOP 20-2576768 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(3) GATE PARK CROSS HFS 20-2631908 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(4) CANDLER FORREST APT 20-2576823 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(5) CANDLER PARTNERS LP 20-4533993 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(6) PEACAN APARTMENTS II 20-478692 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(7) PECAN GROVE, LP 54-2070408 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X	0		X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) GATES PARK CROSSING HFS MANAGEMENT, INC 20-2486438 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(2) MECHANICSVILLE MANAGEMENT, INC 20-4625370 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(3) BLAKELY COMMONS MANAGEMENT, INC. 20-8783424 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(4) MAGNOLIA TERRACE MANAGE II, INC 20-4743306 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(5) WASHINGTON ESTATES MANAGEMENT, INC 20-8797461 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(6) TIFTON ESTATES MANAGEMENT, INC 37-1566483 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(7) HERITAGE HILLS GP, INC 80-0348280 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) MAGNOLIA TER APT II 20-4743371 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(2) MECHANICSVILLE AP 4 20-5640760 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(3) BLAKELY COMMONS, LP 20-8783507 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(4) WASHINGTON ESTATES 20-8797503 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X	0		X	
(5) LOUDON INVESTORS LP 74-3254281 3060 PEACHTREE RD NW STE 900	RE RENTAL	TN	N/A	N/A	0	0		X			X	
(6) TIFTON ESTATES, LP 61-1563935 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(7) WAYNESBORO ESTATE 20-8783262 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) GENESIS GARDENS GP, INC 35-2365860 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(2) PECAN GROVE MANAGEMENT II, INC 20-4786861 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	GA	N/A	C CORP	0	0	
(3) LOUDON MANAGEMENT, INC 32-0239607 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	MANAGEMENT	TN	N/A	C CORP	0	0	
(4) WAYNESBORO ESTATE MGMT, INC. 20-8783210 3060 PEACHTREE RD, NW STE 900 ATLANTA, GA 30305	RE MANAGEMENT	GA	N/A	C CORP	0	0	
(5) AVENT FERRY MANAGEMENT, INC 61-1616925 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE DEVELOPMEN	NC	N/A	C CORP	0	0	
(6) GOLDSBORO RHA MANAGEMENT, INC 38-3840846 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE MANAGEMENT	NC	N/A	C CORP	0	0	
(7) PELHAM VILLAGE MANAGEMENT, INC 45-2386518 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE MANAGEMENT	SC	N/A	C CORP	0	0	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) WAYNESBORO EST GP 20-8783370 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(2) WAYNESBORO EST DEV 20-8783320 3060 PEACHTREE RD NW STE 900	RE DEVELOPMEN	GA	N/A	N/A	0	0		X			X	
(3) WOODS AT AVENT FER 90-0611241 3060 PEACHTREE RD NW STE 900	RE DEVELOPEMENT	NC	N/A	N/A	0	0		X			X	
(4) RHA-HAMMOND ASSET M 32-0311794 3060 PEACHTREE ROAD NW STE900	RE MANAGEMENT	GA	N/A	N/A	0	0		X			X	
(5) HIGHLANDS OF GOLDSB 45-2942069 3060 PEACHTREE RD NW STE 900	RE RENTAL	NC	N/A	N/A	0	0		X			X	
(6) PELHAM VILLAGE, LP 80-0728754 3060 PEACHTREE RD NW STE 900	RE RENTAL	SC	N/A	N/A	0	0		X			X	
(7) KENDRICK'S WAY APTS 45-2918389 3060 PEACHTREE RD NW STE 900	RE RENTAL	AL	N/A	N/A	0	0		X			X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) WASHINGTON ESTATES MANAGEMENT II, INC 32-0312847 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE MANAGEMENT	GA	N/A	C CORP	0	0	
(2) KENDRICK'S WAY MANAGEMENT, INC 36-4705144 3060 PEACHTREE RD NW STE 900 ATLANTA, GA 30305	RE MANAGEMENT	AL	N/A	C CORP	0	0	
(3)							
(4)							
(5)							
(6)							
(7)							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) HIGHLANDS GOLDS DEV 45-2941858 3060 PEACHTREE RD NW STE 900	RE DEVELOPMENT	NC	N/A	N/A	0	0		X			X	
(2) WASHINGTON ESTS II 36-4673439 3060 PEACHTREE RD NW STE 900	RE RENTAL	GA	N/A	N/A	0	0		X			X	
(3) KENDRICK'S POND LLC 45-5325827 3060 PEACHTREE RD NW STE 900	RE INVESTMENT	AL	N/A	N/A	0	0		X			X	
(4)												
(5)												
(6)												
(7)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

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

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

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

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(d) Method of determining amount involved
(1)	RHA HOUSING DEVELOPMENT, LLC	L	80,188.	CASH
(2)				
(3)				
(4)				
(5)				
(6)				

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(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?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Schedule R (Form 990) 2011

JSA
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Part VII **Supplemental Information**

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

Form **8868**
(Rev. January 2012)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- 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.

Electronic filing *(e-file)*. You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits*.

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.

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions	Enter filer's Identifying number, see instructions: Employer identification number (EIN) or
	RHA/AFFORDABLE HOUSING II, INC.	[X] 58-2392012
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	3060 PEACHTREE ROAD, N.E.	[ ]
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	ATLANTA, GA 30305	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ JOHN WEST

Telephone No. ▶ 404 364-2900 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.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 20 12, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [X] calendar year 2011 or
▶ [ ] tax year beginning _____, 20____, and ending _____, 20____.

2 If the tax year entered in line 1 is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$
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.	3b	$
c	**Balance due.** Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$

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.

- 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. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
	RHA/AFFORDABLE HOUSING II, INC.	[X] 58-2392012
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	3060 PEACHTREE ROAD, N.E.	[ ]
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	ATLANTA, GA 30305	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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 ▶ JOHN WEST
  Telephone No. ▶ 404 364-2900 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, 20 12.

5 For calendar year 2011, or other tax year beginning _____, 20 _____, and ending _____, 20 _____.

6 If the tax year entered in line 5 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 RECIEVED. THIS INFORMATOIN 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	$
c	**Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$

Signature and Verification must be completed for Part II only.

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 ▶ William J Bebo Jr, CPA Title ▶ Accountant Date ▶ 8/7/12