

Return of Organization Exempt From Income Tax

2010

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

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

A For the 2010 calendar year, or tax year beginning , 2010, and ending ,

B Check if applicable:

Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

F Name and address of principal officer: **Paul J. Scheper**
Same As C Above

D Employer Identification Number: **31-0554071**

E Telephone number: **513-271-9610**

G Gross receipts \$ **24,108,745.**

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)

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

J Website: ▶ **www.episcopalretirement.com**

K Form of organization: Corporation Trust Association Other ▶

L Year of Formation: **1951** **M** State of legal domicile: **OH**

H(c) Group exemption number ▶

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>For 60 years, Episcopal Retirement Homes (ERH) has been dedicated to improving the lives of older adults through innovative, quality living environments and older adult services delivered by highly experienced and deeply committed professionals.</u>		
	2 Check this box <input type="checkbox"/> 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	24
	4 Number of independent voting members of the governing body (Part VI, line 1b).....	4	24
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a).....	5	468
	6 Total number of volunteers (estimate if necessary).....	6	675
	7a Total unrelated business revenue from Part VIII, column (C), line 12.....	7a	-1,422.
b Net unrelated business taxable income from Form 990-T, line 34.....	7b	-1,422.	
Revenue	8 Contributions and grants (Part VIII, line 1h).....	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g).....	1,735,935.	1,673,936.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d).....	19,500,423.	22,186,824.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e).....	2,693,985.	1,364,352.
	12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12).....	-273,738.	-1,172,487.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3).....	23,656,605.	24,052,625.
	14 Benefits paid to or for members (Part IX, column (A), line 4).....		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10).....	12,036,293.	13,261,398.
	16a Professional fundraising fees (Part IX, column (A), line 11e).....		
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 291,587.		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f).....	10,997,035.	11,938,562.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25).....	23,033,328.	25,199,960.	
19 Revenue less expenses. Subtract line 18 from line 12.....	623,277.	-1,147,335.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16).....	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26).....	72,027,770.	72,094,408.
	22 Net assets or fund balances. Subtract line 21 from line 20.....	49,482,904.	50,333,487.
		22,544,866.	21,760,921.

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: Paul J. Scheper Date: _____
 Type or print name and title: **CFO**

Paid Preparer Use Only

Print/Type preparer's name: Chris Guin Preparer's signature: Self-Prepared Date: _____
 Check if self-employed PTIN: _____
 Firm's name: _____ Firm's EIN: _____
 Firm's address: _____ Phone no.: _____

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission:

See Schedule O

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 [X] 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 [X] No

If 'Yes,' describe these changes on Schedule O.

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

4a (Code: []) (Expenses \$ 11,918,189. including grants of \$ []) (Revenue \$ 13,764,783.)

See Schedule O

4b (Code: []) (Expenses \$ 8,053,566. including grants of \$ []) (Revenue \$ 9,517,552.)

See Schedule O

4c (Code: []) (Expenses \$ 1,012,615. including grants of \$ []) (Revenue \$ 1,479,955.)

See Schedule O

4d Other program services. (Describe in Schedule O.)

(Expenses \$ [] including grants of \$ []) (Revenue \$ [])

4e Total program service expenses ▶ 20,984,370.

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)? <i>If 'Yes,' complete Schedule A.</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If 'Yes,' complete Schedule C, Part I.</i>		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? <i>If 'Yes,' complete Schedule C, Part II.</i>		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? <i>If 'Yes,' complete Schedule C, Part III.</i>		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If 'Yes,' complete Schedule D, Part I.</i>		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? <i>If 'Yes,' complete Schedule D, Part II.</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If 'Yes,' complete Schedule D, Part III.</i>		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? <i>If 'Yes,' complete Schedule D, Part IV.</i>		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If 'Yes,' complete Schedule D, Part V.</i>		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? <i>If 'Yes,' complete Schedule D, Part VI.</i>	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? <i>If 'Yes,' complete Schedule D, Part VII.</i>		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? <i>If 'Yes,' complete Schedule D, Part VIII.</i>		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? <i>If 'Yes,' complete Schedule D, Part IX.</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If 'Yes,' complete Schedule D, Part X.</i>	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)? <i>If 'Yes,' complete Schedule D, Part X.</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If 'Yes,' complete Schedule D, Parts XI, XII, and XIII.</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If 'Yes,' complete Schedule E.</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If 'Yes,' complete Schedule F, Parts I and IV.</i>		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? <i>If 'Yes,' complete Schedule F, Parts II and IV.</i>		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? <i>If 'Yes,' complete Schedule F, Parts III and IV.</i>		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? <i>If 'Yes,' complete Schedule G, Part I (see instructions).</i>		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? <i>If 'Yes,' complete Schedule G, Part II.</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If 'Yes,' complete Schedule G, Part III.</i>		X
20 a Did the organization operate one or more hospitals? <i>If 'Yes,' complete Schedule H.</i>		X
b If 'Yes' to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II.</i>		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? <i>If 'Yes,' complete Schedule I, Parts I and III.</i>		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? <i>If 'Yes,' complete Schedule J.</i>	X	
24a 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, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25.</i>	X	
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
24d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		X
25a 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? <i>If 'Yes,' complete Schedule L, Part I.</i>		X
25b 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? <i>If 'Yes,' complete Schedule L, Part I.</i>		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? <i>If 'Yes,' complete Schedule L, Part II.</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If 'Yes,' complete Schedule L, Part III.</i>		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):		
28a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
28b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
28c 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? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M.</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M.</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I.</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II.</i>		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? <i>If 'Yes,' complete Schedule R, Part I.</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1.</i>	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?	X	
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>		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? <i>If 'Yes,' complete Schedule R, Part VI.</i>		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.	X	

BAA

Form 990 (2010)

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		
1 a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1 a	19		
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1 b	0		
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1 c	X		
2 a	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.	2 a	468		
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2 b	X		
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)					
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3 a	X		
3 b	If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O.	3 b	X		
4 a	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)?	4 a		X	
4 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.				
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5 a		X	
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5 b		X	
5 c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?	5 c			
6 a	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?	6 a		X	
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6 b			
7 Organizations that may receive deductible contributions under section 170(c).					
7 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?	7 a		X	
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	7 b			
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7 c		X	
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year.	7 d			
7 e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7 e		X	
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7 f		X	
7 g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7 g			
7 h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7 h			
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.					
9 a	Did the organization make any taxable distributions under section 4966?	9 a			
9 b	Did the organization make a distribution to a donor, donor advisor, or related person?	9 b			
10 Section 501(c)(7) organizations. Enter:					
10 a	Initiation fees and capital contributions included on Part VIII, line 12.	10 a			
10 b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10 b			
11 Section 501(c)(12) organizations. Enter:					
11 a	Gross income from members or shareholders.	11 a			
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11 b			
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12 a			
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year.	12 b			
13 Section 501(c)(29) qualified nonprofit health insurance issuers.					
13 a	Is the organization licensed to issue qualified health plans in more than one state?	13 a			
Note. See the instructions for additional information the organization must report on Schedule O.					
13 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.	13 b			
13 c	Enter the amount of reserves on hand	13 c			
14 a	Did the organization receive any payments for indoor tanning services during the tax year?	14 a		X	
14 b	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O.	14 b			

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.

Section A. Governing Body and Management

		Yes	No
1 a	Enter the number of voting members of the governing body at the end of the tax year. 1 a 24		
b	Enter the number of voting members included in line 1a, above, who are independent. 1 b 24		
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? See Schedule O	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?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Does the organization have members or stockholders? See Schedule O	X	
7 a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? See Schedule O	X	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? See Sch O	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

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

		Yes	No
10 a	Does the organization have local chapters, branches, or affiliates?		X
b	If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11 a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990. See Schedule O		
12 a	Does the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done See Schedule O	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	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. See Schedule O	X	
b	Other officers of key employees of the organization. See Schedule O	X	
	If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16 a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	X	
b	If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	X	

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ▶ OH
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19** Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Schedule O
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization:
 ▶ Chris Guin 3870 Virginia Avenue Cincinnati OH 45227 513-271-9610

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

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

1 a 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 (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Richard N. Adams Director	1	X					0.	0.	0.	
(2) Tom Regan Director	1	X					0.	0.	0.	
(3) Miles Schmidt Director	1	X					0.	0.	0.	
(4) Harry Kangis Director	5	X					0.	0.	0.	
(5) Kit Duval Director	5	X					0.	0.	0.	
(6) Gerald J. DeBrunner Director	1	X					0.	0.	0.	
(7) Andrea Lindell Director	1	X					0.	0.	0.	
(8) Rt. Rev. Kenneth L. Pri Director	1	X					0.	0.	0.	
(9) John E. Harris Jr. Director	1	X					0.	0.	0.	
(10) Gates Smith Director	1	X					0.	0.	0.	
(11) Trish Martindell Director	20	X					0.	0.	0.	
(12) Ann Wurzelbacher Director	1	X					0.	0.	0.	
(13) Randal C. Young Director	1	X					0.	0.	0.	
(14) Tate Greenwald Director	5	X					0.	0.	0.	
(15) Miner Raymond Director	1	X					0.	0.	0.	
(16) Jane Kuntz Director	1	X					0.	0.	0.	
(17) Jeffrey P. March Director	5	X					0.	0.	0.	

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Dixon Miller Director	1	X					0.	0.	0.	
(19) Robin Smith Director	5	X					0.	0.	0.	
(20) Michael T. Schueler Director	1	X					0.	0.	0.	
(21) Lauris Woolford Director	1	X					0.	0.	0.	
(22) Rev. Anne Warrington Wilson Director	1	X					0.	0.	0.	
(23) Robert LaShelle Director	1	X					0.	0.	0.	
(24) Rev. Bruce Freeman Director	5	X					0.	0.	0.	
(25) Aldy Kuertz Director	1	X					0.	0.	0.	
(26) Keith Lawrence Director	5	X					0.	0.	0.	
(27) R. Douglas Spitler President & CEO	40			X			273,082.	0.	55,231.	
(28) Paul J. Scheper CFO	40			X			173,513.	0.	33,954.	
(29) Laura R. P. Lamb Vice President	40			X			160,562.	0.	26,271.	
1 b Sub-total							607,157.	0.	115,456.	
c Total from continuation sheets to Part VII, Section A							445,966.	0.	62,003.	
d Total (add lines 1b and 1c)							1,053,123.	0.	177,459.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ▶ 6

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If 'Yes,' complete Schedule J for such individual.</i>	3	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? <i>If 'Yes' complete Schedule J for such individual.</i>	4	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? <i>If 'Yes,' complete Schedule J for such person.</i>	5	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.

(A) Name and business address	(B) Description of services	(C) Compensation
R.J. Beischel Building Co. PO Box 32067 Cincinnati, OH 45232	Construction	738,330.
Ridge Stone General Contractors 3102 Steeple Chase Lane Perrysburg,	Construction	3,052,579.
Anthem Blue Cross Blue Shield PO Box 105673 Atlanta, GA 30348	Health Insurance	1,472,492.
Sysco Cincinnati, LLC PO Box 62066 Cincinnati, OH 45262	Food provider	783,291.
Alliance Rehab 1520 Kensington Road Oak Brook, IL 60523	Medical	424,338.

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 ▶ 19

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	1 a Federated campaigns	1 a					
	b Membership dues	1 b					
	c Fundraising events	1 c					
	d Related organizations	1 d 1,673,936.					
	e Government grants (contributions)	1 e					
	f All other contributions, gifts, grants, and similar amounts not included above	1 f					
	g Noncash contributions included in lns 1a-1f: \$						
h Total. Add lines 1a-1f			1,673,936.				
PROGRAM SERVICE REVENUE			Business Code				
	2 a Monthly & Daily Res Fees	623000	20,350,829.	20,350,829.			
	b Entrance Fee Amortization	525990	657,983.	657,983.			
	c Meals on Wheels & other	624200	629,762.	629,762.			
	d Management Services	531310	548,250.	548,250.			
	e						
	f All other program service revenue						
g Total. Add lines 2a-2f			22,186,824.				
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		1,364,352.	1,364,352.			
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross Rents	(i) Real	(ii) Personal				
		54,698.					
		b Less: rental expenses	56,120.				
	c Rental income or (loss)	-1,422.					
	d Net rental income or (loss)		-1,422.		-1,422.		
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b Less: cost or other basis and sales expenses					
		c Gain or (loss)					
	d Net gain or (loss)						
	8 a 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							
9 a Gross income from gaming activities. See Part IV, line 19		a					
b Less: direct expenses		b					
c Net income or (loss) from gaming activities							
10 a 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							
Miscellaneous Revenue		Business Code					
11 a Other	523000	-1,171,065.	-1,171,065.				
b							
c							
d All other revenue							
e Total. Add lines 11a-11d			-1,171,065.				
12 Total revenue. See instructions			24,052,625.	22,380,111.	-1,422.	0.	

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).

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 U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,230,582.	0.	1,119,221.	111,361.
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.	0.	0.	0.
7 Other salaries and wages	9,127,567.	8,495,582.	506,941.	125,044.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	184,000.	128,800.	48,700.	6,500.
9 Other employee benefits	1,611,951.	1,109,510.	478,460.	23,981.
10 Payroll taxes	1,107,298.	931,207.	151,390.	24,701.
11 Fees for services (non-employees):				
a Management				
b Legal	71,195.		71,195.	
c Accounting	55,805.		55,805.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	742,035.	712,896.	29,139.	
12 Advertising and promotion	653,727.		653,727.	
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	361,180.	361,180.		
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	1,537,410.	1,536,735.	675.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,334,310.	3,161,161.	173,149.	
23 Insurance	329,237.	329,237.		
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a Other	1,677,530.	1,163,512.	514,018.	
b Utilities	1,363,297.	1,276,015.	87,282.	
c Food	1,180,453.	1,180,453.		
d Property Taxes/Franchise Fees	632,383.	598,082.	34,301.	
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	25,199,960.	20,984,370.	3,924,003.	291,587.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Part X Balance Sheet

		(A)		(B)	
		Beginning of year		End of year	
ASSETS	1 Cash — non-interest-bearing.....	2,870,593.	1	1,798,732.	
	2 Savings and temporary cash investments.....	984,575.	2	941,529.	
	3 Pledges and grants receivable, net.....		3		
	4 Accounts receivable, net.....	1,280,910.	4	1,081,322.	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.....		5		
	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).....		6		
	7 Notes and loans receivable, net.....		7		
	8 Inventories for sale or use.....		8		
	9 Prepaid expenses and deferred charges.....	400,010.	9	1,570,701.	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.....	10a 87,410,848.			
	b Less: accumulated depreciation.....	10b 27,877,641.	58,919,641.	10c	59,533,207.
	11 Investments — publicly traded securities.....	32,191.	11	2,844,894.	
	12 Investments — other securities. See Part IV, line 11.....		12		
	13 Investments — program-related. See Part IV, line 11.....		13		
	14 Intangible assets.....		14		
	15 Other assets. See Part IV, line 11.....	7,539,850.	15	4,324,023.	
16 Total assets. Add lines 1 through 15 (must equal line 34).....	72,027,770.	16	72,094,408.		
LIABILITIES	17 Accounts payable and accrued expenses.....	4,495,998.	17	4,187,160.	
	18 Grants payable.....		18		
	19 Deferred revenue.....		19		
	20 Tax-exempt bond liabilities.....	30,000,000.	20	29,450,000.	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D.....		21		
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.....		22		
	23 Secured mortgages and notes payable to unrelated third parties.....		23		
	24 Unsecured notes and loans payable to unrelated third parties.....		24		
	25 Other liabilities. Complete Part X of Schedule D.....	14,986,906.	25	16,696,327.	
	26 Total liabilities. Add lines 17 through 25.....	49,482,904.	26	50,333,487.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.				
	27 Unrestricted net assets.....	22,544,866.	27	21,760,921.	
	28 Temporarily restricted net assets.....		28		
	29 Permanently restricted net assets.....		29		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30 Capital stock or trust principal, or current funds.....		30		
	31 Paid-in or capital surplus, or land, building, or equipment fund.....		31		
	32 Retained earnings, endowment, accumulated income, or other funds.....		32		
	33 Total net assets or fund balances.....	22,544,866.	33	21,760,921.	
34 Total liabilities and net assets/fund balances.....	72,027,770.	34	72,094,408.		

BAA

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	24,052,625.
2	Total expenses (must equal Part IX, column (A), line 25)	2	25,199,960.
3	Revenue less expenses. Subtract line 2 from line 1	3	-1,147,335.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	22,544,866.
5	Other changes in net assets or fund balances (explain in Schedule O). See Schedule O	5	363,390.
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	21,760,921.

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: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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?		X
2b	Were the organization's financial statements audited by an independent accountant?	X	
2c	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.	X	
2d	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: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> 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?		X
3b	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.		

BAA

Form 990 (2010)

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

2010

Open to Public Inspection

Name of the organization Episcopal Retirement Homes, Inc.	Employer identification number 31-0554071
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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 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 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?	11 g (i)	
(ii) A family member of a person described in (i) above?	11 g (ii)	
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11 g (iii)	

(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 column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include 'unusual grants.')...						
2 Tax revenues levied for the organization's benefit and either paid to it 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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)).	14	%
15 Public support percentage from 2009 Schedule A, Part II, line 14.	15	%
16a 33-1/3% support test – 2010. If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b 33-1/3% support test – 2009. 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. ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test – 2010. 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. ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test – 2009. 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. ▶ <input type="checkbox"/>		
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. ▶ <input type="checkbox"/>		

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

(Complete only if you checked the box on line 9 of Part I 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 yr beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants'.)	1,130,564.	1,665,373.	2,472,915.	1,735,935.	1,673,936.	8,678,723.
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.	33771447.	23877759.	18402177.	19500423.	22186824.	117738630.
3 Gross receipts from activities that are not an unrelated trade or business under section 513.						0.
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						0.
5 The value of services or facilities furnished by a governmental unit to the organization without charge.						0.
6 Total. Add lines 1 through 5.	34902011.	25543132.	20875092.	21236358.	23860760.	126417353.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons.	0.	0.	0.	0.	0.	0.
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.	0.	0.	0.	0.	0.	0.
c Add lines 7a and 7b.	0.	0.	0.	0.	0.	0.
8 Public support (Subtract line 7c from line 6.)						126417353.

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6.	34902011.	25543132.	20875092.	21236358.	23860760.	126417353.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.	1,931,632.	1,708,776.	1,992,531.	2,693,985.	1,364,352.	9,691,276.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						0.
c Add lines 10a and 10b.	1,931,632.	1,708,776.	1,992,531.	2,693,985.	1,364,352.	9,691,276.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.				-2,741.	-1,422.	-4,163.
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . See Part IV.	604,951.	807,237.	599,810.	-270,997.	-1227185.	513,816.
13 Total support. (Add lns 9, 10c, 11, and 12.)	37438594.	28059145.	23467433.	23656605.	23996505.	136618282.

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 2010 (line 8, column (f) divided by line 13, column (f)).	15	92.5 %
16 Public support percentage from 2009 Schedule A, Part III, line 15.	16	91.1 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f)).	17	7.1 %
18 Investment income percentage from 2009 Schedule A, Part III, line 17.	18	7.4 %

19a 33-1/3% support tests – 2010. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization.

b 33-1/3% support tests – 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization.

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

Episcopal Retirement Homes, Inc.

31-0554071

Part III, Line 12 - Other Income

Nature and Source	2010	2009	2008	2007	2006
Other revenue	<u>-1,227,185.</u>	<u>-270,997.</u>	<u>599,810.</u>	<u>807,237.</u>	<u>604,951.</u>
Total	<u>\$ -1,227,185.</u>	<u>\$ -270,997.</u>	<u>\$ 599,810.</u>	<u>\$ 807,237.</u>	<u>\$ 604,951.</u>

**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, lines 6, 7, 8, 9, 10, 11, or 12.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

Employer identification number

Episcopal Retirement Homes, Inc.

31-0554071

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year.....		
2 Aggregate contributions to (during year).....		
3 Aggregate grants from (during year).....		
4 Aggregate value at end of year.....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds 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?.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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.

1 a 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 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 year end balance held as:

- a Board designated or quasi-endowment _____ %
- b Permanent endowment _____ %
- c Term endowment _____ %

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	3,000,000.	1,629,328.		4,629,328.
b Buildings		51,828,166.	12,565,811.	39,262,355.
c Leasehold improvements		23,845,162.	11,411,616.	12,433,546.
d Equipment		7,108,191.	3,900,214.	3,207,977.
e Other		1.		1.

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) 59,533,207.

BAA

Part VII Investments—Other Securities. See Form 990, Part X, line 12. N/A

(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, column (B) line 12.)		

Part VIII Investments—Program Related. (See Form 990, Part X, line 13) N/A

(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, column (B) line 13.)		

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5) Deferred Bond Costs	624,862.
(6) Interprogram Receivables	2,155,092.
(7) Other	1,544,069.
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column(B), line 15)	4,324,023.

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

(a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) Def Rev from entrance fee - non ref	2,189,105.
(3) Def Rev from entrance fee - refunda	12,941,494.
(4) Rounding	1.
(5) Swap Market Value	1,565,727.
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25)	16,696,327.

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)		24,052,625.
2	Total expenses (Form 990, Part IX, column (A), line 25)		25,199,960.
3	Excess or (deficit) for the year. Subtract line 2 from line 1		-1,147,335.
4	Net unrealized gains (losses) on investments		
5	Donated services and use of facilities		
6	Investment expenses		
7	Prior period adjustments		
8	Other (Describe in Part XIV). <i>See Part XIV.</i>		363,390.
9	Total adjustments (net). Add lines 4 through 8		363,390.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9		-783,945.

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	25,845,257.
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). <i>See Part XIV.</i>	2d	1,792,632.
	e Add lines 2a through 2d	2e	1,792,632.
3	Subtract line 2e from line 1	3	24,052,625.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
	a Investments expenses not included on Form 990, Part VIII, line 7b	4a	
	b Other (Describe in Part XIV.)	4b	
	c Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c . <i>(This must equal Form 990, Part I, line 12.)</i>	5	24,052,625.

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

1	Total expenses and losses per audited financial statements	1	26,992,592.
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). <i>See Part XIV.</i>	2d	1,792,632.
	e Add lines 2a through 2d	2e	1,792,632.
3	Subtract line 2e from line 1	3	25,199,960.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
	a Investments expenses not included on Form 990, Part VIII, line 7b	4a	
	b Other (Describe in Part XIV.)	4b	
	c Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c . <i>(This must equal Form 990, Part I, line 18.)</i>	5	25,199,960.

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.

Episcopal Retirement Homes, Inc.

31-0554071

**Schedule D, Part XI, Line 8
Other Changes In Net Assets Or Fund Balances**

Transfers from Foundation to ERH.....	\$ 363,390.
Total	<u>\$ 363,390.</u>

**Schedule D, Part XII, Line 2d
Other Revenue Included In F/S But Not Included On Form 990**

Interco Interest Inc.....	\$ 249,996.
Interco Management Fees Income.....	1,542,636.
Total	<u>\$ 1,792,632.</u>

**Schedule D, Part XIII, Line 2d
Other Expenses And Losses Per Audited F/S**

Interco Management Fees Expense.....	\$ 1,542,636.
Interest Exp.....	249,996.
Total	<u>\$ 1,792,632.</u>

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

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

2010

▶ **Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.**

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer identification number

Episcopal Retirement Homes, Inc.

31-0554071

Part I Questions Regarding Compensation

	Yes	No
1 a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
<input type="checkbox"/> First-class or charter travel		
<input type="checkbox"/> Travel for companions		
<input type="checkbox"/> Tax indemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> 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.....	1 b	
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 organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.		
<input checked="" type="checkbox"/> Compensation committee		
<input type="checkbox"/> Independent compensation consultant		
<input type="checkbox"/> Form 990 of other organizations		
<input type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment from the organization or a related organization?.....	4 a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?.....	4 b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?.....	4 c	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?.....	5 a	X
b Any related organization?.....	5 b	X
If 'Yes' to line 5a or 5b, describe in Part III. 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?.....	6 a	X
b Any related organization?.....	6 b	X
If 'Yes' to line 6a or 6b, describe in Part III. 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	

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

Schedule J (Form 990) 2010

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) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(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 in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other reportable compensation				
1 R. Douglas Spi	(i)	227,808.	42,000.	3,274.	25,000.	30,231.	328,313.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 Paul J. Schepe	(i)	140,000.	32,167.	1,346.	0.	33,954.	207,467.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 Laura R. P. La	(i)	128,521.	24,627.	7,414.	0.	26,271.	186,833.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 Ken Paley	(i)	112,000.	19,950.	0.	0.	20,978.	152,928.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 Kathleen Ison	(i)	114,550.	18,790.	2,203.	0.	17,263.	152,806.	0.
	(ii)	0.	0.	0.	0.	0.	0.	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, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Part I, Line 5 - Compensation Contingent On Revenues Or Related Organization

Key staff, excluding the CEO, received a small bonus based on the net operating performance and net operating revenues of ERH.

Part III Supplemental Information

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

Part I, Line 6 - Compensation Contingent On Net Earnings Or Related Organization

Key staff, excluding the CEO, received a small bonus based on the net operating performance and net operating revenues of ERH.

**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 V.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Name of the organization

Episcopal Retirement Homes, Inc.

Employer identification number

31-0554071

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 County of Hamilton, Ohio	31-6000063	None	10/30/2009	100.	Refinancing old bonds and new		X		X		X
B											
C											
D											

Part II Proceeds

	A		B		C		D	
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue	30,000,000.							
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows	24,000,000.							
7 Issuance costs from proceeds								
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds	6,000,000.							
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion	2009							
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X							
15 Were the bonds issued as part of an advance refunding issue?		X						
16 Has the final allocation of proceeds been made?	X							
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

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?		X						
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X						

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

Schedule K (Form 990) 2010

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?.....		X						
b Are there any research agreements that may result in private business use of bond-financed property?.....		X						
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?..	X							
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%		0%		0%		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%		0%		0%		0%
6 Total of lines 4 and 5.....		0%		0%		0%		0%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?.....	X							

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?.....		X						
2 Is the bond issue a variable rate issue?.....	X							
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?.....	X							
b Name of provider.....	PNC, 5th/3rd,							
c Term of hedge.....	10.0							
d Was the hedge superintegrated?.....		X						
e Was the hedge terminated?.....		X						
4a Were gross proceeds invested in a GIC?.....		X						
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?.....		X						
6 Did the bond issue qualify for an exception to rebate?.....		X						

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

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

2010

Open to Public Inspection

Name of the organization

Episcopal Retirement Homes, Inc.

Employer identification number

31-0554071

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) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) <u>Canterbury Court Inc.</u> 3870 Virginia Ave.	General Partner						
(2) <u>Cincinnati, OH 45227</u> 20-1750198	of Limited Partnership	OH	501c3	9	N/A		X
(3) <u>Cambridge Heights Inc.</u> 3870 Virginia Avenue	General Partner						
(4) <u>Cincinnati, OH 45227</u> 20-8007307	of Limited Partnership	OH	501c3	9	N/A		X
(5) <u>St. Paul Village 1, Inc.</u> 3870 Virginia Avenue	General Partner						
(6) <u>Cincinnati, OH 45227</u> 11-3763686	of Limited Partnership	OH	501c3	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?		(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	
(1) <u>Canterbury Court</u> <u>450 N Elm St</u> <u>West Carrollton,</u> <u>33-1166690</u>	Own housing	OH	CCT Inc.	Related	-12.	193.		X	N/A	X		
(2) <u>Cambridge Height</u> <u>1525 Elm St</u> <u>Cambridge, OH 43</u> <u>26-2481170</u>	Own housing	OH	CHA Inc.	Related	-179.	167,604.		X	N/A	X		
(3) <u>St Paul Village</u> <u>5515 Madison Roa</u> <u>Cincinnati, OH 4</u> <u>27-1225466</u>	Own housing	OH	SPV1, Inc.	Related	33.	133.		X	N/A	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) ----- ----- -----							
(2) ----- ----- -----							
(3) ----- ----- -----							

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

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?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity.....		X
b Gift, grant, or capital contribution to other organization(s).....		X
c Gift, grant, or capital contribution from other organization(s).....	X	
d Loans or loan guarantees to or for other organization(s).....	X	
e Loans or loan guarantees by other organization(s).....		X
f Sale of assets to other organization(s).....		X
g Purchase of assets from other organization(s).....		X
h Exchange of assets.....		X
i Lease of facilities, equipment, or other assets to other organization(s).....		X
j Lease of facilities, equipment, or other assets from other organization(s).....		X
k Performance of services or membership or fundraising solicitations for other organization(s).....	X	
l Performance of services or membership or fundraising solicitations by other organization(s).....		X
m Sharing of facilities, equipment, mailing lists, or other assets.....		X
n Sharing of paid employees.....		X
o Reimbursement paid to other organization for expenses.....		X
p Reimbursement paid by other organization for expenses.....		X
q Other transfer of cash or property to other organization(s).....		X
r Other transfer of cash or property from other organization(s).....		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) Episcopal Retirement Homes Foundation	c	2,037,326.	Cash
(2) Canterbury Court Limited Partnership	d	548,750.	Cash
(3) Canterbury Court Limited Partnership	k	346,682.	Cash
(4) Cambridge Heights Apartments LP	d	1,267,077.	Cash
(5) Cambridge Heights Apartments LP	k	46,467.	Cash
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered 'Yes' to 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) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 Form (1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No
(1) _____ _____ _____										
(2) _____ _____ _____										
(3) _____ _____ _____										
(4) _____ _____ _____										
(5) _____ _____ _____										
(6) _____ _____ _____										
(7) _____ _____ _____										
(8) _____ _____ _____										

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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.

Name of the organization

Episcopal Retirement Homes, Inc.

Employer identification number

31-0554071

Form 990, Part III, Line 1 - Organization Mission

For 60 years, Episcopal Retirement Homes (ERH) has been dedicated to improving the lives of older adults through innovative, quality living environments and older adult services delivered by highly experienced and deeply committed professionals.

Founded in 1951, ERH is dedicated to providing services for persons of varying economic circumstances without regard to ethnic origins or religious affiliations.

As part of our charitable mission, ERH commits more than \$2.2 million each year to philanthropic services for the elderly. One of the uses of these funds is to ensure that no resident in any of our communities will ever be asked to leave for financial reasons. In addition, over a thousand of those we serve are subsidized with financial aid from the corporation.

Our mission statement and strategic objectives are:

Mission: We enrich the lives of older adults in a person-centered, innovative, and spiritually based way.

Objective: We will reach and improve the lives of an increasing number of older adults (and their families) in our diocese and adjacent areas with exceptional services, distinctive residential communities, and intentional ministries.

ERH owns and operates two premier continuing care retirement communities in Hyde Park, a suburb of Cincinnati. Marjorie P. Lee and Deupree House are proud of their consistently high resident and staff satisfaction scores, low staff turnover, and a track record of top nursing care ratings from Medicare.

Person-Centered Care is a philosophy for service and care giving that believes people should live life on their own terms whenever at all possible. In our senior living communities that means we don't think of residents as living in our buildings, but rather that we are working in their homes. That changes the whole experience for our residents, their families, and our staff.

Name of the organization

Episcopal Retirement Homes, Inc.

Employer identification number

31-0554071

Form 990, Part III, Line 1 - Organization Mission

In addition to Marjorie P. Lee and Deupree House, ERH owns or operates 4 affordable housing communities for lower income seniors or persons 18 years or older with mobility impairment. Because we believe people should live with dignity and enjoyment no matter how old they are or what their income level is, ERH goes well beyond the state standards for "safe and sanitary" for affordable housing, and fosters real community among its residents. We provide a safe, nurturing and stimulating environment for these residents and for many it is truly life changing.

This philosophy is clearly evident in our Ohio affordable housing communities located in Madisonville, West Carrollton, Cincinnati (South Cumminsville) and Cambridge. There you will often find service coordinators, chaplaincy services, community dining rooms, fitness centers, hair salons, game rooms, resident gardens, transportation services, and even Wii bowling teams!

ERH provides community outreach programs to over 32,000 people with a host of services. Living Well Senior Solutions is a geriatric care management service that addresses the challenges of home-based elder care management. Their goal it is to help people live safely and successfully in wherever it is they call home. From situation assessment to plan implementation, we provide the resources and expertise to guide seniors and their families through the maze of senior living care options and regulations.

Parish Health Ministry (PHM) works with over 70 churches encouraging them to renew their role in health care through advocacy, education, and wellness programs. With a team of nurses and volunteers, PHM touches the lives of almost 30,000 thousand people every year.

Our Deupree Meals on Wheels program delivers over 80,000 meals a year to local neighborhoods. Staffed primarily with 100 volunteers, our folks who deliver meals are often the only contact our clients have all day and nurturing relationships

Name of the organization

Employer identification number

Episcopal Retirement Homes, Inc.

31-0554071

Form 990, Part III, Line 1 - Organization Mission

often develop between our drivers and those who receive our meals.

With over 60 years of expansion and experience improving the lives of older adults, ERH has become a recognized leader in quality retirement communities and innovative elder care services.

Form 990, Part III, Line 4a - Program Service Accomplishments

The Marjorie P. Lee community has been enriching the lives of older adults with quality services since 1963, and has become a landmark on the east side Cincinnati suburb of Hyde Park. We offer a choice of accommodations and services for independent living, assisted living, skilled nursing care, and memory support, all under one roof. And with the "Our Promise, Your Future" program, we won't ask any resident to leave for financial reasons. Not many communities can offer that - in writing, right in the contract! This provides true peace of mind to our residents and their families knowing they will be in the best hands possible, no matter what the future brings.

As a financially sound not-for-profit organization, we are able to reinvest funds back into our communities and services rather than use that money to pay dividends to company owners or investors. This means we hire the right professionals who can offer our residents the wide array of quality services they want and need. Our staff is a special group of people who go out of their way to exceed resident expectations on all levels, and this makes a tangible difference in the lives of our residents everyday.

Underlying everything we do is our Person-Centered Care philosophy. It means we respect that we are working in your home, so we take the concept of individualized service and care to a higher level. By emphasizing freedom, choice, and purpose, it is always our primary goal to ensure that elders we serve are successful, secure, engaged, and happy, no matter what part of our community they are in.

Name of the organization

Employer identification number

Episcopal Retirement Homes, Inc.

31-0554071

Form 990, Part III, Line 4a - Program Service Accomplishments

At Marjorie P. Lee it's all right here if you need it.

Marjorie P. Lee provides senior apartments in 91 independent living apartments, 35 assisted living apartments, 9 memory support assisted living apartments, and 60 skilled care center beds. During 2010 Marjorie P. Lee spent over \$1.1 million on charitable financial assistance, ministry services, chaplaincy and volunteers. A total of 27,227 volunteer hours were contributed for all of ERH.

Form 990, Part III, Line 4b - Program Service Accomplishments

The Deupree House community is comprised of 143 apartments, located on Erie Avenue across from the Hyde Park Country Club. With abundant amenities and services, older adults can live a full and active lifestyle in a neighborhood that's close to everything they might need. We offer a truly unique, non-institutional approach to nursing care which we call Person-Centered Care. This approach is part of what makes the Deupree Community the best place in Cincinnati to live a life of choice, freedom, and purpose. The lifestyle at Deupree House offers security and true peace of mind. That's because the finest care at every level is provided, and you will never be asked to leave for financial reasons.

Deupree Cottages offers skilled nursing care and consists of 24 beds. Here, we offer an alternative to traditional institutional nursing homes. Nestled just off Erie Avenue on the Deupree House retirement community campus, Deupree Cottages will forever change your image of what a nursing home should be. Whether you are there for short term rehab or long term care, our Person-Centered Care approach will ensure you feel like you are at home, not in a home. Residents live on their own terms, free from restrictive routines such as wake-up calls and set meal times.

Elders live with dignity in an environment offering freedom, choice, and purpose while receiving the very best quality care.

Name of the organization

Employer identification number

Episcopal Retirement Homes, Inc.

31-0554071

Form 990, Part III, Line 4b - Program Service Accomplishments

Services include:

- o Care monitored by interdisciplinary team including nurses, social services specialist, activities director, and spiritual care professionals
- o Highly experienced team of certified physical therapists
- o Specially trained Person-centered care staff
- o Daily schedule adapted to resident's personal lifestyle and needs
- o All rooms and suites are private with bathrooms and walk-in showers
- o Clinical services including visiting specialists available as needed
- o Excellent food prepared in our own community kitchens
- o Wireless Internet for residents and visitors
- o Comfortable family room with fireplace and flat screen TV
- o Use of Deupree House Fitness Zone and aquatics center
- o Participation in activities as appropriate such as movie nights, concerts, seminars, outings, etc.
- o Beautiful gardens and walking areas
- o Short term / transitional care may be available

In 2010 Deupree House provided \$386,000 for charitable financial assistance, ministry services, chaplaincy and volunteers.

Form 990, Part III, Line 4c - Program Service Accomplishments

As a not-for-profit we are able to reinvest funds rather than pay owners or investors. Everything we do is driven by the needs and well-being of those we serve and the results are remarkable. Independence and real community, Faith-based values, and a welcoming spirit. Innovative services and long-term experience. Episcopal Retirement Homes is dedicated to helping older adults live well into the future.

ERH has several programs that reach out into the community to expand our mission to

Name of the organization

Employer identification number

Episcopal Retirement Homes, Inc.

31-0554071

Form 990, Part III, Line 4c - Program Service Accomplishments

elder adults.

Deupree Meals on Wheels delivers over 75,000 meals a year to local neighborhoods, complete with a smile and a friendly chat. Our meals are prepared in our own kitchens and exceed Council on Aging minimums for nutrition. They are delivered mostly by a dedicated team of over 100 volunteers. These volunteers average about 18 years of service and take a personal interest in the well being of our clients. We make special meals for those with allergies or other medical conditions and we make adjustments to our delivery schedules as needed to suit our clients. Often our drivers are the only social contact they have all day and they look forward to seeing and talking with them.

Working with over 70 churches, Parish Health Ministry encourages them to renew their role in health care through advocacy, education, and wellness programs. Our volunteers and parish nurses provide valuable community based health care services in the form of screenings and education. With over 500 volunteers, we visit hospitals, nursing homes and private homes as well as make contact by phone or at church. As a result of the screening and discussions, over 750 referrals were made by the team to physicians, clergy, parish nurses and others in a position to help in 2010. The majority of these were a result of blood pressure testing. Assisting in the transition back to home and the community after a health related event is another valuable service this team provides and they have an impact on making the re-entry to local neighborhoods a more successful experience, and therefore have a positive effect on reducing re-admissions to hospitals and rehab facilities.

Living Well Senior Solutions addresses the challenges of home-based elder care management. From situation assessment to plan implementation, we are the experts who

Name of the organization

Employer identification number

Episcopal Retirement Homes, Inc.

31-0554071

Form 990, Part III, Line 4c - Program Service Accomplishments

will guide you to safe and healthy living for your loved ones. When faced with the responsibility of caring for an elder loved one, most people lack either the experience and knowledge necessary or the time required to effectively fulfill the role of caregiver. Helping you find answers and connect you with the right healthcare partners gives you the peace of mind of knowing that your elder loved one will receive the right care and services.

Often, an unexpected health problem or change in a long term care situation triggers a crisis and results in a high level of stress and a flurry of activity. Fear, confusion, guilt and frustration often surface as people attempt to navigate through the maze of healthcare options and choices. Your team of advisors and care experts from LWSS provides the answers and guidance necessary to ensure everything possible is being done to ensure the best care possible. This might include in-home care choices when staying at home is the desired option or helping guide your decision on care options outside the home if appropriate.

We provide as much or as little care management as you want and our services span everything from providing answers to Medicare and insurance questions, to 24 hour nursing care, to accomodating you or a loved one on a doctor's visit, to acting as your advocate during a hospital stay. The team's compassion is surpassed only by their professionalism, and time and again words like "relief", "peace of mind" and "Godsend" are used by our clients to describe their feelings once the team gets involved.

60 years ago ERH saw the power of community, the spirit of compassion and the inspiration from helping others and we have been dedicated to this ever since.

Name of the organization

Episcopal Retirement Homes, Inc.

Employer identification number

31-0554071

Form 990, Part VI, Line 2 - Business or Family Relationship of Officers, Directors, Etc.

Thomas Regan, an ERH Board Member, has a business relationship of "Personal Financial Advisor" to three other ERH Board Members, Trish Martindell, Robin Smith and Keith Lawrence.

Form 990, Part VI, Line 6 - Explanation of Classes of Members or Shareholder

The organization's members are the Directors of the Board.

Form 990, Part VI, Line 7a - How Members or Shareholders Elect Governing Body

The residents of the Marjorie P. Lee Retirement Community may appoint one person to serve as an ERH Board Member. The Deupree House residents may appoint one individual to serve as an ERH Board Member. The Bishop of the Episcopal Diocese of Southern Ohio may also appoint one individual to serve on the ERH Board of Directors. These three individuals have all the same voting rights as any other member of the Board of Directors.

Form 990, Part VI, Line 7b - Decisions of Governing Body Approval by Members or Shareholders

All decisions of the governing body are subject to approval by the members since the members are the Directors of the Board.

Form 990, Part VI, Line 11b - Form 990 Review Process

The 2010 Form 990 was prepared by the Chief Financial Officer and the Controller based upon the financial statements and knowledge of these two individuals. The 990 was then reviewed by the ERH Executive Team (CEO and other Vice Presidents of the Organization.) Finally, the draft 990 Form was provided to all members of the ERH Finance Committee and the ERH Board of Directors prior to filing with the IRS for their review.

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

ERH has a written Conflict of Interest policy. On an annual basis, all directors, officers and key employees of the Organization are required to complete a Conflict of Interest statement. The CEO's executive secretary is responsible to ensure all

Name of the organization

Employer identification number

Episcopal Retirement Homes, Inc.

31-0554071

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts (continued)

individuals respond to this annual request. In addition, every ERH staff member is required to complete a Conflict of Interest Statement as part of their annual performance evaluation.

Form 990, Part VI, Line 15a - Compensation Review & Approval Process for CEO, Exec. Dir., or Top Mgtment

The ERH Board Personnel Committee is responsible for reviewing and approving the annual compensation for the ERH CEO and the key employees based on a review of comparable benchmark information.

Form 990, Part VI, Line 15b - Compensation Review & Approval Process for Officers & Key Employees

The ERH Board Personnel Committee is responsible for reviewing and approving the annual compensation for the ERH CEO and the key employees based on a review of comparable benchmark information.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

ERH makes its financial statements available to the public through the use of the ERH website, and its governing documents and conflict of interest policy available upon request.

Form 990, Part XI, Line 5
Other Changes in Net Assets or Fund Balances

Transfers from Foundation to ERH.....	\$	363,390.
Total	\$	<u>363,390.</u>

Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

For calendar year 2010 or other tax year beginning _____, 2010,
and ending _____, _____

2010

Department of the Treasury
Internal Revenue Service

▶ See separate instructions.

Open to Public Inspection for
501(c)(3) Organizations Only

A <input type="checkbox"/> Check box if address changed B Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408(e) <input type="checkbox"/> 530(a) <input type="checkbox"/> 408A <input type="checkbox"/> 529(a)	Print or Type	<input type="checkbox"/> (Check box if name changed and see instructions.) Episcopal Retirement Homes, Inc. 3870 Virginia Avenue Cincinnati, OH 45227	D Employer identification number (Employees' trust, see instructions.) 31-0554071 E Unrelated business activity codes (See instructions.) 531120
C Book value of all assets at end of year 72,094,408.	F Group exemption number (See instructions.) ▶ _____ G Check organization type: <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust		

H Describe the organization's primary unrelated business activity.
▶ **Office building lease**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? . . . Yes No
If 'Yes,' enter the name and identifying number of the parent corporation . . . ▶ _____

J The books are in care of. ▶ **Chris Guin** Telephone number. ▶ **513-271-9610**

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales . . . _____			
b Less returns and allowances . . . _____ c Balance. ▶ 1 c			
2 Cost of goods sold (Schedule A, line 7) 2			
3 Gross profit. Subtract line 2 from line 1c 3			
4 a Capital gain net income (attach Schedule D) 4 a			
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) 4 b			
c Capital loss deduction for trusts 4 c			
5 Income (loss) from partnerships and S corporations (attach statement) 5			
6 Rent income (Schedule C) 6	54,698.	56,120.	-1,422.
7 Unrelated debt-financed income (Schedule E) 7			
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F) 8			
9 Investment income of a section 501(c)(7), (9), or (17) organization (Sch G) 9			
10 Exploited exempt activity income (Schedule I) 10			
11 Advertising income (Schedule J) 11			
12 Other income (See instructions; attach schedule.) 12			
13 Total. Combine lines 3 through 12 13	54,698.	56,120.	-1,422.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)			
14 Compensation of officers, directors, and trustees (Schedule K) 14			
15 Salaries and wages 15			
16 Repairs and maintenance 16			
17 Bad debts 17			
18 Interest (attach schedule) 18			
19 Taxes and licenses 19			
20 Charitable contributions (See instructions for limitation rules.) 20			
21 Depreciation (attach Form 4562) 21	21		
22 Less depreciation claimed on Schedule A and elsewhere on return 22 a	22 a		
23 Depletion 23			
24 Contributions to deferred compensation plans 24			
25 Employee benefit programs 25			
26 Excess exempt expenses (Schedule I) 26			
27 Excess readership costs (Schedule J) 27			
28 Other deductions (attach schedule) 28			
29 Total deductions. Add lines 14 through 28 29			
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 30			-1,422.
31 Net operating loss deduction (limited to the amount on line 30) 31			
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 32			-1,422.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions) 33			
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32 34			-1,422.

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation.
 Controlled group members (sections 1561 and 1563) check here . See instructions and:
a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):
 (1) \$ _____ (2) \$ _____ (3) \$ _____
b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ _____
 (2) Additional 3% tax (not more than \$100,000) \$ _____
c Income tax on the amount on line 34 **35c** 0.

36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: Tax rate schedule or Schedule D (Form 1041) **36**

37 Proxy tax. See instructions **37**

38 Alternative minimum tax **38**

39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies **39** 0.

Part IV Tax and Payments

40 a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) **40 a**

b Other credits (see instructions) **40 b**

c General business credit. Attach Form 3800 **40 c**

d Credit for prior year minimum tax (attach Form 8801 or 8827) **40 d**

e Total credits. Add lines 40a through 40d **40 e** 0.

41 Subtract line 40e from line 39 **41** 0.

42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866
 Other (attach schedule) **42**

43 Total tax. Add lines 41 and 42 **43** 0.

44 a Payments: A 2009 overpayment credited to 2010 **44 a**

b 2010 estimated tax payments **44 b**

c Tax deposited with Form 8868 **44 c**

d Foreign organizations: Tax paid or withheld at source (see instructions) **44 d**

e Backup withholding (see instructions) **44 e**

f Credit for small employer health insurance premiums (Attach Form 8941) **44 f**

g Other credits and payments: Form 2439 Form 4136 Other _____ Total ... **44 g**

45 Total payments. Add lines 44a through 44g **45** 0.

46 Estimated tax penalty (see instructions). Check if Form 2220 is attached **46**

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed **47**

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48**

49 Enter the amount of line 48 you want: **Credited to 2011 estimated tax** **Refunded** **49**

Part V Statements Regarding Certain Activities and Other Information (see instructions)

1 At any time during the 2010 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here. Yes No

2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file. Yes No

3 Enter the amount of tax-exempt interest received or accrued during the tax year \$ 0. Yes No

Schedule A – Cost of Goods Sold. Enter method of inventory valuation

1 Inventory at beginning of year 1	6 Inventory at end of year 6		
2 Purchases 2	7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 7		
3 Cost of labor 3			
4a Additional section 263A costs (attach schedule) 4a			
b Other costs (attach sch) 4b			
5 Total. Add lines 1 through 4b 5	8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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

Sign Here Signature of officer _____ Date _____ CFO _____ Title _____

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

Paid Preparer Use Only

Print/Type preparer's name: Chris Guin
 Preparer's signature: Self-Prepared
 Date: _____
 Check if self-employed PTIN: _____
 Firm's name: _____ Firm's EIN: _____
 Firm's address: _____
 Phone no.: _____

Schedule C – Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)

1 Description of property		
(1) Office Building & Land Lease		
(2)		
(3)		
(4)		
2 Rent received or accrued		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) See Statement 1
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	
(1)	54,698.	56,120.
(2)		
(3)		
(4)		
Total	Total 54,698.	
(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶		(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) ▶
		56,120.

Schedule E – Unrelated Debt-Financed Income (see instructions)

1 Description of debt-financed property	2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach sch)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 x column 6)	8 Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals ▶		Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).	
Total dividends-received deductions included in column 8 ▶				

Schedule F – Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1 Name of Controlled Organization	2 Employer Identification Number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					
Nonexempt Controlled Organizations					
7 Taxable Income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10	
(1)					
(2)					
(3)					
(4)					
Totals ▶			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).	

Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (column 3 plus column 4)
(1)				
(2)				
(3)				
(4)				
Totals	Enter here and on page 1, Part I, line 9, column (A).			Enter here and on page 1, Part I, line 9, column (B).

Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals	Enter here and on page 1, Part I, line 10, column (A).	Enter here and on page 1, Part I, line 10, column (B).				Enter here and on page 1, Part II, line 26.

Schedule J – Advertising Income (See instructions.)

Part I Income From Periodicals Reported on a Consolidated Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))						

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I	Enter here and on page 1, Part I, line 11, column (A).	Enter here and on page 1, Part I, line 11, column (B).				Enter here and on page 1, Part II, line 27.
Totals, Part II (lines 1-5)						

Schedule K – Compensation of Officers, Directors, and Trustees (see instructions)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
		0%	
		0%	
		0%	
		0%	

Total. Enter here and on page 1, Part II, line 14

Statement 1
Form 990-T, Schedule C, Line 3
Deductions Directly Connected with Income

Office Building & Land Lease	
Cleaning and Maintenance.....	\$ 9,890.
Gardening.....	4,150.
Taxes.....	14,820.
Utilities.....	17,640.
Other.....	9,620.
Total	<u>\$ 56,120.</u>