

Form **990-PF**
 Department of the Treasury
 Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Trust Treated as Private Foundation
 ▶ Do not enter social security numbers on this form as it may be made public.
 ▶ Go to www.irs.gov/Form990PF for instructions and the latest information.

OMB No 1545-0052
2018
Open to Public Inspection

For calendar year 2018, or tax year beginning 01-01-2018, and ending 12-31-2018

| | | | |
|--|------------|---|--|
| Name of foundation SOUTHERN AFFORDABLE SERVICES INC | | A Employer identification number 27-0169634 | |
| Number and street (or P O box number if mail is not delivered to street address) 335 NORTH KNOWLES AVENUE SUITE 101 | Room/suite | B Telephone number (see instructions) (407) 647-7600 | |
| City or town, state or province, country, and ZIP or foreign postal code WINTER PARK, FL 32789 | | C If exemption application is pending, check here <input type="checkbox"/> | |
| G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change | | D 1. Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> | |
| H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation | | E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> | |
| I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 1,220,272 | | F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/> | |
| J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ <i>(Part I, column (d) must be on cash basis)</i> | | | |

| Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</i> | | (a) Revenue and expenses per books | (b) Net investment income | (c) Adjusted net income | (d) Disbursements for charitable purposes (cash basis only) |
|---|---|------------------------------------|---------------------------|-------------------------|---|
| 1 | Contributions, gifts, grants, etc., received (attach schedule) | | | | |
| 2 | Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B | | | | |
| 3 | Interest on savings and temporary cash investments | 7 | | 7 | |
| 4 | Dividends and interest from securities | | | | |
| 5a | Gross rents | 6,227 | | 6,227 | |
| b | Net rental income or (loss) | -990 | | | |
| 6a | Net gain or (loss) from sale of assets not on line 10 | | | | |
| b | Gross sales price for all assets on line 6a | | | | |
| 7 | Capital gain net income (from Part IV, line 2) | | 0 | | |
| 8 | Net short-term capital gain | | | 0 | |
| 9 | Income modifications | | | | |
| 10a | Gross sales less returns and allowances | | | | |
| b | Less Cost of goods sold | | | | |
| c | Gross profit or (loss) (attach schedule) | | | | |
| 11 | Other income (attach schedule) | 257,200 | 0 | 257,200 | |
| 12 | Total. Add lines 1 through 11 | 263,434 | 0 | 263,434 | |
| 13 | Compensation of officers, directors, trustees, etc | 173,288 | 0 | 164,987 | 8,301 |
| 14 | Other employee salaries and wages | | | | |
| 15 | Pension plans, employee benefits | 17,850 | 0 | 16,985 | 865 |
| 16a | Legal fees (attach schedule) | 1,996 | 0 | 1,996 | 0 |
| b | Accounting fees (attach schedule) | 13,082 | 0 | 10,760 | 2,322 |
| c | Other professional fees (attach schedule) | | | | |
| 17 | Interest | 295 | 0 | 295 | 0 |
| 18 | Taxes (attach schedule) (see instructions) | 33,587 | 0 | 33,099 | 488 |
| 19 | Depreciation (attach schedule) and depletion | | | | |
| 20 | Occupancy | | | | |
| 21 | Travel, conferences, and meetings | 444 | 0 | 444 | 0 |
| 22 | Printing and publications | | | | |
| 23 | Other expenses (attach schedule) | 61,122 | 0 | 59,196 | 1,926 |
| 24 | Total operating and administrative expenses. Add lines 13 through 23 | 301,664 | 0 | 287,762 | 13,902 |
| 25 | Contributions, gifts, grants paid | 0 | | | 0 |
| 26 | Total expenses and disbursements. Add lines 24 and 25 | 301,664 | 0 | 287,762 | 13,902 |
| 27 | Subtract line 26 from line 12 | | | | |
| a | Excess of revenue over expenses and disbursements | -38,230 | | | |
| b | Net investment income (if negative, enter -0-) | | 0 | | |
| c | Adjusted net income (if negative, enter -0-) | | | 0 | |

| Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions) | | Beginning of year | | |
|--|--|-------------------|----------------|-----------------------|
| | | (a) Book Value | (b) Book Value | (c) Fair Market Value |
| Assets | 1 Cash—non-interest-bearing | 391,657 | 37,245 | 37,245 |
| | 2 Savings and temporary cash investments | 2,250,382 | 5,000 | 5,000 |
| | 3 Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____ | | | |
| | 4 Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____ | | | |
| | 5 Grants receivable | | | |
| | 6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions) | | | |
| | 7 Other notes and loans receivable (attach schedule) ▶ _____ 40,290 Less allowance for doubtful accounts ▶ _____ 0 | 40,290 | 40,290 | 0 |
| | 8 Inventories for sale or use | | | |
| | 9 Prepaid expenses and deferred charges | | | |
| | 10a Investments—U S and state government obligations (attach schedule) | | | |
| | b Investments—corporate stock (attach schedule) | | | |
| | c Investments—corporate bonds (attach schedule) | | | |
| | 11 Investments—land, buildings, and equipment basis ▶ _____ 710,000 Less accumulated depreciation (attach schedule) ▶ _____ | 710,000 | 710,000 | 710,000 |
| | 12 Investments—mortgage loans | | | |
| | 13 Investments—other (attach schedule) | | | |
| | 14 Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____ | 26,876,739 | 0 | 0 |
| 15 Other assets (describe ▶ _____) | ☹ 1,711,644 ☹ | ☹ 468,027 ☹ | ☹ 468,027 ☹ | |
| 16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I) | 31,980,712 | 1,260,562 | 1,220,272 | |
| Liabilities | 17 Accounts payable and accrued expenses | 29 | 43 | |
| | 18 Grants payable | | | |
| | 19 Deferred revenue | | | |
| | 20 Loans from officers, directors, trustees, and other disqualified persons | | | |
| | 21 Mortgages and other notes payable (attach schedule) | 28,373,894 ☹ | 710,000 | |
| | 22 Other liabilities (describe ▶ _____) | ☹ 3,019,256 ☹ | 1,216 | |
| | 23 Total liabilities (add lines 17 through 22) | 31,393,179 | 711,259 | |
| Net Assets or Fund Balances | Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31. | | | |
| | 24 Unrestricted | | | |
| | 25 Temporarily restricted | | | |
| | 26 Permanently restricted | | | |
| | Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31. | | | |
| | 27 Capital stock, trust principal, or current funds | 0 | 0 | |
| | 28 Paid-in or capital surplus, or land, bldg, and equipment fund | 0 | 0 | |
| 29 Retained earnings, accumulated income, endowment, or other funds | 587,533 | 549,303 | | |
| 30 Total net assets or fund balances (see instructions) | 587,533 | 549,303 | | |
| 31 Total liabilities and net assets/fund balances (see instructions) . | 31,980,712 | 1,260,562 | | |

Part III Analysis of Changes in Net Assets or Fund Balances

| | | |
|---|----------|---------|
| 1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) | 1 | 587,533 |
| 2 Enter amount from Part I, line 27a | 2 | -38,230 |
| 3 Other increases not included in line 2 (itemize) ▶ _____ | 3 | 0 |
| 4 Add lines 1, 2, and 3 | 4 | 549,303 |
| 5 Decreases not included in line 2 (itemize) ▶ _____ | 5 | 0 |
| 6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 . | 6 | 549,303 |

Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.) | (b) How acquired P—Purchase D—Donation | (c) Date acquired (mo, day, yr) | (d) Date sold (mo, day, yr) |
|---|---|---------------------------------------|-----------------------------------|
| 1a | | | |
| | | | |
| | | | |
| | | | |

| (e) Gross sales price | (f) Depreciation allowed (or allowable) | (g) Cost or other basis plus expense of sale | (h) Gain or (loss) (e) plus (f) minus (g) |
|--------------------------|---|--|---|
| a | | | |
| b | | | |
| c | | | |
| d | | | |
| e | | | |

| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 | | | (l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h)) |
|---|---|--|---|
| (i) F M V as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col (i) over col (j), if any | |
| a | | | |
| b | | | |
| c | | | |
| d | | | |
| e | | | |

| | | |
|--|---|--|
| 2 Capital gain net income or (net capital loss) | 2 | |
| { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 } | | |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) | 3 | |
| { If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 } | | |

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

| 1 Enter the appropriate amount in each column for each year, see instructions before making any entries | | | |
|---|--|--|---|
| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col (b) divided by col (c)) |
| 2017 | 183,637 | 136,231 | 1 347982 |
| 2016 | 318,693 | 706,939 | 0 450807 |
| 2015 | 267,917 | 610,971 | 0 438510 |
| 2014 | 649,618 | 201,484 | 3 224167 |
| 2013 | 635,670 | 323,228 | 1 966630 |
| 2 Total of line 1, column (d) | | | 2 7 428096 |
| 3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years | | | 3 1 485619 |
| 4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5 | | | 4 60,441 |
| 5 Multiply line 4 by line 3 | | | 5 89,792 |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | | | 6 0 |
| 7 Add lines 5 and 6 | | | 7 89,792 |
| 8 Enter qualifying distributions from Part XII, line 4 | | | 8 13,902 |

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see instructions)

Table with 11 rows for excise tax calculations. Includes fields for exempt foundations, tax under section 511, subtitle A tax, and credits/payments. Total amount due and overpayment are also indicated.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Columns include question number, 'Yes', and 'No' responses. Questions cover political activities, unrelated business income, and asset requirements.

Part VII-A Statements Regarding Activities (continued)

Table with 3 columns: Question, Yes, No. Rows 11-14 regarding controlled entities, distributions, public inspection, and books in care.

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

Table with 3 columns: Question, Yes, No. Row 16 regarding interest in foreign countries.

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

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

Main table with 3 columns: Question, Yes, No. Rows 1a-4b regarding Form 4720 exceptions and requirements.

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions.
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions.
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?
6b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?
7b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?
8 Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment during the year?

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation. See instructions

Table with 5 columns: (a) Name and address, (b) Title, and average hours per week devoted to position, (c) Compensation (If not paid, enter -0-), (d) Contributions to employee benefit plans and deferred compensation, (e) Expense account, other allowances. Includes entries for SCOTT D CLARK, THOMAS C SHAW, DAVID J ROSS, and JAY BROCK.

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

Table with 5 columns: (a) Name and address of each employee paid more than \$50,000, (b) Title, and average hours per week devoted to position, (c) Compensation, (d) Contributions to employee benefit plans and deferred compensation, (e) Expense account, other allowances. Includes entry for EMEL MILAVETZ.

Total number of other employees paid over \$50,000. 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

| 3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE". | | |
|---|---------------------|------------------|
| (a) Name and address of each person paid more than \$50,000 | (b) Type of service | (c) Compensation |
| NONE | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| Total number of others receiving over \$50,000 for professional services. ▶ | | 0 |

Part IX-A Summary of Direct Charitable Activities

| List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc | Expenses |
|--|----------|
| 1 OWNING AND /OR OPERATING AND/OR DEVELOPING HOUSING FOR RENTAL TO ELIGIBLE INDIVIDUALS OR FAMILIES WITH LOW TO MODERATE INCOME | 287,762 |
| 2 THE MISSION OF THE NEW MOVES PARTNERSHIP IS TO PROVIDE QUALITY HOUSING TO FAMILIES WHO HAVE BECOME HOMELESS DUE TO NO FAULT OF THEIR OWN WE ASSIST FAMILIES WHO ARE NEWLY HOMELESS AS A RESULT OF JOB LOSS, DEATH, HEALTH ISSUES AND OTHER NON-CONTROLLABLE EVENTS THAT COULD LEAD TO THE LOSS OF A HOME THE NEW MOVES PARTNERSHIP PROGRAM WORKS WITH CASE MANAGERS AT VARIOUS AGENCIES, CHARITIES AND CHURCHES SO THE FAMILIES RECEIVE THE SUPPORT THEY NEED TO BECOME | 13,902 |
| 3 | |
| | |
| 4 | |
| | |

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

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2 | Amount |
|--|--------|
| 1 GP INTEREST IN PARTNERSHIPS PROVIDING LOW INCOME HOUSING APARTMENTS | 0 |
| 2 | |
| | |
| All other program-related investments See instructions | |
| 3 | |
| | |
| Total. Add lines 1 through 3 ▶ | 0 |

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

| | | | |
|----------|--|-----------|---------|
| 1 | Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes | | |
| a | Average monthly fair market value of securities. | 1a | 0 |
| b | Average of monthly cash balances. | 1b | 61,361 |
| c | Fair market value of all other assets (see instructions). | 1c | 710,000 |
| d | Total (add lines 1a, b, and c). | 1d | 771,361 |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation). | 1e | 0 |
| 2 | Acquisition indebtedness applicable to line 1 assets. | 2 | 710,000 |
| 3 | Subtract line 2 from line 1d. | 3 | 61,361 |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions). | 4 | 920 |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4. | 5 | 60,441 |
| 6 | Minimum investment return. Enter 5% of line 5. | 6 | 3,022 |

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

| | | | |
|-----------|--|-----------|--|
| 1 | Minimum investment return from Part X, line 6. | 1 | |
| 2a | Tax on investment income for 2018 from Part VI, line 5. | 2a | |
| b | Income tax for 2018 (This does not include the tax from Part VI). | 2b | |
| c | Add lines 2a and 2b. | 2c | |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1. | 3 | |
| 4 | Recoveries of amounts treated as qualifying distributions. | 4 | |
| 5 | Add lines 3 and 4. | 5 | |
| 6 | Deduction from distributable amount (see instructions). | 6 | |
| 7 | Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1. | 7 | |

Part XII Qualifying Distributions (see instructions)

| | | | |
|----------|--|-----------|--------|
| 1 | Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes | | |
| a | Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26. | 1a | 13,902 |
| b | Program-related investments—total from Part IX-B. | 1b | 0 |
| 2 | Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes. | 2 | |
| 3 | Amounts set aside for specific charitable projects that satisfy the | | |
| a | Suitability test (prior IRS approval required). | 3a | |
| b | Cash distribution test (attach the required schedule). | 3b | |
| 4 | Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4. | 4 | 13,902 |
| 5 | Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b. See instructions. | 5 | 0 |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4. | 6 | 13,902 |

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

Part XIII Undistributed Income (see instructions)

| | (a) Corpus | (b) Years prior to 2017 | (c) 2017 | (d) 2018 |
|--|---------------|----------------------------|-------------|-------------|
| 1 Distributable amount for 2018 from Part XI, line 7 | | | | |
| 2 Undistributed income, if any, as of the end of 2018 | | | | |
| a Enter amount for 2017 only. | | | | |
| b Total for prior years 20___, 20___, 20___ | | | | |
| 3 Excess distributions carryover, if any, to 2018 | | | | |
| a From 2013. | | | | |
| b From 2014. | | | | |
| c From 2015. | | | | |
| d From 2016. | | | | |
| e From 2017. | | | | |
| f Total of lines 3a through e. | | | | |
| 4 Qualifying distributions for 2018 from Part XII, line 4 ▶ \$ _____ | | | | |
| a Applied to 2017, but not more than line 2a | | | | |
| b Applied to undistributed income of prior years (Election required—see instructions). | | | | |
| c Treated as distributions out of corpus (Election required—see instructions). | | | | |
| d Applied to 2018 distributable amount. | | | | |
| e Remaining amount distributed out of corpus | | | | |
| 5 Excess distributions carryover applied to 2018 (If an amount appears in column (d), the same amount must be shown in column (a)) | | | | |
| 6 Enter the net total of each column as indicated below: | | | | |
| a Corpus Add lines 3f, 4c, and 4e Subtract line 5 | | | | |
| b Prior years' undistributed income Subtract line 4b from line 2b | | | | |
| c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed. | | | | |
| d Subtract line 6c from line 6b Taxable amount—see instructions | | | | |
| e Undistributed income for 2017 Subtract line 4a from line 2a Taxable amount—see instructions | | | | |
| f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019 | | | | |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions). | | | | |
| 8 Excess distributions carryover from 2013 not applied on line 5 or line 7 (see instructions). | | | | |
| 9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a | | | | |
| 10 Analysis of line 9 | | | | |
| a Excess from 2014. | | | | |
| b Excess from 2015. | | | | |
| c Excess from 2016. | | | | |
| d Excess from 2017. | | | | |
| e Excess from 2018. | | | | |

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2018, enter the date of the ruling. 2009-05-01

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

| | Tax year | | | | (e) Total |
|--|-----------|------------|------------|------------|------------|
| | (a) 2018 | (b) 2017 | (c) 2016 | (d) 2015 | |
| 2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed | 0 | 0 | 35,347 | 30,549 | 65,896 |
| b 85% of line 2a | 0 | 0 | 30,045 | 25,967 | 56,012 |
| c Qualifying distributions from Part XII, line 4 for each year listed | 13,902 | 183,637 | 318,693 | 267,917 | 784,149 |
| d Amounts included in line 2c not used directly for active conduct of exempt activities | 0 | 0 | 0 | 0 | 0 |
| e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c | 13,902 | 183,637 | 318,693 | 267,917 | 784,149 |
| 3 Complete 3a, b, or c for the alternative test relied upon | | | | | |
| a "Assets" alternative test—enter | | | | | |
| (1) Value of all assets | 1,260,562 | 31,980,712 | 31,518,475 | 32,457,585 | 97,217,334 |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i) | 1,220,272 | 31,940,422 | 31,478,185 | 31,707,295 | 96,346,174 |
| b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. | | | | | 0 |
| c "Support" alternative test—enter | | | | | |
| (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) | | | | | 0 |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii). | | | | | 0 |
| (3) Largest amount of support from an exempt organization | | | | | 0 |
| (4) Gross investment income | | | | | 0 |

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

1 Information Regarding Foundation Managers:
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:
 Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

a The name, address, and telephone number or email address of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

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

| Recipient | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|--------------------------------|----------------------------------|--------|
| Name and address (home or business) | | | | |
| a <i>Paid during the year</i> | | | | |
| Total ▶ 3a | | | | |
| b <i>Approved for future payment</i> | | | | |
| Total ▶ 3b | | | | |

Part XVI-A Analysis of Income-Producing Activities

| Enter gross amounts unless otherwise indicated | Unrelated business income | | Excluded by section 512, 513, or 514 | | (e) Related or exempt function income (See instructions) |
|---|---------------------------|---------------|--------------------------------------|---------------|--|
| | (a) Business code | (b) Amount | (c) Exclusion code | (d) Amount | |
| 1 Program service revenue | | | | | |
| a LOW INC HOUSING MGMT | | | | | 257,200 |
| b _____ | | | | | |
| c _____ | | | | | |
| d _____ | | | | | |
| e _____ | | | | | |
| f _____ | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 2 Membership dues and assessments. | | | | | |
| 3 Interest on savings and temporary cash investments | | | | | 7 |
| 4 Dividends and interest from securities. | | | | | |
| 5 Net rental income or (loss) from real estate | | | | | |
| a Debt-financed property. | | | | | -990 |
| b Not debt-financed property. | | | | | |
| 6 Net rental income or (loss) from personal property | | | | | |
| 7 Other investment income. | | | | | |
| 8 Gain or (loss) from sales of assets other than inventory | | | | | |
| 9 Net income or (loss) from special events | | | | | |
| 10 Gross profit or (loss) from sales of inventory | | | | | |
| 11 Other revenue a _____ | | | | | |
| b _____ | | | | | |
| c _____ | | | | | |
| d _____ | | | | | |
| e _____ | | | | | |
| 12 Subtotal. Add columns (b), (d), and (e). | | 0 | | 0 | 256,217 |
| 13 Total. Add line 12, columns (b), (d), and (e). 13 | | | | | 256,217 |

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

| Line No. ▼ | Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions) |
|---------------|--|
| 1A | NON PROFIT OWNS THE GENERAL PARTNER INTEREST IN SEVERAL LIMITED |
| 1A | PARTNERSHIPS WHICH OWN AND OPERATE RENTAL HOUSING FOR LOW AND MODERATE |
| 1A | INCOME INDIVIDUALS AT AFFORDABLE RATES |
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TY 2018 Accounting Fees Schedule**Name:** SOUTHERN AFFORDABLE SERVICES INC**EIN:** 27-0169634

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|----------------------------|---------------|----------------------------------|--------------------------------|--|
| ACCTG | 3,750 | 0 | 1,875 | 1,875 |
| PAYROLL ADMINISTRATION FEE | 9,332 | 0 | 8,885 | 447 |

TY 2018 General Explanation Attachment

Name: SOUTHERN AFFORDABLE SERVICES INC

EIN: 27-0169634

General Explanation Attachment

| Identifier | Return Reference | Explanation | |
|------------|--|--------------------|--|
| 1 | FORMATION OF 3 LOW INCOME HOUSING LIMITED PARTNERSHIPS | PART V 11-A LINE 5 | <p>PRIOR TO JANUARY 1, 2018, THE TAXPAYER OWNED 3 LOW INCOME RESIDENTIAL COMMUNITIES THE THREE COMMUNITIES WERE SPRING ARBOR, LEXINGTON CLUB AT SPRING ARBOR, AND WINDY PINES THE 3 COMMUNITIES WERE OWNED BY 3 SEPARATE SINGLE MEMBER LIMITED LIABILITY COMPANIES WITH THE TAXPAYER OWNING ALL OF THE MEMBER UNITS, THESE ENTITIES WERE TREATED AS DISREGARDED ENTITIES FOR FEDERAL INCOME TAX PURPOSES THE RENTAL OPERATIONS OF THESE COMMUNITIES WERE REPORTED ON THE ANALYSIS OF REVENUE AND EXPENSES (PART I OF FORM 990) AND THE RENTAL PROPERTY, MORTGAGE DEBT AND OTHER ASSETS AND LIABILITIES OF EACH COMMUNITY WAS REPORTED ON THE BALANCE SHEETS (PART II OF FORM 990) IN PRIOR YEARS ON JANUARY 1, 2018, UNRELATED PARTIES MADE CASH CONTRIBUTIONS TO EACH OF THE 3 LIMITED LIABILITY COMPANIES AND WERE ADMITTED AS MEMBERS OF EACH OF THE COMPANIES RESULTING IN THE FORMATION OF PARTNERSHIPS FOR EACH OF THE 3 COMMUNITIES THE TAXPAYER BECAME THE MANAGING MEMBER OF EACH OF THE THREE LIMITED LIABILITY COMPANIES AND CONTINUED OVERSEEING THE DAY TO DAY OPERATIONS OF THE COMMUNITIES AS WELL AS ITS INVESTMENT IN EACH OF THE COMMUNITIES THE CASH CONTRIBUTIONS WERE NECESSARY TO FUND RENOVATIONS OF MAJOR STRUCTURAL SYSTEMS SUCH AS ROOFING AND TO UPDATE THE INTERIOR OF THE UNITS AS THE COMMUNITIES ARE OVER 15 YEARS OLD AND THE OPERATING CASH FLOW OF THE COMMUNITIES IS LIMITED DUE TO THE BELOW MARKET RENTS PERMITTED TO BE CHARGED TO RESIDENTS PURSUANT TO IRC SECTION 42 AT DECEMBER 31, 2018, THE TAXPAYER'S INVESTMENT IN EACH OF THE LIMITED LIABILITY COMPANIES IS REFLECTED ON THE ACCOMPANYING BALANCE SHEET AS A COMPONENT OF THE INVESTMENT IN LOW INCOME HOUSING PARTNERSHIPS ON LINE 16(SEE STATEMENT 9) THE TAXPAYER'S SHARE OF EACH LIMITED LIABILITY COMPANIES 2018 GROSS RENTS IS REPORTED ON LINE 5A OF THE ANALYSIS OF REVENUE AND EXPENSES AND THE ASSOCIATED 2018 RENTAL EXPENSES ARE REFLECTED AS A COMPONENT OF OTHER OPERATING EXPENSES ON LINE 13 BELOW IS A SUMMARY OF THE TAXPAYER'S NET INVESTMENT IN EACH OF THE THREE LIMITED LIABILITY COMPANIES AT JANUARY 1, 2018 SAS SPRING ARBOR MANAGERS, LLC FEIN 35-2618983 CASH AND RESTRICTED CASH \$ 1,165,351 RENTAL PROPERTY, NET OF ACCUMULATED DEPRECIATION 7,845,255 MORTGAGE DEBT (10,263,841) OTHER ASSETS AND LIABILITIES, NET 2,148,418 -----NET INVESTMENT \$ 895,183 ===== SAS LEXINGTON CLUB AT SPRING ARBOR MANAGERS, LLC FEIN 37-1881378 CASH AND RESTRICTED CASH \$ 534,153 RENTAL PROPERTY, NET OF ACCUMULATED DEPRECIATION 8,956,524 MORTGAGE DEBT (11,333,612) OTHER ASSETS AND LIABILITIES, NET (66,720) -----NET INVESTMENT \$(1,909,655) ===== SAS WINDY PINES MANAGERS, LLC FEIN 36-4891334 CASH AND RESTRICTED CASH \$ 854,498 RENTAL PROPERTY, NET OF ACCUMULATED DEPRECIATION 10,074,961 MORTGAGE DEBT (10,965,925) OTHER ASSETS AND LIABILITIES, NET (104,814) -----NET INVESTMENT \$ (141,280) =====</p> |

TY 2018 Legal Fees Schedule**Name:** SOUTHERN AFFORDABLE SERVICES INC**EIN:** 27-0169634

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|-----------------|---------------|----------------------------------|--------------------------------|--|
| LEGAL FEES | 1,996 | 0 | 1,996 | 0 |

TY 2018 Mortgages and Notes Payable Schedule**Name:** SOUTHERN AFFORDABLE SERVICES INC**EIN:** 27-0169634**Total Mortgage Amount:** 710,000**Mortgages and Notes Payable Schedule**

| | |
|--|--|
| Item No. | 1 |
| Lender's Name | ROLLING GREEN INVESTMENT PARTNERS LLLP |
| Lender's Title | PARTNERSHIP |
| Relationship to Insider | NONE |
| Original Amount of Loan | 710,000 |
| Balance Due | 710,000 |
| Date of Note | 2011-12 |
| Maturity Date | 2071-12 |
| Repayment Terms | PERIODICALLY |
| Interest Rate | 12.000000000000 |
| Security Provided by Borrower | LAND |
| Purpose of Loan | PURCHASE LAND |
| Description of Lender Consideration | |
| Consideration FMV | |

Mortgages and Notes Payable Schedule

| | |
|--|--------------------------------------|
| Item No. | 2 |
| Lender's Name | BANK OF AMERICA NA |
| Lender's Title | BANK |
| Relationship to Insider | NONE |
| Original Amount of Loan | 3,796,900 |
| Balance Due | 0 |
| Date of Note | 2013-11 |
| Maturity Date | 2018-11 |
| Repayment Terms | MONTHLY |
| Interest Rate | 6.500000000000 |
| Security Provided by Borrower | APARTMENT BLDG & LAND LEXINGTON CLUB |
| Purpose of Loan | REFINANCE |
| Description of Lender Consideration | |
| Consideration FMV | |

Mortgages and Notes Payable Schedule

| | |
|--|-------------------------------------|
| Item No. | 3 |
| Lender's Name | BANK OF AMERICA NA |
| Lender's Title | BANK |
| Relationship to Insider | NONE |
| Original Amount of Loan | 8,505,000 |
| Balance Due | 0 |
| Date of Note | 2013-11 |
| Maturity Date | 2018-11 |
| Repayment Terms | MONTHLY |
| Interest Rate | 6.500000000000 |
| Security Provided by Borrower | APARTMENT BLDG & LAND HUNTERS CREEK |
| Purpose of Loan | REFINANCE |
| Description of Lender Consideration | |
| Consideration FMV | |

Mortgages and Notes Payable Schedule

| | |
|--|-------------------------------------|
| Item No. | 4 |
| Lender's Name | SANDSPUR HOUSING PARTNERS LTD |
| Lender's Title | DEVELOPER |
| Relationship to Insider | NONE |
| Original Amount of Loan | 1,172,769 |
| Balance Due | 0 |
| Date of Note | 2013-11 |
| Maturity Date | 2018-12 |
| Repayment Terms | PERIODICALLY |
| Interest Rate | 4.250000000000 |
| Security Provided by Borrower | APARTMENT BLDG & LAND HUNTERS CREEK |
| Purpose of Loan | DEVELOPER FEE |
| Description of Lender Consideration | |
| Consideration FMV | |

Mortgages and Notes Payable Schedule

| | |
|--|--------------------------------------|
| Item No. | 5 |
| Lender's Name | SANDSPUR HOUSING PARTNERS LTD |
| Lender's Title | DEVELOPER |
| Relationship to Insider | NONE |
| Original Amount of Loan | 1,225,468 |
| Balance Due | 0 |
| Date of Note | 2013-11 |
| Maturity Date | 2018-12 |
| Repayment Terms | PERIODICALLY |
| Interest Rate | 4.250000000000 |
| Security Provided by Borrower | APARTMENT BLDG & LAND LEXINGTON CLUB |
| Purpose of Loan | DEVELOPER FEE |
| Description of Lender Consideration | |
| Consideration FMV | |

Mortgages and Notes Payable Schedule

| | |
|--|-----------------------------------|
| Item No. | 6 |
| Lender's Name | SANDSPUR HOUSING PARTNERS LTD |
| Lender's Title | DEVELOPER |
| Relationship to Insider | NONE |
| Original Amount of Loan | 6,329,771 |
| Balance Due | 0 |
| Date of Note | 2012-06 |
| Maturity Date | 2019-06 |
| Repayment Terms | PERIODICALLY |
| Interest Rate | 4.250000000000 |
| Security Provided by Borrower | APARTMENT BLDG & LAND WINDY PINES |
| Purpose of Loan | DEVELOPER FEE |
| Description of Lender Consideration | |
| Consideration FMV | |

Mortgages and Notes Payable Schedule

| | |
|--|-----------------------------------|
| Item No. | 7 |
| Lender's Name | BANK UNITED |
| Lender's Title | BANK |
| Relationship to Insider | NONE |
| Original Amount of Loan | 5,791,500 |
| Balance Due | 0 |
| Date of Note | 2012-06 |
| Maturity Date | 2019-06 |
| Repayment Terms | MONTHLY |
| Interest Rate | 4.250000000000 |
| Security Provided by Borrower | APARTMENT BLDG & LAND WINDY PINES |
| Purpose of Loan | REFINANCE |
| Description of Lender Consideration | |
| Consideration FMV | |

TY 2018 Other Assets Schedule**Name:** SOUTHERN AFFORDABLE SERVICES INC**EIN:** 27-0169634**Other Assets Schedule**

| Description | Beginning of Year - Book Value | End of Year - Book Value | End of Year - Fair Market Value |
|--|--------------------------------|--------------------------|---------------------------------|
| OTHER ASSETS | 65,312 | | |
| DEPOSITS | 29,374 | | |
| NET INVESTMENT IN LOW INCOME HOUSING TAX CREDIT PARTNERSHIPS | 1,616,958 | 468,027 | 468,027 |

TY 2018 Other Expenses Schedule**Name:** SOUTHERN AFFORDABLE SERVICES INC**EIN:** 27-0169634**Other Expenses Schedule**

| Description | Revenue and Expenses per Books | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|----------------------------|--------------------------------|-----------------------|---------------------|---------------------------------------|
| OFFICE EXPENSE | 1,232 | 0 | 616 | 616 |
| OFFICE MANAGEMENT REIMB | 49,200 | 0 | 49,200 | 0 |
| PHONE & COMPUTER EXPENSES | 2,619 | 0 | 1,309 | 1,310 |
| PROPERTY DEVELOPMENT - K-1 | 1,149 | 0 | 1,149 | 0 |
| OTHER OPERATING | 287 | 0 | 287 | 0 |
| OTHER OPERATING | 309 | 0 | 309 | 0 |
| OTHER OPERATING | 313 | 0 | 313 | 0 |
| OTHER OPERATING | 0 | 0 | 0 | 0 |
| OTHER OPERATING | 162 | 0 | 162 | 0 |
| OTHER OPERATING | 63 | 0 | 63 | 0 |

Other Expenses Schedule

| Description | Revenue and Expenses per Books | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|--------------------|---------------------------------------|------------------------------|----------------------------|--|
| OTHER OPERATING | 77 | 0 | 77 | 0 |
| OTHER OPERATING | 65 | 0 | 65 | 0 |
| OTHER OPERATING | 91 | 0 | 91 | 0 |
| OTHER OPERATING | 107 | 0 | 107 | 0 |
| OTHER OPERATING | 229 | 0 | 229 | 0 |
| OTHER OPERATING | 21 | 0 | 21 | 0 |
| OTHER OPERATING | 39 | 0 | 39 | 0 |
| OTHER OPERATING | 71 | 0 | 71 | 0 |
| OTHER OPERATING | 99 | 0 | 99 | 0 |
| OTHER OPERATING | 36 | 0 | 36 | 0 |

Other Expenses Schedule

| Description | Revenue and Expenses per Books | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|--------------------|---------------------------------------|------------------------------|----------------------------|--|
| OTHER OPERATING | 2,094 | 0 | 2,094 | 0 |
| OTHER OPERATING | 76 | 0 | 76 | 0 |
| OTHER OPERATING | 64 | 0 | 64 | 0 |
| OTHER OPERATING | 120 | 0 | 120 | 0 |
| OTHER OPERATING | 50 | 0 | 50 | 0 |
| OTHER OPERATING | 310 | 0 | 310 | 0 |
| OTHER OPERATING | 196 | 0 | 196 | 0 |
| OTHER OPERATING | 147 | 0 | 147 | 0 |
| OTHER OPERATING | 304 | 0 | 304 | 0 |
| | 274 | 0 | 274 | 0 |

Other Expenses Schedule

| Description | Revenue and Expenses per Books | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|--------------------|---------------------------------------|------------------------------|----------------------------|--|
| OTHER OPERATING | 63 | 0 | 63 | 0 |
| OTHER OPERATING | 118 | 0 | 118 | 0 |
| OTHER OPERATING | 82 | 0 | 82 | 0 |
| OTHER OPERATING | 58 | 0 | 58 | 0 |
| OTHER OPERATING | 36 | 0 | 36 | 0 |
| OTHER OPERATING | 66 | 0 | 66 | 0 |
| OTHER OPERATING | 50 | 0 | 50 | 0 |
| OTHER OPERATING | 0 | 0 | 0 | 0 |
| OTHER OPERATING | 608 | 0 | 608 | 0 |
| OTHER OPERATING | 0 | 0 | 0 | 0 |

Other Expenses Schedule

| Description | Revenue and Expenses per Books | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|--------------------|---------------------------------------|------------------------------|----------------------------|--|
| OTHER OPERATING | 36 | 0 | 36 | 0 |
| OTHER OPERATING | 53 | 0 | 53 | 0 |
| OTHER OPERATING | 83 | 0 | 83 | 0 |
| OTHER OPERATING | 0 | 0 | 0 | 0 |
| OTHER OPERATING | 65 | 0 | 65 | 0 |
| OTHER OPERATING | 0 | 0 | 0 | 0 |
| OTHER OPERATING | 0 | 0 | 0 | 0 |
| OTHER OPERATING | 0 | 0 | 0 | 0 |

TY 2018 Other Income Schedule**Name:** SOUTHERN AFFORDABLE SERVICES INC**EIN:** 27-0169634**Other Income Schedule**

| Description | Revenue And Expenses Per Books | Net Investment Income | Adjusted Net Income |
|----------------------|--------------------------------|-----------------------|---------------------|
| LOW INC HOUSING MGMT | 257,200 | | 257,200 |

TY 2018 Other Liabilities Schedule**Name:** SOUTHERN AFFORDABLE SERVICES INC**EIN:** 27-0169634

| Description | Beginning of Year - Book Value | End of Year - Book Value |
|----------------------------|---|-------------------------------------|
| SECURITY DEPOSIT | 387,547 | 0 |
| LOAN PAYABLE | 1,810,317 | 0 |
| NET DUE TO/FROM PROPERTIES | 821,392 | 1,216 |

TY 2018 Taxes Schedule**Name:** SOUTHERN AFFORDABLE SERVICES INC**EIN:** 27-0169634

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|-------------------|---------------|----------------------------------|--------------------------------|--|
| PAYROLL TAXES | 11,294 | 0 | 10,806 | 488 |
| STATE FILING FEES | 22,293 | 0 | 22,293 | 0 |