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Form **990**

# 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)

# 2002

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

**A** For the **2002** calendar year, or tax year beginning **2002**, and ending **20**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input checked="" type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	<b>C</b> Name of organization <b>Center for Responsible Lending</b>		<b>D</b> Employer identification number <b>74 3043913</b>
		Number and street (or P O box if mail is not delivered to street address) Room/suite <b>301 W Main St</b>		<b>E</b> Telephone number <b>( 919 ) 956-4400</b>
		City or town state or country and ZIP + 4 <b>Durham, NC 27701 - 3227</b>		<b>F</b> Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)
		Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)		

**G** Web site **www.responsiblelending.org**

**H** and **I** are not applicable to section 527 organizations

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

**H(b)** If "Yes" enter number of affiliates **.....**

**H(c)** Are all affiliates included?  Yes  No (If "No" attach a list. See instructions)

**H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**I** Enter 4-digit GEN **.....**

**J** Organization type (check only one)  501(c) ( **3** ) (insert no)  4947(a)(1) or  527

**K** Check here  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS but if the organization received a Form 990 Package in the mail it should file a return without financial data. Some states require a complete return.

**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 **1,951,174**

**M** Check  if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

## Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions)

Revenue	<b>1</b> Contributions, gifts, grants, and similar amounts received				
	<b>a</b> Direct public support	1a	1,950,000		
	<b>b</b> Indirect public support	1b			
	<b>c</b> Government contributions (grants)	1c			
	<b>d</b> Total (add lines 1a through 1c) (cash \$ <u>1,950,000</u> noncash \$ _____)	1d			1,950,000
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)	2			
	<b>3</b> Membership dues and assessments	3			
	<b>4</b> Interest on savings and temporary cash investments	4			1,174
	<b>5</b> Dividends and interest from securities	5			
	<b>6a</b> Gross rents	6a			
	<b>b</b> Less rental expenses	6b			
	<b>c</b> Net rental income or (loss) (subtract line 6b from line 6a)	6c			
<b>7</b> Other investment income (describe _____)	7				
<b>8a</b> Gross amount from sales of assets other than inventory	(A) Securities	8a			
	(B) Other	8b			
	<b>b</b> Less cost or other basis and sales expenses	8c			
	<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			
<b>9</b> Special events and activities (attach schedule)	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a			
	<b>b</b> Less direct expenses other than fundraising expenses	9b			
	<b>c</b> Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
<b>10a</b> Gross sales of inventory, less returns and allowances		10a			
	<b>b</b> Less cost of goods sold	10b			
	<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			
<b>11</b> Other revenue (from Part VII, line 103)	11				
<b>12</b> Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			1,951,174.	
Expenses	<b>13</b> Program services (from line 44, column (B))	13			887,548
	<b>14</b> Management and general (from line 44, column (C))	14			160,365
	<b>15</b> Fundraising (from line 44, column (D))	15			47,909
	<b>16</b> Payments to affiliates (attach schedule)	16			
	<b>17</b> Total expenses (add lines 16 and 44, column (A))	17			1,095,822
Net Assets	<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)	18			855,352
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	19			0
	<b>20</b> Other changes in net assets or fund balances (attach explanation)	20			
	<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			855,352.

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AUG 18 2003  
OGDEN, UT

PREPARED BY: [unclear]  
 DATE: AUG 15 2003

FILMED AUG 28 2003

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**Part II Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 21 of the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ <u>169,914</u> noncash \$ _____)	22 169,914	169,914.		
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc	25			
26	Other salaries and wages	26 613,347	492,382	85,877	35,088
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29			
30	Professional fundraising fees	30			
31	Accounting fees	31			
32	Legal fees	32			
33	Supplies	33 6,136	4,926	859	351
34	Telephone	34 6,434	5,165	901	368
35	Postage and shipping	35 2,946	2,366	412	168
36	Occupancy	36 32,145	25,805	4,501.	1,839
37	Equipment rental and maintenance	37			
38	Printing and publications	38 11,499	9,231	1,610.	658
39	Travel	39 32,986	26,480	4,619	1,887
40	Conferences, conventions, and meetings	40 2,955	1,842	944	169
41	Interest	41			
42	Depreciation depletion, etc (attach schedule)	42			
43	Other expenses not covered above (itemize) a <b>Recruit</b>	43a 15,213	12,213	2,130	870
b <b>Research Services</b>		43b 128,271	115,984	7,290	4,997
c <b>Outreach</b>		43c 25,325	20,330	3,546	1,449
d <b>Miscellaneous Exp</b>		43d 1,134	910	159	65
e <b>Lobbying (including salary exp)</b>		43e 47,517		47,517.	
44	<b>Total functional expenses</b> (add lines 22 through 43) <i>Organizations completing columns (B)-(D), carry these totals to lines 13-15</i>	44 1,095,822	887,548	160,365.	47,909

**Joint Costs** Check  if you are following SOP 98-2  
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_, (ii) the amount allocated to Program services \$ \_\_\_\_\_,  
 (iii) the amount allocated to Management and general \$ \_\_\_\_\_ and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments** (See page 24 of the instructions)

What is the organization's primary exempt purpose? <b>See attachment</b>		Program Service Expenses (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others)
a <b>Technical assistance see attachment</b>	(Grants and allocations \$ _____)	451,203
b <b>Research Services see attachment</b>	(Grants and allocations \$ _____)	196,500
c <b>Outreach and Communications see attachment</b>	(Grants and allocations \$ _____)	239,845
d	(Grants and allocations \$ _____)	
e <b>Other program services (attach schedule)</b>	(Grants and allocations \$ _____)	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)		<b>887,548</b>

**Part IV Balance Sheets** (See page 24 of the instructions)

<b>Note</b>		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>45</b> Cash—non-interest-bearing	0	<b>45</b>	<b>1,145,880</b>
	<b>46</b> Savings and temporary cash investments		<b>46</b>	
	<b>47a</b> Accounts receivable	<b>47a</b>		
	<b>b</b> Less allowance for doubtful accounts	<b>47b</b>		<b>47c</b>
	<b>48a</b> Pledges receivable	<b>48a</b>		
	<b>b</b> Less allowance for doubtful accounts	<b>48b</b>		<b>48c</b>
	<b>49</b> Grants receivable			<b>49</b>
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule)			<b>50</b>
	<b>51a</b> Other notes and loans receivable (attach schedule)	<b>51a</b>		
	<b>b</b> Less allowance for doubtful accounts	<b>51b</b>		<b>51c</b>
	<b>52</b> Inventories for sale or use			<b>52</b>
	<b>53</b> Prepaid expenses and deferred charges	0	<b>53</b>	<b>119,724</b>
	<b>54</b> Investments—securities (attach schedule) <span style="float:right">▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV</span>			<b>54</b>
	<b>55a</b> Investments—land, buildings, and equipment basis	<b>55a</b>		
	<b>b</b> Less accumulated depreciation (attach schedule)	<b>55b</b>		<b>55c</b>
	<b>56</b> Investments—other (attach schedule)			<b>56</b>
	<b>57a</b> Land, buildings, and equipment basis	<b>57a</b>		
	<b>b</b> Less accumulated depreciation (attach schedule)	<b>57b</b>		<b>57c</b>
	<b>58</b> Other assets (describe ▶ _____ )			<b>58</b>
<b>59 Total assets</b> (add lines 45 through 58) (must equal line 74)	0	<b>59</b>	<b>1,265,604</b>	
<b>Liabilities</b>	<b>60</b> Accounts payable and accrued expenses	0	<b>60</b>	<b>240,338</b>
	<b>61</b> Grants payable	0	<b>61</b>	<b>169,914</b>
	<b>62</b> Deferred revenue		<b>62</b>	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule)		<b>63</b>	
	<b>64a</b> Tax-exempt bond liabilities (attach schedule)		<b>64a</b>	
	<b>b</b> Mortgages and other notes payable (attach schedule)		<b>64b</b>	
	<b>65</b> Other liabilities (describe ▶ _____ )		<b>65</b>	
<b>66 Total liabilities</b> (add lines 60 through 65)	0	<b>66</b>	<b>410,252</b>	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 67 through 69 and lines 73 and 74</b>			
	<b>67</b> Unrestricted	0	<b>67</b>	<b>855,352</b>
	<b>68</b> Temporarily restricted		<b>68</b>	
	<b>69</b> Permanently restricted		<b>69</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 70 through 74</b>			
	<b>70</b> Capital stock, trust principal, or current funds		<b>70</b>	
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund		<b>71</b>	
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds		<b>72</b>	
	<b>73 Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	0	<b>73</b>	<b>855,352</b>
	<b>74 Total liabilities and net assets / fund balances</b> (add lines 66 and 73)	0	<b>74</b>	<b>1,265,604.</b>

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



**Part VI Other Information** (See page 27 of the instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		<input checked="" type="checkbox"/>
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		<input checked="" type="checkbox"/>
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		<input checked="" type="checkbox"/>
b	If "Yes," has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		<input checked="" type="checkbox"/>
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	<input checked="" type="checkbox"/>	
b	If "Yes," enter the name of the organization <b>See attachment</b> ..... and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures See line 81 instructions		
b	Did the organization file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		<input checked="" type="checkbox"/>
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	<input checked="" type="checkbox"/>	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<input checked="" type="checkbox"/>	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		<input checked="" type="checkbox"/>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85	501(c)(4) (5), or (6) organizations a Were substantially all dues nondeductible by members?		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
c	Dues, assessments and similar amounts from members		
d	Section 162(e) lobbying and political expenditures		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12		
b	Gross receipts, included on line 12, for public use of club facilities		
87	501(c)(12) orgs Enter a Gross income from members or shareholders		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		<input checked="" type="checkbox"/>
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 ▶ 0, section 4912 ▶ 0 section 4955 ▶ 0		
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		<input checked="" type="checkbox"/>
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization ▶ 0		
90a	List the states with which a copy of this return is filed ▶ North Carolina		
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)		
91	The books are in care of ▶ Mary Mountcastle Telephone no ▶ ( 919 ) 956-4400 Located at ▶ 301 West Main Street, Durham, NC ZIP + 4 ▶ 27701-3227		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92		

**Part VII Analysis of Income-Producing Activities** (See page 31 of the instructions)

Note Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					1,174
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))					1,174
105 Total (add line 104, columns (B), (D), and (E))					1,174

Note Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See page 32 of the instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
95	interest income from grants contribution is used to offset the operating costs on research, education and technical assistance for predatory lending and other abusive financial practices

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See page 32 of the instructions)

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

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See page 33 of the instructions)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No
- (b) Did the organization, during the year, pay premiums directly or indirectly, on a personal benefit contract?  Yes  No
- Note If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

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.

Please Sign Here

Signature of officer: Mary Mountcastle Date: 8/14/03

Type or print name and title: Mary Mountcastle, President

Paid Preparer's Use Only

Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_ Check if self-employed:

Firm's name (or yours if self-employed) address and ZIP + 4: \_\_\_\_\_ Preparer's SSN or PTIN (See Gen. Inst. W): \_\_\_\_\_

EIN: \_\_\_\_\_ Phone no: ( ) \_\_\_\_\_



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

**Organization Exempt Under Section 501(c)(3)**

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

**2002**

**Supplementary Information—(See separate instructions )**

Department of the Treasury  
Internal Revenue Service

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

Employer identification number

**Center for Responsible Lending**

**74 3043913**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 of the instructions List each one If there are none, enter "None ")

(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 & deferred compensation	(e) Expense account and other allowances
See attachment .....				
.....				
.....				
.....				
.....				
.....				
.....				
.....				
.....				
Total number of other employees paid over \$50 000 ▶	2			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None ")

(a) Name and address of each independent contractor 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 III** Statements About Activities (See page 2 of the instructions)

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>47,517</u> (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	✓	
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		✓
b	Lending of money or other extension of credit?		✓
c	Furnishing of goods, services, or facilities?		✓
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		✓
e	Transfer of any part of its income or assets?		✓
3	Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below)		✓
4	Do you have a section 403(b) annuity plan for your employees?	✓	
<b>Note:</b> Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments.			

**Part IV** Reason for Non-Private Foundation Status (See pages 3 through 5 of the instructions)

The organization is not a private foundation because it is (Please check only **ONE** applicable box.)

- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i)
- 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii)
- 8  A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)
- 9  A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(ii). Enter the hospital's name, city, and state ▶ \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b  A community trust. Section 170(b)(1)(A)(v). (Also complete the **Support Schedule** in Part IV-A.)
- 12  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc. functions- subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above
	11a

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting*

**Note** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in) ▶	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
<b>15</b> Gifts, grants and contributions received (Do not include unusual grants. See line 28) -					
<b>16</b> Membership fees received -					
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable etc. purpose -					
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 -					
<b>19</b> Net income from unrelated business activities not included in line 18 -					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf -					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge -					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets -					
<b>23</b> Total of lines 15 through 22 -					
<b>24</b> Line 23 minus line 17 -					
<b>25</b> Enter 1% of line 23 -					
<b>26 Organizations described on lines 10 or 11</b>	<p><b>a</b> Enter 2% of amount in column (e), line 24 ▶</p> <p><b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a. <b>Do not file this list with your return.</b> Enter the total of all these excess amounts ▶</p> <p><b>c</b> Total support for section 509(a)(1) test. Enter line 24, column (e) ▶</p> <p><b>d</b> Add: Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____ ▶</p> <p><b>e</b> Public support (line 26c minus line 26d total) ▶</p> <p><b>f</b> <b>Public support percentage (line 26e (numerator) divided by line 26c (denominator))</b> ▶</p>				<p><b>26a</b> _____</p> <p style="background-color: #cccccc;"><b>26b</b> _____</p> <p><b>26c</b> _____</p> <p style="background-color: #cccccc;"><b>26d</b> _____</p> <p><b>26e</b> _____</p> <p><b>26f</b> _____ %</p>
<b>27 Organizations described on line 12</b>	<p><b>a</b> For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from each "disqualified person." <b>Do not file this list with your return.</b> Enter the sum of such amounts for each year:</p> <p>(2001) _____ (2000) _____ (1999) _____ (1998) _____</p> <p><b>b</b> For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) <b>Do not file this list with your return.</b> After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:</p> <p>(2001) _____ (2000) _____ (1999) _____ (1998) _____</p> <p><b>c</b> Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶</p> <p><b>d</b> Add: Line 27a total _____ and line 27b total _____ ▶</p> <p><b>e</b> Public support (line 27c total minus line 27d total) ▶</p> <p><b>f</b> Total support for section 509(a)(2) test. Enter amount from line 23, column (e) ▶ <b>27f</b> _____</p> <p><b>g</b> <b>Public support percentage (line 27e (numerator) divided by line 27f (denominator))</b> ▶</p> <p><b>h</b> <b>Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))</b> ▶</p>				<p><b>27c</b> _____</p> <p><b>27d</b> _____</p> <p><b>27e</b> _____</p> <p style="background-color: #cccccc;"><b>27f</b> _____</p> <p><b>27g</b> _____ %</p> <p><b>27h</b> _____ %</p>
<b>28 Unusual Grants</b>	<p>For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. <b>Do not file this list with your return.</b> Do not include these grants in line 15.</p>				

**Part V Private School Questionnaire** (See page 7 of the instructions)  
**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions programs and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes" please describe, if "No" please explain (If you need more space, attach a separate statement )		
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures announcements, and other written communications to the public dealing with student admissions programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )		
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities?		
If you answered "Yes" to any of the above please explain (If you need more space, attach a separate statement )		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement		
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587 covering racial nondiscrimination? If "No," attach an explanation		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions )  
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check  **a** if the organization belongs to an affiliated group Check  **b** if you checked "a" and "limited control" provisions apply

<b>Limits on Lobbying Expenditures</b>		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred )			
<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying)	7,681.	4,369
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying)	59,767	43,148
<b>38</b>	Total lobbying expenditures (add lines 36 and 37)	67,448	47,517
<b>39</b>	Other exempt purpose expenditures	43,523,832	1,048,305
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39)	43,591,280	1,095,822.
<b>41</b>	Lobbying nontaxable amount Enter the amount from the following table-		
	<b>If the amount on line 40 is-</b>	<b>The lobbying nontaxable amount is-</b>	
	Not over \$500,000	20% of the amount on line 40	
	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
	Over \$17,000,000	\$1,000,000	
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41)	250,000	46,146
<b>43</b>	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	0	N/A
<b>44</b>	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	0	N/A

**Caution** If there is an amount on either line 43 or line 44, you must file Form 4720

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below  
 See the instructions for lines 45 through 50 on page 11 of the instructions )

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
<b>45</b> Lobbying nontaxable amount	1,000,000	0	0	0	1,000,000
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					1,500,000
<b>47</b> Total lobbying expenditures	67,448	0	0	0	67,448
<b>48</b> Grassroots nontaxable amount	250,000	0	0	0	250,000
<b>49</b> Grassroots ceiling amount (150% of line 48(e))					375,000
<b>50</b> Grassroots lobbying expenditures	7,681.	0	0	0	7,681

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions )

During the year did the organization attempt to influence national state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
<b>a</b> Volunteers			
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h )			
<b>c</b> Media advertisements			
<b>d</b> Mailings to members, legislators, or the public			
<b>e</b> Publications, or published or broadcast statements			
<b>f</b> Grants to other organizations for lobbying purposes			
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body			
<b>h</b> Rallies, demonstrations, seminars conventions, speeches, lectures, or any other means			
<b>i</b> Total lobbying expenditures (Add lines c through h )			
If "Yes" to any of the above also attach a statement giving a detailed description of the lobbying activities			



Center for Responsible Lending  
EIN 74-3043913  
Form 990, Tax Year 2002  
**Grants and Allocations, Line 22**

Financial Protection Law Center	<u>\$ 169,914</u>
<b>Total</b>	<b>\$ 169,914</b>

**Center for Responsible Lending**

**EIN: 74-3043913**

**Form 990, Tax Year 2002**

**Part III - Statement of Program Service Accomplishments**

**Primary exempt purpose:** Research, education and technical assistance regarding predatory lending and other abusive financial practices that deplete the wealth of low-income and minority families and communities

**Program Service Accomplishments**

**a) Technical assistance:** Provided in-depth technical assistance to consumer and community groups in nine states on predatory lending issues and policy solutions to address these problems. Also provided invited testimony to legislative committees and task forces examining policy options. Provided extensive research and comments to financial institution regulators on variety of issues that impact mortgage lending and payday lending to low-income families. CRL background paper helped lead to Office of Thrift Supervision proposed rule. CRL estimates that this will save 500,000 families \$1.3 billion of home equity wealth each year.

**b) Research Services:** Published numerous issue papers and provided research on subprime lending industry to community groups in many states. Conducted study of HMDA data on subprime lending in North Carolina since the implementation of predatory lending law. Study estimates that this legislation saved NC families approximately \$100 million in 2000.

**c) Outreach and Communications:** Raised visibility of predatory lending issue among national groups such as civil rights organizations. Worked with victims of predatory lending in addressing their complaints. Presented at workshops and conferences to hundreds of individuals, educating them about predatory lending issues.

Center for Responsible Lending

TAX ID: 74-30439313

ATTACHMENT TO FORM 990 FOR YEAR ENDING 12/31/02

**FORM 990 PART V** List of Officers, Directors, Trustees, and Key Employees

(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 & deferred compensation	(E) Expense account and other allowances
Martin Eakes*	Director, 20 hours	\$25,500	\$6,000	-0-
Helen Moore*	Secretary-Treasurer, 40 hours	\$41,400	\$3,171	-0-
Mary Mountcastle*	President/Director, 32 hours	\$40,800	\$7,860	-0-
Enc Stein*	Director, 20 hours	\$25,500	\$6,000	-0-
Reginald Johnson*	Director, 40 hours	\$51,000	\$8,751	-0-
Debbie Goldstein*	Director, 40 hours	\$51,000	\$6,510	-0-

No directors receive compensation. Any employee (indicated with an \*) listed as both director and employee is solely compensated for work performed as an employee, and is not compensated for services as a director

**FORM 990, SCHEDULE A, PART 1** Compensation of the Five Highest Paid Employees Other than Officers, Directors, and Trustees

(A) Name and address of each employee paid more than \$50,000	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0- )	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
David Beck	Policy Director, 40 hours	\$51,000	\$11,747	-0-
Keith Corbett	VP of External Affairs, 40 hours	\$51,000	\$8,751	-0-
Keith Ernst	Asst General Counsel, 40 hours	\$51,000	\$6,965	-0-

Total number of other employees paid over \$50,000 = 2



Center for Responsible Lending  
EIN 74-3043913  
Form 990, Tax Year 2002  
**Related Organizations, Line 80b**

Related Organizations

Self-Help Assistance Corporation\*  
Self-Help Community Development Corporation\*  
Self-Help Credit Union  
Self-Help Services Corporation\*  
Self-Help Ventures Fund\*  
Center for Community Self-Help

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\* Exempt, supporting corporations of the Center for Community Self-Help

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

File a separate application for each return.

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

**Part I** Automatic 3-Month Extension of Time—Only submit original (no copies needed)  
 Note Form 990 T corporations requesting an automatic 6 month extension—check this box and complete Part I only   
 All other corporations (including Form 990 C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066 or 1041

Type or print	Name of Exempt Organization Center for Responsible Lending	Employer identification number 74 3043913
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 301 W Main Street	
	City, town or post office, state and ZIP code. For a foreign address, see instructions Durham, NC 27701	

- Check type of return to be filed (file a separate application for each return)
- |  |  |                                    |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990 T (corporation)                | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL         | <input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ         | <input type="checkbox"/> Form 990-T (trust other than above)     | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF         | <input type="checkbox"/> Form 1041-A                             | <input type="checkbox"/> Form 8870 |

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

1 I request an automatic 3 month (6-month, for 990-T corporation) extension of time until August 15 2003 to file the exempt organization return for the organization named above. The extension is for the organization's return for  calendar year 2002 or  tax year beginning \_\_\_\_\_ 20\_\_\_\_ and ending \_\_\_\_\_ 20\_\_\_\_

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

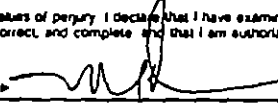
3a If this application is for Form 990-BL, 990-PF, 990-T, 4720 or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ \_\_\_\_\_

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ \_\_\_\_\_

c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or if required, deposit with FTD coupon or, if required by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ \_\_\_\_\_

**Signature and Verification**

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

Signature  Title Accountant Date 2/7/03

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired
- Print your name and address on the reverse so that we can return the card to you
- Attach this card to the back of the mailpiece, or on the front if space permits

1 Article Addressed to  
 Internal Revenue Serv. Ctr  
 Ogden, UT 84201-0012

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below

3 Service Type  Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  COD

4 Restricted Delivery? (Extra Fee)  Yes

2 Article Number (Copy from service label)  
 9000 11670 0010 8437 7575

(SHCW, SHSC, SHVF, CASH, SHCXC)