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Form 990 Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 2008
	The organization may have to use a copy of this return to satisfy state reporting requirements	Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009		C Name of organization Capital Manor Inc		D Employer identification number 93-0498054	
B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Termination ☐ Amended return ☐ Application pending		Please use IRS label or print or type. See Specific Instructions.		E Telephone number (503) 362-4101	
Doing Business As				G Gross receipts \$ 20,248,415	
Number and street (or P O box if mail is not delivered to street address) Room/suite 1955 Dallas Highway NW No 1200					
		City or town, state or country, and ZIP + 4 Salem, OR 973044498			
		F Name and address of Principal Officer katherine keene 1955 Dallas Highway NW No 1200 Salem, OR 973044498		H(a) Is this a group return for affiliates? ☐ Yes ☒ No	
I Tax-exempt status ☒ 501(c) (3) ☐ (Insert no) ☐ 4947(a)(1) or ☐ 527				H(b) Are all affiliates included? ☐ Yes ☐ No (If "No," attach a list See instructions)	
J Web site: www.capitalmanor.com				H(c) Group Exemption Number	
K Type of organization ☒ Corporation ☐ trust ☐ association ☐ other				L Year of Formation 1960 M State of legal domicile OR	

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities RETIREMENT HOUSING and continuing life care benefiting senior residents		
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	13
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	13
	5	Total number of employees (Part V, line 2a)	5	250
	6	Total number of volunteers (estimate if necessary)	6	17
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	-2,773
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	-2,783
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	25,810	34,814
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	12,325,882	11,991,178
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	822,136	388,241
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	59,060	20,737
			13,232,888	12,434,970
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
	14	Benefits paid to or for members (Part IX, column (A), line 4)		0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	5,507,995	5,494,494
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
	b	(Total fundraising expenses, Part IX, column (D), line 25 ⁰)		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)		
	18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	7,347,325	8,132,154
	19	Revenue less expenses Subtract line 18 from line 12	12,855,320	13,626,648
			377,568	-1,191,678
Net Assets or Fund Balances			Beginning of Year	End of Year
	20	Total assets (Part X, line 16)	68,228,760	64,237,381
	21	Total liabilities (Part X, line 26)	62,327,767	62,841,733
	22	Net assets or fund balances Subtract line 21 from line 20	5,900,993	1,395,648

Part II Signature Block

Please Sign Here	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				
	*****		2010-04-30		
	Signature of officer		Date		
	katherine keene Executive Director Type or print name and title				
Paid Preparer's Use Only	Preparer's signature Joylyn M Ankeney CPA		Date	Check if self-employed ☐	Preparer's PTIN (See Gen Inst)
	Firm's name (or yours if self-employed), address, and ZIP + 4		AKT LLP 680 Hawthorne Ave SE Suite 140 Salem, OR 973015096		EIN 123456789
					Phone no (503) 585-7774

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

Part III

Statement of Program Service Accomplishments (See the instructions.)

1	Briefly describe the organization’s mission RETIREMENT HOUSING and continuing life care benefiting senior residents			
2	Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?			☐ Yes ☒ No
	If “Yes,” describe these new services on Schedule O			
3	Did the organization cease conducting or make significant changes in how it conducts any program services?			☐ Yes ☒ No
	If “Yes,” describe these changes on Schedule O			
4	Describe the exempt purpose achievements for each of the organization’s three largest program services by expenses Section 501(c)(3) and (4) organizations and 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 \$	11,994,405 including grants of \$	) (Revenue \$)
	Capital Manor is a non-denominational, non-profit organization that promotes the holistic well-being of older adults by offering a quality continuum of care. We strive to enable the individual to maintain at their highest level of functioning with dignity and within an ethical framework. We view ourselves as an interactive community where all endeavors to meet the common goals of spiritual, mental, physical, and emotional stability.			
4b	(Code	) (Expenses \$	including grants of \$	) (Revenue \$)
4c	(Code	) (Expenses \$	including grants of \$	) (Revenue \$)
4d	Other program services (Describe in Schedule O) (Expenses \$ including grants of \$) (Revenue \$)			
4e	Total program service expenses \$ 11,994,405 Must equal Part IX, Line 25, column (B).			

Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	No
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10	Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable 	11	Yes
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12	Yes
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a	Did the organization maintain an office, employees, or agents outside of the U S?	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S? If "Yes," complete Schedule F, Part I	14b	No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	No
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17	No
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19	Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	No
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	No
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	23	No
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, that was issued after December 31, 2002? If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to question 25 	24a	Yes
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	No
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? If "Yes," complete Schedule L, Part I	25a	No
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	25b	No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	No

Part IV

Checklist of Required Schedules (Continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV	28a	No
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV	28b	No
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV	28c	No
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	No
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	Yes
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	Yes
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35	No
36 501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	No
37 Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	No

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a25		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a250		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . Note: <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
b	If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h		
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

		Yes	No
<i>For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.</i>			
1a	Enter the number of voting members of the governing body	1a	13
b	Enter the number of voting members that are independent	1b	13
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5	No
6	Does the organization have members or stockholders?	6	No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	the governing body?	8a	Yes
b	each committee with authority to act on behalf of the governing body?	8b	Yes
9a	Does the organization have local chapters, branches, or affiliates?	9a	No
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?	9b	
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	Yes
11	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	11	No

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? <i>If "No", go to line 13</i>	12a	Yes
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	No
13	Does the organization have a written whistleblower policy?	13	Yes
14	Does the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
a	The organization's CEO, Executive Director, or top management official?	15a	Yes
b	Other officers or key employees of the organization? Describe the process in Schedule O	15b	Yes
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
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?	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed <u>OR</u>
18	Section 6104 requires an organization to make its Form 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 Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. CAPITAL MANOR 1955 DALLAS HIGHWAY NW SUITE 1200 SALEM, OR 973044498 (503) 362-4101

Part VII

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

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

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

* List all of the organization's **current** officers, directors, trustees (whether individuals or organizations) and key employees regardless of amount of compensation, and current key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

* 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, or 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 the organization did not compensate any officer, director, trustee or key employee

(A) Name and Title	(B) Average hours per week	(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			
KEITH WEATHERS , PRESIDENT	1.00	X		X				0	0	0
FRED STEPHENS , vice PRESIDENT	1.00	X		X				0	0	0
EDWARD E DAVIS , MEMBER AT LARGE	1.00	X		X				0	0	0
JIM MONAGHAN , MEMBER AT LARGE	1.00	X		X				0	0	0
JERRY E BUMGARNER , secretary & treasurer	1.00	X		X				0	0	0
dr DAN CAMPBELL , director	1.00	X						0	0	0
ADDY HESSE , director	1.00	X						0	0	0
ROBERT E PURDY , director	1.00	X						0	0	0
ELLEN WEYANT , MEMBER AT LARGE	1.00	X		X				0	0	0
dr thomas bailey , director	1.00	X						0	0	0
Cinda M Conroyd , director	1.00	X						0	0	0
Russell I elliott , director	1.00	X						0	0	0
Steve hunter , director	1.00	X						0	0	0
SCOTT E FERGUSON , EXECUTIVE DIRECTOR	40.00			X				118,974	0	10,185
Jon Greeley , Director of Finance	40.00			X				0	0	0

Part VII

Continued

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b Total								118,974	0	10,185

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization 1

	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>		No
4 For any individual listed online 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>		No
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

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
Cain brothers & Co LLC 360 Madison Ave 5th Floor New York, NY 10017	Investment Management	126,326

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization 1

Part VIII

Statement of Revenue

				(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues						
			1b					
	c	Fundraising events						
			1c					
	d	Related organizations . . .	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	34,814					
			1f					
g	Noncash contributions included in lines 1a-1f \$							
h	Total (Add lines 1a-1f)			34,814				
Program Service Revenue			Business Code					
	2a	Resident service Fees	900,099	9,979,398	9,979,398			
	b	Residential care Fees	900,099	1,870,421	1,870,421			
	c	MISC SERVICE FEES	900,099	141,359	141,359			
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f						
Other Revenue	3	Investment income (including dividends, interest other similar amounts)		615,147			615,147	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6a	Gross Rents	(i) Real	(ii) Personal				
			258,946					
			267,070					
			-8,124					
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)		-8,124		-2,773	-5,351	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			7,319,469					
			7,546,375					
			-226,906					
	b	Less cost or other basis and sales expenses						
	c	Gain or (loss)						
	d	Net gain or (loss)		-226,906			-226,906	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000	a					
	b	Less direct expenses . . .	b					
	c	Net income or (loss) from fundraising events . . .						
	9a	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000	a					
	b	Less direct expenses . . .	b					
c	Net income or (loss) from gaming activities . . .							
10a	Gross sales of inventory, less returns and allowances . .	a						
b	Less cost of goods sold . . .	b						
c	Net income or (loss) from sales of inventory . . .							
Miscellaneous Revenue		Business Code						
11a	MISCELLANEOUS INCOME	900,099	28,861	28,861				
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d							
		\$ 28,861						
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			12,434,970	12,020,039	-2,773	382,890	

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	162,197		162,197	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	4,179,786	3,533,158		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits	689,100	610,256	78,844	
10	Payroll taxes	463,411	397,879	65,532	
11	Fees for services (non-employees)				
a	Management				
b	Legal	17,528		17,528	
c	Accounting	32,300		32,300	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other	233,300	34,430	198,870	
12	Advertising and promotion	176,174		176,174	
13	Office expenses	617,593	501,317	116,276	
14	Information technology				
15	Royalties				
16	Occupancy	889,521	889,521		
17	Travel	13,592		13,592	
18	Payments of travel or entertainment expenses for any Federal, state or local public officials				
19	Conferences, conventions and meetings				
20	Interest	2,470,964	2,470,964		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	2,415,919	2,415,919		
23	Insurance	235,933	235,933		
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	FOOD COSTS	817,610	817,610		
b	OTHER EXPENSES	99,407	40,042	59,365	
c	AMORTIZATION	38,172	38,172		
d	SOFTWARE LEASE/SUPPORT	25,000		25,000	
e	EDUCATION & TRAINING	17,918	2,288	15,630	
f	All other expenses	31,223	6,916	24,307	
25	Total functional expenses. Add lines 1 through 24f	13,626,648	11,994,405	1,632,243	0
26	Joint Costs. Check ☐ if following SOP 98-2 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	1,073,107	1333,833
	2	Savings and temporary cash investments	4,588,218	2,965,705
	3	Pledges and grants receivable, net		
	4	Accounts receivable, net	310,635	519,611
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		
	7	Notes and loans receivable, net		
	8	Inventories for sale or use		
	9	Prepaid expenses and deferred charges	307,606	154,798
	10a	Land, buildings, and equipment cost basis		
		10a71,029,564		
	b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>		
		10b25,144,202	46,608,426	10c45,885,362
	11	Investments—publicly traded securities	14,315,241	1113,390,717
	12	Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>		12
	13	Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13
14	Intangible assets		14	
15	Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	1,025,527	15987,355	
16	Total assets. Add lines 1 through 15 (must equal line 34)	68,228,760	1664,237,381	
Liabilities	17	Accounts payable and accrued expenses	940,392	17612,213
	18	Grants payable		18
	19	Deferred revenue	14,225,264	1913,098,235
	20	Tax-exempt bond liabilities	43,845,000	2043,090,000
	21	Escrow account liability <i>Complete Part IV of Schedule D</i>		21
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22
	23	Secured mortgages and notes payable to unrelated third parties	366,346	23358,378
	24	Unsecured notes and loans payable		24
	25	Other liabilities <i>Complete Part X of Schedule D</i>	2,950,765	255,682,907
	26	Total liabilities. Add lines 17 through 25	62,327,767	2662,841,733
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27	Unrestricted net assets	5,441,876	27933,407
	28	Temporarily restricted net assets	459,117	28462,241
	29	Permanently restricted net assets		29
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		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	5,900,993	331,395,648
	34	Total liabilities and net assets/fund balances	68,228,760	3464,237,381

Part XI

Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ cash ☒ accrual ☐ other			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes" to lines 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?	2c	Yes	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits?	3b		

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.
Attach to Form 990 or Form 990-EZ. See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization Capital Manor Inc	Employer identification number 93-0498054
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Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only **one** organization)

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). (Attach Schedule H)
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). (See instructions)
11	☐	An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See Section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h a ☐ Type I b ☐ Type II c ☐ Type III - Functionally Integrated d ☐ Type III - Other
e	☐	By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
f	☐	If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
g	☐	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? (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 the supported organization? (ii) a family member of a person described in (i) above? (iii) a 35% controlled entity of a person described in (i) or (ii) above?
h	☐	Provide the following information about the organizations the organization supports

	Yes	No
11g(i)		
11g(ii)		
11g(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 col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Total									

Part II

Support Schedule for Organizations Described in IRC 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.)

Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add line 1-3						
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						
6 Public Support subtract line 5 from line 4						

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 501(c)(3) organization, check this box and stop here						☐

Computation of Public Support Percentage		
14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	15	
16a 33 1/3% Test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
b 33 1/3% Test - 2007. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
17a 10% Facts and Circumstances Test - 2008. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		☐
b 10% Facts and Circumstances Test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		☐
18 Private Foundation. If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		☐

Part IIISupport Schedule for Organizations Described in IRC 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	91,328	23,822	223,959	25,810	34,814	399,733
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	10,901,420	11,441,852	11,755,792	12,325,882	11,991,178	58,416,124
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total Add lines 1- 5	10,992,748	11,465,674	11,979,751	12,351,692	12,025,992	58,815,857
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Total of lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						58,815,857

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6	10,992,748	11,465,674	11,979,751	12,351,692	12,025,992	58,815,857
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	713,353	980,642	979,387	1,145,752	874,093	4,693,227
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
c Add lines 10a and 10b	713,353	980,642	979,387	1,145,752	874,093	4,693,227
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	33,744	49,882	64,553	85,221	28,861	262,261
13 Total Support (Add lines 9, 10c, 11 and 12)						63,771,345
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here	☐					

Computation of Public Support Percentage			
15 Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	15	92 230 %	
16 Public Support Percentage for 2007 Schedule A, Part IV -A, line 27g	16	93 260 %	

Computation of Investment Income Percentage			
17	Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))	17	7 360 %
18	Investment Income Percentage from 2007 Schedule A, Part IV-A, line 27h	18	6 420 %
19a	33 1/3% Tests - 2008. 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% Tests - 2007. 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		☐

Part IV

Supplemental Information. Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide and any other additional information. (see instructions)

Facts and Circumstances Test

SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Capital Manor Inc

Employer identification number

93-0498054

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate Contributions to (during year)	
3	Aggregate Grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes☐ No	

Part II

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

1

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

☐ Preservation of land for public use (e g , recreation or pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of certified historic structure

☐ Preservation of open space

2

Complete lines 2a–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 Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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, violations, and enforcement of the conservation easements it holds?

☐ Yes☐ No

6

Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ▶

7

Amount of expenses incurred in monitoring, inspecting, and enforcing 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 170(h)(4)(B)(ii)?

☐ Yes☐ No

9

In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization’s financial statements that describes the organization’s accounting for conservation easements

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a

If the organization elected, as permitted under SFAS 116, 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, 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 relating to these items

a

Revenues included in Form 990, Part VIII, line 1▶ \$

b

Assets included in Form 990, Part X▶ \$

For Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2008

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's 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

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain why in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
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	Investment earnings or 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

(i)

unrelated organizations

(ii)

related organizations

3a(i)

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

Investments—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) Depreciation	(d) Book value
1a Land	697,786	1,235,185		1,932,971
b Buildings	2,588,836	62,841,918	22,559,423	42,871,331
c Leasehold improvements				
d Equipment		3,665,839	2,584,779	1,081,060
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				45,885,362

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)		

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)		

(a) Description	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	

(a) Description of Liability	(b) Amount
Federal Income Taxes	
interest rate swap agreements	5,682,907
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	5,682,907

Schedule D (Form 990) 2008

Part XI

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	12,434,970
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	13,626,648
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-1,191,678
4	Net unrealized gains (losses) on investments	4	-3,313,667
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	-3,313,667
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-4,505,345

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	12,615,878
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	267,070
e	Add lines 2a through 2d	2e	267,070
3	Subtract line 2e from line 1	3	12,348,808
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	86,162
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	86,162
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	12,434,970

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	13,836,304
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	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	295,818
e	Add lines 2a through 2d	2e	295,818
3	Subtract line 2e from line 1	3	13,540,486
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	86,162
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	86,162
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	13,626,648

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 XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation
Part XII, Line 2d - Other Adjustments		Rental Expenses netted with revenues 267070
Part XIII, Line 2d - Other Adjustments		rental expenses netted with revenues 267070 unrealized loss 28748

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a.
Provide descriptions, explanations, and any additional information in Schedule O.

OMB No 1545-0047

2008

Open to Public
Inspection

Name of the organization
Capital Manor Inc

Employer identification number
93-0498054

Part I

Bond Issues (Required for 2008)

	(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	
							Yes	No	Yes	No
A	Hosp Facility Auth of the City of Salem Or		794458B21	04-29-2004	28,660,000	Facilities Improvement		X		X
B	Hosp Facility Auth of the city of Salem OR		79448Laa5	10-26-2006	17,000,000	Facilities Improvement		X		X

Part II

Proceeds (Optional for 2008)

		A		B		C		D		E	
1	Total Proceeds of Issue										
2	Gross Proceeds in Reserve Funds										
3	Proceeds in Refunding or Defeasance Escrows										
4	Other Unspent Proceeds										
5	Issuance Costs from Proceeds										
6	Working Capital Expenditures from Proceeds										
7	Capital Expenditures from Proceeds										
8	Year of Substantial Completion										
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?										
10	Were the bonds issued as part of an advance refunding issue?										
11	Has the final allocation of proceeds been made?										
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?										

Part III

Private Business Use (Optional for 2008)

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

Part III Private Business Use *(Continued)*

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use?										
3b Are there any research agreements with respect to the financed property which may result in private business use?										
3c 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?										
4 Enter the percentage of financed property used in a private business use by entities other than a 501(c)(3) organization or a state or local government										
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 501(c)(3) organization, or a state or local government										
6 Total of lines 4 and 5										
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?										

Part IV Arbitrage *(Optional for 2008)*

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T been filed wth respect to the bond issue?										
2 Is the bond issue a variable rate issue?										
3a Has the organization or the government issuer identified a hedge with respect to the bond issue on its books and records?										
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?										
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?										
6 Did the bond issue qualify for an exception to rebate?										

SCHEDULE O

(Form 990)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990

► Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization Capital Manor Inc	Employer identification number 93-0498054
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Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		The board of directors review the irs form 990 before filing

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		The compensation of the Executive Officer is determined through extensive market analysis and then review ed by the board of directors The officer compensation is determined in the same manner except the executive director review s the market analysis results and approves the compensation

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		The organizations governing documents, conflict of interest policy, and financial statements are made available to the public through a request to a member of the finance department

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Attach to Form 990. To be completed by organizations that answerd "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
▶ See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Capital Manor Inc

Employer identification number
93-0498054

Part I

Identification of Disregarded Entities

(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
WEST VALLEY LLC 1955 DALLAS HWY NW SUITE 1200 SALEM, OR 97304 93-1293146	Single member LLC used to purchase additional property	OR	245,014	2,954,708	N/A

Part II

Identification of Related Tax-Exempt Organizations

(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
Capital Manor Foundation 1955 dallas hwy nw suite 1200 Salem, OR97304 41-2094799	Support Capital Manor	OR	501(c)(3)	11 type II	N/A

Part III

Identification of Related Organizations Taxable as a Partnership

(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, investment, unrelated)	(F) Share of total income	(G) Share of end-of- year assets	(H) Disproporionate allocations?		(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner?	
							Yes	No		Yes	No

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

(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

Part V

Transactions with Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III or IV

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

Yes

No

No

No

No

No

No

No

No

No

Yes

No

Yes

No

No

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(s)	(B) Transaction type(a-r)	(C) Amount Involved
(1) West Valley LLC	D	69,688
(2)		
(3)		
(4)		
(5)		
(6)		

Schedule R (Form 990) 2008

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.

[illegible]