Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note The foundation may be able to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning OCT 1, 2008 , and ending SEP 30, 2009

G Check all that apply: [ ] Initial return [ ] Final return [ ] Amended return [ ] Address change [ ] Name change

Use the IRS label Otherwise, print or type. See Specific Instructions.

Name of foundation
LERNER FAMILY FOUNDATION, INC.

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
524 WEST INNES STREET

City or town, state, and ZIP code
SALISBURY, NC 28144

A Employer identification number
56-1720870

B Telephone number
704-636-5237

C If exemption application is pending, check here ▶ [ ]

D 1 Foreign organizations, check here ▶ [ ]
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

H Check type of organization: [X] Section 501(c)(3) exempt private foundation
[ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 1,743,758.

J Accounting method: [X] Cash [ ] Accrual
[ ] Other (specify)
(Part I, column (d) must be on cash basis)

Part I **Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	14,114.	14,114.		STATEMENT 1
	4 Dividends and interest from securities	26,015.	26,015.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	28,267.			
	b Gross sales price for all assets on line 6a 599,306.				
	7 Capital gain net income (from Part IV, line 2)		28,267.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	289.	289.		STATEMENT 3
	12 **Total.** Add lines 1 through 11	68,685.	68,685.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 4	1,100.	550.		550.
	c Other professional fees STMT 5	17,216.	17,216.		0.
	17 Interest				
	18 Taxes STMT 6	1,725.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 7	128.	0.		0.
	24 **Total operating and administrative expenses** Add lines 13 through 23	20,169.	17,766.		550.
	25 Contributions, gifts, grants paid	101,000.			101,000.
	26 **Total expenses and disbursements** Add lines 24 and 25	121,169.	17,766.		101,550.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<52,484.>			
	b **Net investment income** (if negative, enter -0-)		50,919.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing	14,606.	18,658.	18,658.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations STMT 8	224,497.	132,223.	141,093.
	b Investments - corporate stock STMT 9	1,045,814.	1,088,096.	1,408,743.
	c Investments - corporate bonds STMT 10	173,903.	150,141.	157,697.
	11 Investments - land, buildings and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ DUE FROM BROKER)	0.	17,567.	17,567.
	16 **Total assets** (to be completed by all filers)	1,458,820.	1,406,685.	1,743,758.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ STATEMENT 11)	566.	915.	
	23 **Total liabilities** (add lines 17 through 22)	566.	915.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31**			
	24 Unrestricted	1,458,254.	1,405,770.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [ ] and complete lines 27 through 31			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances**	1,458,254.	1,405,770.	
	31 **Total liabilities and net assets/fund balances**	1,458,820.	1,406,685.	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,458,254.
2 Enter amount from Part I, line 27a	2	<52,484.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,405,770.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,405,770.

Part IV Capital Gains and Losses for Tax on Investment Income

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

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e	599,306.		571,039.	28,267.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				
b				
c				
d				
e				28,267.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 } — 2 — 28,267.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 — 3 — N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2007	114,525.	2,085,323.	.054920
2006	119,500.	2,210,540.	.054059
2005	121,000.	2,055,705.	.058861
2004	116,000.	1,962,271.	.059115
2003	169,790.	1,941,881.	.087436

2	Total of line 1, column (d)	2	.314391
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.062878
4	Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	1,509,602.
5	Multiply line 4 by line 3	5	94,921.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	509.
7	Add lines 5 and 6	7	95,430.
8	Enter qualifying distributions from Part XII, line 4	8	101,550.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling letter: ______ (attach copy of ruling letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b		1	509.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	509.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-		5	509.
6 Credits/Payments:			
a 2008 estimated tax payments and 2007 overpayment credited to 2008	6a 1,400.		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	1,400.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached		8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	
10 **Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	891.
11 Enter the amount of line 10 to be: **Credited to 2009 estimated tax** ▶ 891.	**Refunded** ▶	11	0.

Part VII-A Statements Regarding Activities

		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
If the answer is "Yes" to **1a** *or* **1b**, *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV.*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NC			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ BERNICE L LERNER Telephone no. ▶ 704-636-5237

Located at ▶ 945 CONFEDERATE AVENUE, SALISBURY, NC ZIP+4 ▶ 28144

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 | N/A

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception**. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a	At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ______, ______, ______, ______			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ______, ______, ______, ______			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2008 as a result of (**1**) any purchase by the foundation or disqualified persons after May 26, 1969; (**2**) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (**3**) the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?	4b		X

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

5a During the year did the foundation pay or incur any amount to:				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No			
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No			
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?	☐ Yes ☒ No			
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No			
b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?	N/A	5b		
Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A	☐ Yes ☐ No			
If "Yes," attach the statement required by Regulations section 53 4945-5(d)				
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b		X
If you answered "Yes" to 6b, also file Form 8870				
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No			
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	7b		

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MARK H LERNER 524 WEST INNES STREET SALISBURY NC 28144	PRESIDENT & DIRECTOR 0.00	0.	0.	0.
RICHARD I LERNER 524 WEST INNES STREET SALISBURY NC 28144	TREASURER & DIRECTOR 0.00	0.	0.	0.
AMANDA R LERNER 524 WEST INNES STREET SALISBURY NC 28144	SECRETARY & DIRECTOR 0.00	0.	0.	0.
DENA P LERNER 524 WEST INNES STREET SALISBURY NC 28144	DIRECTOR 0.00	0.	0.	0.

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

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over $50,000 for professional services ▶ 0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	1,423,268.
b	Average of monthly cash balances	1b	109,323.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	1,532,591.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	1,532,591.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	22,989.
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,509,602.
6	**Minimum investment return**. Enter 5% of line 5	6	75,480.

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

1	Minimum investment return from Part X, line 6			1	75,480.
2a	Tax on investment income for 2008 from Part VI, line 5	2a	509.		
b	Income tax for 2008. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	509.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	74,971.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	74,971.
6	Deduction from distributable amount (see instructions)			6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	74,971.

Part XII **Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	101,550.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	101,550.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	509.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	101,041.

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

Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7					74,971.
2 Undistributed income, if any, as of the end of 2007					
a Enter amount for 2007 only				0.	
b Total for prior years: ____ , ____ , ____			0.		
3 Excess distributions carryover, if any, to 2008.					
a From 2003	75,863.				
b From 2004	20,573.				
c From 2005	19,995.				
d From 2006	10,744.				
e From 2007	11,645.				
f **Total** of lines 3a through e		138,820.			
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ $	101,550.				
a Applied to 2007, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required - see instructions)			0.		
c Treated as distributions out of corpus (Election required - see instructions)		0.			
d Applied to 2008 distributable amount					74,971.
e Remaining amount distributed out of corpus		26,579.			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)		0.			0.
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		165,399.			
b Prior years' undistributed income. Subtract line 4b from line 2b			0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions			0.		
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount - see instr.				0.	
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)		0.			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7		75,863.			
9 **Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a		89,536.			
10 Analysis of line 9:					
a Excess from 2004	20,573.				
b Excess from 2005	19,995.				
c Excess from 2006	10,744.				
d Excess from 2007	11,645.				
e Excess from 2008	26,579.				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2008	**(b)** 2007	**(c)** 2006	**(d)** 2005	**(e) Total**
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ▶ [X] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE ATTACHED SCHEDULE	NONE	PUBLIC CHARITIES		101,000.
Total			▶ 3a	101,000.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	14,114.	
4 Dividends and interest from securities			14	26,015.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			14	289.	
8 Gain or (loss) from sales of assets other than inventory			18	28,267.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		68,685.	0.

13 **Total**. Add line 12, columns (b), (d), and (e) 13 68,685.

(See worksheet in line 13 instructions to verify calculations.)

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Signature of officer or trustee: [signature] Date: 1 13 10 Title:

Paid Preparer's Use Only

Preparer's signature	[signature]	Date 11/30/09	Check if self-employed ☐	Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code	SHERRILL & SMITH, CPAS, PA 524 WEST INNES STREET SALISBURY, NC 28144	EIN ▶	
		Phone no. (704)636-5211	

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	PER SCHEDULE			
b	PER SCHEDULE			
c	PER SCHEDULE			
d	PER SCHEDULE			
e	PER SCHEDULE			
f	PER SCHEDULE			
g				
h				
i				
j				
k				
l				
m				
n				
o				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	15,426.		9,801.	5,625.
b	65,528.		53,586.	11,942.
c	61,874.		67,714.	<5,840.>
d	326,170.		309,565.	16,605.
e	23,727.		24,470.	<743.>
f	106,581.		105,903.	678.
g				
h				
i				
j				
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				5,625.
b				11,942.
c				<5,840.>
d				16,605.
e				<743.>
f				678.
g				
h				
i				
j				
k				
l				
m				
n				
o				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter "-0-" in Part I, line 7 }	2	28,267.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3	N/A

823591
04-25-08

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
SMITH BARNEY CITIGROUP	14,114.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	14,114.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SMITH BARNEY CITIGROUP	26,015.	0.	26,015.
TOTAL TO FM 990-PF, PART I, LN 4	26,015.	0.	26,015.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
MISCELLANEOUS	289.	289.	
TOTAL TO FORM 990-PF, PART I, LINE 11	289.	289.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SHERRILL & SMITH CPAS, PA	1,100.	550.		550.
TO FORM 990-PF, PG 1, LN 16B	1,100.	550.		550.

FORM 990-PF | OTHER PROFESSIONAL FEES | STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CITIGROUP TRUST - INVESTMENT FEES	17,216.	17,216.		0.
TO FORM 990-PF, PG 1, LN 16C	17,216.	17,216.		0.

FORM 990-PF | TAXES | STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX ON DIVIDENDS	739.	0.		0.
FEDERAL EXCISE TAXES	986.	0.		0.
TO FORM 990-PF, PG 1, LN 18	1,725.	0.		0.

FORM 990-PF | OTHER EXPENSES | STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADR/FOREIGN FEES	128.	0.		0.
TO FORM 990-PF, PG 1, LN 23	128.	0.		0.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 8

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
PER ATTACHED SCH. U.S. TRES. & AGENCIES	X		132,223.	141,093.
TOTAL U.S. GOVERNMENT OBLIGATIONS			132,223.	141,093.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			132,223.	141,093.

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
PER ATTACHED SCH. CORPORATE STOCKS	1,088,096.	1,408,743.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,088,096.	1,408,743.

FORM 990-PF CORPORATE BONDS STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
PER ATTACHED SCH. CORPORATE BONDS	150,141.	157,697.
TOTAL TO FORM 990-PF, PART II, LINE 10C	150,141.	157,697.

FORM 990-PF OTHER LIABILITIES STATEMENT 11

DESCRIPTION	BOY AMOUNT	EOY AMOUNT
ACCURED MARKET DISCOUNT	566.	915.
TOTAL TO FORM 990-PF, PART II, LINE 22	566.	915.

LERNER FAMILY FOUNDATION, INC. 56-1720870
INCOME TAX SCHEDULE
FORM 990-PF, PART IV
GAINS AND LOSSES
September 30, 2009

Face Value Bonds/ No. of Shares	Description	Purchase Date	Sale Date	Sales Price	9/30/2008 Values	Gain / (Loss)
Short-Term						
14,000	US Treasury Notes 4.875% 8/15/16	Various	10/01/08	15,204.22	15,468.91	(264.69)
2,000	Comcast Copr New	Various	10/03/08	1,807.16	2,042.24	(235.08)
3,000	Glaxosmithkline Cap	Various	10/03/08	2,918.16	2,971.05	(52.89)
2,000	Pepsico Inc	Various	10/03/08	1,924.36	1,939.16	(14.80)
2,000	Wells Fargo	Various	10/03/08	1,873.00	2,048.88	(175.88)
				23,726.90	24,470.24	(743.34)
Long-Term						
12,000	Fed Home Loan Corp 5% 1/30/14	Various	10/01/08	12,351.84	11,761.31	590.53
8,000	Fed Natl Mtg 6.625% 9/15/09	Various	10/01/08	8,240.00	8,303.84	(63.84)
8,000	Fed Natl Mtg 6.0% 5/15/11	Various	10/01/08	8,518.00	8,156.08	361.92
3,000	Fed Natl Mtg 5.375% 11/15/11	Various	10/01/08	3,164.88	3,058.29	106.59
7,000	Fed Natl Mtg 5.25% 9/15/16	Various	10/01/08	7,268.45	7,096.32	172.13
8,000	Fed Natl Mtg 5.625& 3/15/11	Various	10/10/08	8,434.72	8,127.42	307.30
7,000	US Treasury Notes 4% 11/15/12	Various	10/01/08	7,367.50	6,890.60	476.90
6,000	US Treasury Notes 4.25% 8/15/13	Various	10/01/08	6,379.45	5,803.50	575.95
7,000	US Treasury Notes 3.37% 9/15/09	Various	10/01/08	7,094.89	6,896.61	198.28
4,000	United Mexican Sts	Various	10/03/08	4,115.00	4,298.00	(183.00)
2,000	Time Warner Inc NT	Various	10/03/08	1,931.96	2,104.56	(172.60)
2,000	Conoco Funding	Various	10/03/08	2,069.38	2,097.72	(28.34)
4,000	Disney Walt Co New	Various	10/03/08	4,170.28	4,226.32	(56.04)
4,000	Gen Elec Cap Corp	Various	10/03/08	3,429.40	4,000.43	(571.03)
3,000	Goldman Sachs Group	Various	10/03/08	2,752.50	2,906.49	(153.99)
3,000	JP Morgan Chase	Various	10/03/08	2,835.00	2,920.77	(85.77)
4,000	Merrill Lynch	Various	10/03/08	3,722.00	4,035.84	(313.84)
2,000	Morgan Stanley	Various	10/03/08	1,586.00	1,919.44	(333.44)
4,000	Verizon Global Fdg	Various	10/03/08	4,119.36	4,233.75	(114.39)
3,000	Walmart Stores	Various	10/03/08	3,076.65	3,115.44	(38.79)
4,000	Wyeth	Various	10/03/08	3,954.12	3,950.72	3.40
				106,581.38	105,903.45	677.93
				130,308.28	130,373.69	(65.41)

TAX PREPARER 40
TRUST ADMINISTRATOR 92
INVESTMENT OFFICER 13

LEGEND F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
40 0000 IMCLONE SYSTEMS INC 75 - 45245W109 - MINOR = 43						
SOLD		10/01/2008	2589 55			
ACQ	40 0000	07/07/2005	2589 55	1282 40	1307 15	LT15
34 0000 IMCLONE SYSTEMS INC 75 - 45245W109 - MINOR = 43						
SOLD		10/06/2008	2275 40			
ACQ	34 0000	07/07/2005	2275 40	1090 04	1185 36	LT15
18 0000 IMCLONE SYSTEMS INC 75 - 45245W109 - MINOR = 43						
SOLD		10/07/2008	1207 75			
ACQ	18 0000	07/07/2005	1207 75	577 08	630 67	LT15
24 0000 IMCLONE SYSTEMS INC 75 - 45245W109 - MINOR = 43						
SOLD		10/08/2008	1608 97			
ACQ	24 0000	07/07/2005	1608 97	769 44	839 53	LT15
21 0000 IMCLONE SYSTEMS INC 75 - 45245W109 - MINOR = 43						
SOLD		10/09/2008	1407 23			
ACQ	21 0000	07/07/2005	1407 23	673 26	733 97	LT15
13 0000 IMCLONE SYSTEMS INC 75 - 45245W109 - MINOR = 43						
SOLD		10/13/2008	871 05			
ACQ	13 0000	07/07/2005	871 05	416 78	454 27	LT15
199 0000 EL PASO CORPORATION - 28336L109 - MINOR = 43						
SOLD		10/16/2008	1476 65			
ACQ	180 0000	08/11/2008	1335 66	2969 39	-1633 73	ST
	19 0000	08/08/2008	140 99	313 34	-172 35	ST
51 0000 EL PASO CORPORATION - 28336L109 - MINOR = 43						
SOLD		10/17/2008	399 49			
ACQ	51 0000	08/08/2008	399 49	841 08	-441 59	ST
80 0000 DELL INC - 24702R101						
SOLD		10/22/2008	966 65			
ACQ	80.0000	02/03/2003	966 65	2458 48	-1491 83	LT15
400 0000 MICROSOFT CORP - 594918104 - MINOR = 31001						
SOLD		10/22/2008	8793 83			
ACQ	400 0000	12/04/1996	8793 83	7508 00	1285 83	LT15
500 0000 TIME WARNER INC NEW - 887317105 - MINOR = 31000						
SOLD		10/23/2008	4606 72			
ACQ	175 0000	07/26/2004	1612 35	2905 00	-1292 65	LT15
	325 0000	02/21/2003	2994 37	5286 06	-2291 69	LT15
100 0000 JOHNSON & JOHNSON - 478160104 - MINOR = 31001						
SOLD		10/28/2008	6117 68			
ACQ	100 0000	09/25/2002	6117 68	1100 00	5017 68	LT15
185 0000 AMGEN INC - 031162100						
SOLD		11/06/2008	10641 86			
ACQ	185 0000	09/27/2002	10641 86	9991 85	650 01	LT15
10000 0000 FED NATL MTG ASSN 5 375% 11/15/11 - 31359MLS0 - MINOR = 25						
SOLD		11/19/2008	10563 00			
ACQ	1000 0000	01/24/2007	1056 30	1014 74	41 56	LT15
	9000 0000	01/24/2007	9506 70	9132 66	374 04	LT15
60 0000 AMGEN INC - 031162100						
SOLD		12/02/2008	3278 33			
ACQ	60 0000	09/27/2002	3278 33	3240 60	37 73	LT15
1 0000 BERKSHIRE HATHAWAY INC DEL - 084670207 - MINOR = 43						
SOLD		12/02/2008	3310 20			
ACQ	1 0000	12/04/1996	3310 20	1091 00	2219 20	LT15
90 0000 COCA COLA COMPANY - 191216100 - MINOR = 31001						
SOLD		12/02/2008	3967 53			
ACQ	90 0000	10/29/2002	3967 53	4123 13	-155 60	LT15
7000 0000 U S TREASURY NOTES 3 375% 9/15/09 - 912828CV0 - MINOR - 18						
SOLD		12/05/2008	7146 57			
ACQ	7000 0000	05/23/2007	7146 57	6904 93	241 64	LT15
40 0000 CHUBB CORP - 171232101 - MINOR = 5010						
SOLD		12/16/2008	2003 38			
ACQ	10 0000	02/01/2008	500 85	520 00	-19 16	ST
	30 0000	02/05/2008	1502 54	1558 68	-56 15	ST
150 0000 SATYAM COMPUTER SVCS LTD - 804098101 - MINOR = 44						
SOLD		12/16/2008	800 47			
ACQ	100 0000	02/12/2008	533 65	2598 70	-2065 05	ST
	50 0000	07/07/2008	266 82	1261 08	-994 26	ST
10 0000 ABBOTT LABS - 002824100 - MINOR = 31001						
SOLD		12/24/2008	527 93			
ACQ	10 0000	02/03/2003	527 93	375 89	152 04	LT15
23 0000 INTERNATIONAL BUSINESS MACHS CORP - 459200101 - MINOR = 31001						
SOLD		12/24/2008	1845 24			
ACQ	23 0000	09/25/2002	1845 24	253 00	1592 24	LT15
20 0000 WAL MART STORES INC - 931142103						
SOLD		12/24/2008	1110 01			
ACQ	20 0000	04/18/2007	1110 01	960 24	149 77	LT15
10 0000 ABBOTT LABS - 002824100 - MINOR = 31001						
SOLD		12/26/2008	527 55			
ACQ	10 0000	02/03/2003	527 55	375 89	151 66	LT15
10 0000 WAL MART STORES INC - 931142103						
SOLD		12/26/2008	555 13			
ACQ	10 0000	04/18/2007	555 13	480 12	75 01	LT15
117 0000 AMERICAN EXPRESS CO - 025816109 - MINOR - 31001						
SOLD		12/30/2008	2106 28			
ACQ	117 0000	10/10/2002	2106 28	3373 55	-1267 27	LT15

TAX PREPARER 40
TRUST ADMINISTRATOR 92
INVESTMENT OFFICER 18

LEGEND F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
33 0000 AMERICAN EXPRESS CO - 025816109 - MINOR = 31001						
SOLD		12/31/2008	597 49			
ACQ	33 0000	10/10/2002	597 49	951 51	-354 02	LT15
150 0000 DU PONT E I DE NEMOURS & CO - 263534109 - MINOR = 43						
SOLD		01/08/2009	3899 97			
ACQ	75 0000	04/05/2005	1949 99	3796 50	-1846 52	LT15
	75 0000	10/31/2005	1949 99	3130 50	-1180 52	LT15
90 0000 NESTLE S A SPONSORED ADR REPSTG REG SH - 641069406 - MINOR = 44						
SOLD		01/12/2009	3227 43			
ACQ	90 0000	12/30/2002	3227 43	1917 00	1310 43	LT15
100 0000 BANK OF IRELAND-SPONS ADR - 46267Q103 - MINOR = 44						
SOLD		01/21/2009	195 17			
ACQ	100 0000	10/04/2002	195 17	4271 00	-4075 83	LT15
6000 0000 WELLS FARGO & CO 4 950% 10/16/13 - 949746FJ5 - MINOR = 30						
SOLD		01/28/2009	5798 52			
ACQ	6000 0000	04/14/2008	5798 52	6146 64	-348 12	ST
251 0000 DELL INC - 24702R101						
SOLD		01/29/2009	2540 55			
ACQ	235 0000	02/03/2003	2378 60	7221 80	-4843 20	LT15
	16 0000	04/10/2008	161 95	303 12	-141 17	ST
153 0000 DELL INC - 24702R101						
SOLD		01/30/2009	1487 09			
ACQ	153 0000	04/10/2008	1487 09	2898 57	-1411 48	ST
50 0000 GENENTECH INC - 368710406 - MINOR = 3101						
SOLD		01/30/2009	4055 57			
ACQ	50 0000	11/11/2002	4055 57	710 55	3345 02	LT15
116 0000 DELL INC - 24702R101						
SOLD		02/02/2009	1076 66			
ACQ	116 0000	04/10/2008	1076 66	2197 61	-1120 95	ST
175 0000 UNITEDHEALTH GROUP INC - 91324P102 - MINOR = 3101						
SOLD		02/02/2009	5085 35			
ACQ	175 0000	06/20/2008	5085 35	4745 74	339 61	ST
65 0000 CATERPILLAR INC - 149123101 - MINOR = 31001						
SOLD		02/03/2009	1950 98			
ACQ	65 0000	03/20/2003	1950 98	1877 32	73 66	LT15
25 0000 CATERPILLAR INC - 149123101 - MINOR = 31001						
SOLD		02/04/2009	761 56			
ACQ	25 0000	03/20/2003	761 56	722 04	39 52	LT15
7000 0000 MERRILL LYNCH & CO 4 125% 9/10/09 - 59018YUH2 - MINOR = 30						
SOLD		02/04/2009	6930 00			
ACQ	1000 0000	11/03/2004	990 00	1008 96	-18 96	LT15
	5000 0000	02/23/2005	4950 00	4963 80	-13 80	LT15
	1000 0000	05/03/2007	990 00	990 00	0 00	LT15
40 0000 BARRICK GOLD CORP - 067901108 - MINOR = 44						
SOLD		02/17/2009	1543 92			
ACQ	40 0000	05/19/2008	1543 92	1634 65	-90 73	ST
13000 0000 FEDERAL NATL MTG AS 6 625% 9/15/09 - 31359MEY5 - MINOR = 25						
SOLD		02/17/2009	13436 80			
ACQ	11000 0000	01/24/2007	11369 60	11417 78	-48 18	LT15
	2000 0000	07/24/2007	2067 20	2059 81	7 39	LT15
550 0000 TIME WARNER INC NEW - 887317105 - MINOR = 31000						
SOLD		02/19/2009	4229 36			
ACQ	550 0000	02/21/2003	4229 36	8945 64	-4716 28	LT15
171 0000 NORSK HYDRO A S SPONSORED ADR - 656531605 - MINOR = 44						
SOLD		02/25/2009	576 40			
ACQ	171 0000	12/11/2008	576 40	647 80	-71 40	ST
6000 0000 U S TREASURY NOTES 3 375% 9/15/09 - 912828CV0 - MINOR = 18						
SOLD		02/25/2009	6092 35			
ACQ	6000 0000	05/23/2007	6092 35	5926 21	166 14	LT15
110 0000 AMAZON COM INC - 023135106 - MINOR = 43						
SOLD		03/06/2009	6777 40			
ACQ	110 0000	04/28/2005	6777 40	3572 75	3204 65	LT15
30 0000 GENENTECH INC - 368710406 - MINOR = 3101						
SOLD		03/06/2009	2689 74			
ACQ	30 0000	11/11/2002	2689 74	426 33	2263 41	LT15
128 0000 MGIC INVT CORP WIS - 552848103 - MINOR = 43						
SOLD		03/10/2009	128 78			
ACQ	128 0000	12/22/2008	128 78	351 83	-223 05	ST
32 0000 MGIC INVT CORP WIS - 552848103 - MINOR = 43						
SOLD		03/11/2009	32 60			
ACQ	32 0000	12/22/2008	32 60	87 96	-55 36	ST
5000 0000 WAL-MART STORES - 931142BE2 - MINOR = 30						
SOLD		03/12/2009	5106 10			
ACQ	5000 0000	09/28/2007	5106 10	5192 40	-86 30	LT15
100 0000 ROYAL DUTCH SHELL PLC SPD ADR - 780259206 - MINOR = 44						
SOLD		03/13/2009	4522 07			
ACQ	100 0000	10/31/2002	4522 07	4296 22	225 85	LT15
111 0000 RAYTHEON COMPANY - 755111507 - MINOR = 43						
SOLD		03/23/2009	3916 03			
ACQ	5 0000	07/26/2004	176 40	161 90	14 50	LT15
	106 0000	09/27/2002	3739 63	3222 38	517 25	LT15
150 0000 WYETH - 983024100 - MINOR = 5010						
SOLD		03/23/2009	6377 33			
ACQ	40 0000	07/21/2004	1700 62	1410 04	290 58	LT15
	110 0000	07/20/2004	4676 71	3742 20	934 51	LT15

TAX PREPARER 40
TRUST ADMINISTRATOR 92
INVESTMENT OFFICER 18

LEGEND F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
59 0000 RAYTHEON COMPANY - 755111507 - MINOR = 43						
SOLD		03/24/2009	2445 34			
ACQ	69 0000	09/27/2002	2445 34	2097 59	347 75	LT15
50 0000 WYETH - 983024100 - MINOR = 5010						
SOLD		03/24/2009	2126 96			
ACQ	50 0000	07/20/2004	2126 96	1701 00	425 96	LT15
7000 0000 FEDERAL HOME LOAN MORTGAGE ASSN DTD 03/15/01 - 3134A4DY7 - MINOR = 25						
SOLD		03/26/2009	7541 36			
ACQ	6000 0000	05/18/2006	6464 02	6086 34	377 68	LT15
	1000 0000	05/18/2006	1077 34	1014 39	62 95	LT15
120 0000 GENENTECH INC - 368710406 - MINOR = 3101						
SOLD		03/27/2009	11400 00			
ACQ	120 0000	11/11/2002	11400 00	1705 31	9694 69	LT15
63 0000 BARRICK GOLD CORP - 067901108 - MINOR = 44						
SOLD		04/06/2009	1814 11			
ACQ	20 0000	05/19/2008	575 91	817 33	-241 42	ST
	43 0000	09/10/2008	1238 20	1162 58	75 62	ST
20 0000 CHUBB CORP - 171232101 - MINOR = 5010						
SOLD		04/06/2009	837 44			
ACQ	20 0000	02/05/2008	837 44	1039 12	-201 68	LT15
86 0000 KRAFT FOODS INC-A - 50075N104 - MINOR = 43						
SOLD		04/06/2009	1945 21			
ACQ	50 0000	04/20/2007	1130 94	1652 54	-521 60	LT15
	36 0000	04/19/2007	814 27	1175 74	-361 47	LT15
20 0000 WAL MART STORES INC - 931142103						
SOLD		04/06/2009	1067 36			
ACQ	20 0000	04/18/2007	1067 36	960 23	107 13	LT15
17 0000 BARRICK GOLD CORP - 067901108 - MINOR = 44						
SOLD		04/07/2009	497 95			
ACQ	17 0000	09/10/2008	497 95	459 62	38 33	ST
45 0000 KRAFT FOODS INC-A - 50075N104 - MINOR = 43						
SOLD		04/07/2009	1012 65			
ACQ	45 0000	04/19/2007	1012 65	1469 68	-457 03	LT15
33 3333 HSBC HOLDINGS PLC 3/31/09 - 404280992 - MINOR = 46						
SOLD		04/08/2009	279 59			
ACQ	33 3333	03/20/2009	279 59	0 00	279 59	ST
7525 TIME WARNER CABLE W/I - 88732J207 - MINOR = 43						
SOLD		04/08/2009	19 68			
ACQ	7525	10/14/2002	19 68	36 25	-16 57	LT15
49 0000 KRAFT FOODS INC-A - 50075N104 - MINOR = 43						
SOLD		04/13/2009	1102 65			
ACQ	19 0000	04/19/2007	427 56	620 53	-192 97	LT15
	30 0000	03/12/2008	675 09	931 91	-256 82	LT15
20 0000 BED BATH & BEYOND INC COM - 075896100 - MINOR = 43						
SOLD		04/17/2009	629 02			
ACQ	20 0000	04/05/2005	629 02	746 18	-117 16	LT15
65 0000 TAIWAN SEMICONDUCTOR-SP ADR - 874039100 - MINOR = 44						
SOLD		04/17/2009	626 58			
ACQ	65 0000	07/20/2004	626 58	418 14	208 44	LT15
41 0000 TIME WARNER INC - 887317303 - MINOR = 43						
SOLD		04/17/2009	953 26			
ACQ	41 0000	10/14/2002	953 26	1504 77	-551 51	LT15
25 0000 TIME WARNER CABLE W/I - 88732J207 - MINOR = 43						
SOLD		04/17/2009	727 49			
ACQ	22 2568	10/14/2002	647 66	1072 24	-424 58	LT15
	2 7432	02/21/2003	79 83	132 16	-52 33	LT15
78 0000 SYNOVUS FINL CORP - 87161C105 - MINOR = 43						
SOLD		04/23/2009	254 70			
ACQ	78 0000	09/17/2008	254 70	799 05	-544 35	ST
106 0000 TIME WARNER INC - 887317303 - MINOR = 43						
SOLD		04/23/2009	2315 65			
ACQ	41 6668	02/21/2003	910 24	1529 24	-619 00	LT15
	50 6664	10/14/2002	1106 85	1859 54	-752 69	LT15
	13 6668	03/12/2008	298 56	458 48	-159 92	LT15
37 0000 TIME WARNER CABLE W/I - 88732J207 - MINOR = 43						
SOLD		04/23/2009	996 47			
ACQ	7 7156	02/21/2003	207 79	371 70	-163 91	LT15
	29 2844	03/12/2008	788 68	1289 56	-500 88	LT15
20 0000 SYNOVUS FINL CORP - 87161C105 - MINOR = 43						
SOLD		04/24/2009	65 04			
ACQ	20 0000	09/17/2008	65 04	204 89	-139 85	ST
103 0000 TIME WARNER INC - 887317303 - MINOR = 43						
SOLD		04/24/2009	2244 59			
ACQ	103 0000	03/12/2008	2244 59	3455 38	-1210 79	LT15
7 0000 SYNOVUS FINL CORP - 87161C105 - MINOR = 43						
SOLD		04/27/2009	22 75			
ACQ	7 0000	09/17/2008	22 75	71 71	-48 96	ST
49 0000 SYNOVUS FINL CORP - 87161C105 - MINOR = 43						
SOLD		04/28/2009	159 36			
ACQ	5 0000	09/17/2008	16 26	51 22	-34 96	ST
	44 0000	10/07/2008	143 10	450 00	-306 90	ST
6 0000 SYNOVUS FINL CORP - 87161C105 - MINOR = 43						
SOLD		04/29/2009	19 54			
ACQ	6 0000	10/07/2008	19 54	61 36	-41 82	ST

TAX PREPARER 40
TRUST ADMINISTRATOR 92
INVESTMENT OFFICER 16

LEGEND F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
50 0000 INTERNATIONAL BUSINESS MACHS CORP - 459200101 - MINOR = 31001						
SOLD		05/05/2009	5292 23			
ACQ	27 0000	09/25/2002	2857 80	297 00	2560 80	LT15
	23 0000	01/01/2001	2434 43	253 00	2181 43	LT15
6000 0000 TIME WARNER INC NT 6 875% 5/01/12 - 00184AAF2 - MINOR = 30						
SOLD		05/06/2009	6264 66			
ACQ	6000 0000	05/29/2007	6264 66	6283 68	-19 02	LT15
6000 0000 UNITED MEXICAN STS 6 625% 3/03/15 - 91086QAL2 - MINOR = 33						
SOLD		05/07/2009	6525 00			
ACQ	6000 0000	05/29/2007	6525 00	6447 00	78 00	LT15
7000 0000 JPMORGAN CHASE & CO 4 500% 1/15/12 - 46625HCA6 - MINOR = 30						
SOLD		05/18/2009	7141 96			
ACQ	7000 0000	01/20/2006	7141 96	6926 42	215 54	LT15
10 0000 WAL MART STORES INC - 931142103						
SOLD		05/21/2009	491 19			
ACQ	10 0000	10/31/2005	491 19	471 90	19 29	LT15
10 0000 WAL MART STORES INC - 931142103						
SOLD		05/22/2009	493 50			
ACQ	10 0000	10/31/2005	493 50	471 90	21 60	LT15
20 0000 WAL MART STORES INC - 931142103						
SOLD		05/26/2009	1002 91			
ACQ	20 0000	10/31/2005	1002 91	943 80	59 11	LT15
8 0000 WAL MART STORES INC - 931142103						
SOLD		05/26/2009	401 15			
ACQ	8 0000	10/31/2005	401 15	377 52	23 63	LT15
32 0000 WAL MART STORES INC - 931142103						
SOLD		05/27/2009	1599 75			
ACQ	27 0000	10/31/2005	1349 79	1274 13	75 66	LT15
	5 0000	09/25/2002	249 96	32 50	217 46	LT15
200 0000 HOME DEPOT INC - 437076102						
SOLD		05/28/2009	4531 30			
ACQ	200 0000	09/05/2006	4531 30	6944 00	-2412 70	LT15
7000 0000 MORGAN STANLEY 4 000% 1/15/10 - 61746SBC2 - MINOR = 30						
SOLD		05/28/2009	7042 00			
ACQ	6000 0000	12/21/2005	6036 00	5943 35	92 65	LT15
	1000 0000	02/09/2006	1006 00	985 32	20 68	LT15
13 0000 WAL MART STORES INC - 931142103						
SOLD		05/28/2009	641 21			
ACQ	13 0000	09/25/2002	641 21	84 50	556 71	LT15
22 0000 WAL MART STORES INC - 931142103						
SOLD		05/29/2009	1085 40			
ACQ	22 0000	09/25/2002	1085 40	143 00	942 40	LT15
50 0000 BIOGEN IDEC INC - 09062X103 - MINOR = 43						
SOLD		06/09/2009	2617 93			
ACQ	50 0000	12/03/2002	2617 93	2103 57	514 36	LT15
50 0000 BROADCOM CORP-CL A - 111320107 - MINOR = 43						
SOLD		06/09/2009	1358 56			
ACQ	50 0000	07/24/2006	1358 56	1143 57	214 99	LT15
100 0000 EXPEDIA INC DEL - 30212P105 - MINOR = 43						
SOLD		06/09/2009	1668 15			
ACQ	100 0000	07/20/2004	1668 15	2600 56	-932 41	LT15
12000 0000 FED NATL MTG ASSN 4 750% 3/12/10 - 31359MSZ2 - MINOR = 25						
SOLD		06/09/2009	12381 24			
ACQ	12000 0000	02/17/2009	12381 24	12475 56	-94 32	ST
141 0000 LIBERTY GLOBAL INC COM SER A - 530555101 - MINOR = 43						
SOLD		06/09/2009	1998 32			
ACQ	141 0000	04/03/2006	1998 32	2934 62	-936 30	LT15
200 0000 LIBERTY MEDIA HLDG CORP - 53071M104 - MINOR = 43						
SOLD		06/09/2009	1182 54			
ACQ	14 5000	01/01/2001	85 73	292 33	-206 60	LT15
	148 0000	11/06/2006	875 08	3353 53	-2478 45	LT15
	37 5000	07/21/2004	221 73	623 30	-401 57	LT15
98 0000 VERIZON COMMUNICATIONS - 92343V104 - MINOR = 31001						
SOLD		06/12/2009	2939 24			
ACQ	70 0000	07/30/2004	2099 46	2577 87	-478 41	LT15
	28 0000	07/20/2004	839 78	924 41	-84 63	LT15
18 0000 VERIZON COMMUNICATIONS - 92343V104 - MINOR = 31001						
SOLD		06/15/2009	535 49			
ACQ	18 0000	07/20/2004	535 49	594 27	-58 78	LT15
14 0000 WAL MART STORES INC - 931142103						
SOLD		06/15/2009	679 04			
ACQ	14 0000	09/25/2002	679 04	91 00	588 04	LT15
54 0000 VERIZON COMMUNICATIONS - 92343V104 - MINOR = 31001						
SOLD		06/16/2009	1600 08			
ACQ	54 0000	07/20/2004	1600 08	1782 79	-182 71	LT15
21 0000 WAL MART STORES INC - 931142103						
SOLD		06/16/2009	1018 71			
ACQ	21 0000	09/25/2002	1018 71	136 50	882 21	LT15
63 0000 SK TELECOM CO LTD-ADR - 78440P108 - MINOR = 44						
SOLD		06/18/2009	967 05			
ACQ	63 0000	08/20/2004	967 05	1207 08	-240 03	LT15
100 0000 CHEVRONTEXACO CORP - 166764100						
SOLD		06/24/2009	6631 07			
ACQ	100 0000	10/31/2005	6631 07	5705 00	926 07	LT15

ACCT 5680 34B028379121
FROM 10/01/2008
TO 09/30/2009

CITIGROUP TRUST - DELAWARE, NA
STATEMENT OF CAPITAL GAINS AND LOSSES
LERNER FAMILY FOUNDATION, INC

TRUST YEAR ENDING 09/30/2009

RUN 10/20 2009
03 19 34 P.

TAX PREPARER 40
TRUST ADMINISTRATOR 92
INVESTMENT OFFICER 13

LEGEND F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE J - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
1516 SIMON PPTY GROUP INC NEW COM - 828806109 - MINOR = 47						
SOLD		06/25/2009	7 46			
ACQ	1516	05/07/2009	7 46	7 90	-0 44	ST
25 0000 SIMON PPTY GROUP INC NEW COM - 828806109 - MINOR = 47						
SOLD		06/30/2009	1290 27			
ACQ	25 0000	05/07/2009	1290 27	1301 96	-11 69	ST
237 0000 SK TELECOM CO LTD-ADR - 78440P108 - MINOR = 44						
SOLD		07/01/2009	3682 62			
ACQ	200 0000	07/30/2004	3107 70	3512 00	-404 30	LT15
	37 0000	08/20/2004	574 92	708 92	-134 00	LT15
36 0000 SIMON PPTY GROUP INC NEW COM - 828806109 - MINOR = 47						
SOLD		07/01/2009	1874 31			
ACQ	36 0000	05/07/2009	1874 31	1874 83	-0 52	ST
472 0000 PFIZER INC - 717081103						
SOLD		07/09/2009	6749 51			
ACQ	472 0000	09/25/2002	6749 51	10190 48	-3440 97	LT15
338 0000 PFIZER INC - 717081103						
SOLD		07/10/2009	4802 11			
ACQ	338 0000	09/25/2002	4802 11	7297 42	-2495 31	LT15
90 0000 MCKESSON HBOC INC - 58155Q103 - MINOR = 43						
SOLD		07/15/2009	3957 85			
ACQ	20 0000	11/03/2008	879 52	728 65	150 87	ST
	70 0000	11/04/2008	3078 33	2637 24	441 09	ST
25 0000 J P MORGAN CHASE & CO F/K/A - 46625H100 - MINOR = 31001						
SOLD		07/20/2009	919 84			
ACQ	25 0000	02/05/2008	919 84	1117 41	-197 57	LT15
180 0000 ABBOTT LABS - 002824100 - MINOR = 31001						
SOLD		07/31/2009	8112 43			
ACQ	180 0000	02/03/2003	8112 43	6766 11	1346 32	LT15
20 0000 GAMCO INVS INC - 361438104 - MINOR = 43						
SOLD		08/03/2009	914 98			
ACQ	20 0000	01/15/2009	914 98	578 80	336 18	ST
1845 MARRIOTT INTERNATIONAL-CL A - 571903202 - MINOR = 43						
SOLD		08/05/2009	3 97			
ACQ	1845	03/24/2009	3 97	3 20	0 77	ST
100 0000 PENSKE AUTO GROUP INC - 70959W103 - MINOR = 43						
SOLD		08/05/2009	1949 38			
ACQ	20 0000	09/22/2008	389 88	234 90	154 98	ST
	80 0000	12/02/2008	1559 50	514 40	1045 10	ST
150 0000 EXXON MOBIL CORP - 30231G102 - MINOR = 31001						
SOLD		08/10/2009	10376 03			
ACQ	150 0000	09/26/2002	10376 03	2922 56	7453 47	LT15
35 0000 TRANSOCEAN INC COM USD0 01 'REGISTER - H8817H100 - MINOR = 44						
SOLD		08/11/2009	2598 81			
ACQ	35 0000	07/26/2004	2598 81	1952 70	646 11	LT15
9994 TAIWAN SEMICONDUCTOR-SP ADR - 874039100 - MINOR = 44						
SOLD		08/19/2009	10 51			
ACQ	9994	07/20/2004	10 51	6 43	4 08	LT15
6000 0000 PEPSICO INC 5 000% 6/01/18 - 713448BH0 - MINOR = 30						
SOLD		08/20/2009	6268 44			
ACQ	6000 0000	06/20/2008	6268 44	5839 99	428 45	LT15
19 0000 EAST WEST BANCORP INC PAR 001 - 27579R104 - MINOR = 43						
SOLD		08/31/2009	174 79			
ACQ	10 0000	08/25/2008	91 99	120 00	-28 01	LT15
	9 0000	08/26/2008	82 80	108 00	-25 20	LT15
4 0000 EAST WEST BANCORP INC PAR 001 - 27579R104 - MINOR = 43						
SOLD		09/01/2009	36 80			
ACQ	4 0000	08/26/2008	36 80	48 00	-11 20	LT15
7 0000 SIMPSON MFG INC - 829073105 - MINOR = 43						
SOLD		09/01/2009	180 26			
ACQ	7 0000	11/13/2006	180 26	208 17	-27 91	LT15
170 0000 WPP PLC - 92933H101 - MINOR = 44						
SOLD		09/01/2009	7000 32			
ACQ	125 0000	10/04/2002	5147 29	5098 40	48 89	LT15
	45 0000	07/07/2008	1853 03	2058 98	-205 95	LT15
2 0000 SIMPSON MFG INC - 829073105 - MINOR = 43						
SOLD		09/08/2009	51 49			
ACQ	2 0000	11/13/2006	51 49	59 47	-7 98	LT15
35 0000 EAST WEST BANCORP INC PAR 001 - 27579R104 - MINOR = 43						
SOLD		09/09/2009	322 03			
ACQ	7 0000	08/26/2008	64 41	84 00	-19 59	LT15
	10 0000	08/27/2008	92 01	120 00	-27 99	LT15
	10 0000	10/09/2008	92 01	119 98	-27 97	ST
	8 0000	10/10/2008	73 61	95 97	-22 36	ST
1895 MARRIOTT INTERNATIONAL-CL A - 571903202 - MINOR = 43						
SOLD		09/09/2009	4 26			
ACQ	1895	03/24/2009	4 26	3 27	0 99	ST
231 0000 EXPEDIA INC DEL - 30212P105 - MINOR = 43						
SOLD		09/10/2009	5323 00			
ACQ	60 0000	07/20/2004	1382 60	1560 33	-177 73	LT15
	25 0000	07/26/2004	576 08	611 84	-35 76	LT15
	80 0000	05/27/2008	1843 46	1734 07	109 39	LT15
	66 0000	08/05/2004	1520 86	1325 72	195 14	LT15

TAX PREPARER 40
TRUST ADMINISTRATOR 92
INVESTMENT OFFICER 19

LEGEND F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
2 0000 EAST WEST BANCORP INC PAR 001 - 27579R104 - MINOR = 43						
SOLD		09/11/2009	18 39			
ACQ	2 0000	10/10/2008	18 39	23 99	-5 60	ST
94 0000 EXPEDIA INC DEL - 30212P105 - MINOR = 43						
SOLD		09/11/2009	2169 70			
ACQ	9 0000	08/05/2004	207 74	180 78	26 96	LT15
	85 0000	06/25/2008	1961 96	1706 28	255 68	LT15
51 0000 SIMPSON MFG INC - 829073105 - MINOR = 43						
SOLD		09/15/2009	1313 29			
ACQ	10 0000	11/02/2006	257 51	274 87	-17 36	LT15
	10 0000	11/03/2006	257 51	277 89	-20 38	LT15
	10 0000	11/06/2006	257 51	281 90	-24 39	LT15
	10 0000	11/10/2006	257 51	293 22	-35 71	LT15
	1.0000	11/13/2006	25 75	29 74	-3 99	LT15
	10 0000	11/14/2006	257 51	294 73	-37 22	LT15
20 0000 NOVO NORDISK A S ADR - 670100205 - MINOR = 44						
SOLD		09/16/2009	1308 51			
ACQ	20 0000	06/06/2003	1308 51	371 39	937 12	LT15
15000 0000 FEDERAL HOME LOAN MORTGAGE ASSN DTD 03/15/01 - 3134A4DY7 - MINOR = 25						
SOLD		09/17/2009	16062 15			
ACQ	6000 0000	05/18/2006	6424 86	6086 34	338 52	LT15
	9000 0000	06/09/2009	9637 29	9667 43	-30 14	ST
14 0000 COMERICA INC - 200340107 - MINOR = 43						
SOLD		09/21/2009	416 62			
ACQ	10 0000	06/16/2008	297 59	319 97	-22 38	LT15
	4 0000	06/17/2008	119 03	127 50	-8 47	LT15
39 0000 SIMON PPTY GROUP INC NEW COM - 828806109 - MINOR = 47						
SOLD		09/21/2009	2817 01			
ACQ	5055	09/18/2009	36 51	33 60	2 91	ST
	38 4945	05/07/2009	2780 50	2004 74	775 76	ST
FOUND UPDATE						
71 0000 COMERICA INC - 200340107 - MINOR = 43						
SOLD		09/22/2009	2114 83			
ACQ	21 0000	06/17/2008	625 51	669 40	-43 89	LT15
	20 0000	08/07/2008	595 73	599 78	-4 05	LT15
	30 0000	05/19/2009	893 59	643 58	250 01	ST
31 0000 SIMON PPTY GROUP INC NEW COM - 828806109 - MINOR = 47						
SOLD		09/22/2009	2241 95			
ACQ	29 8484	05/07/2009	2158 67	1554 45	604 22	ST
	1 1516	06/19/2009	83 28	33 60	49 68	ST
CHANGED 10/08/09 RER						
5055 SIMON PPTY GROUP INC NEW COM - 828806109 - MINOR = 47						
SOLD		09/24/2009	35 97			
ACQ	5055	05/07/2009	35 97	26 33	9 64	ST
		TOTALS	388043 99	377279 34		

SUMMARY OF CAPITAL GAINS/LOSSES

FEDERAL	SHORT TERM	LONG TERM 28%	LONG TERM 15%	ST WASH SALE	LT WASH SALE	1250 GAIN
SUBTOTAL FROM ABOVE	-5840 49	0 00	16605 14	0 00	0 00	0 00*
COMMON TRUST FUND	0 00	0 00	0 00			0 00
CAPITAL GAIN DIVIDENDS	0 00	0 00	0 00			0 00
	-5840 49	0 00	16605 14	0 00	0 00	0 00
STATE						
SUBTOTAL FROM ABOVE	-5840 49	0 00	16605 14	0 00	0 00	0 00*
COMMON TRUST FUND	0 00	0 00	0 00			0 00
CAPITAL GAIN DIVIDENDS	0 00	0 00	0 00			0 00
	-5840 49	0 00	16605 14	0 00	0 00	0 00

* - 1250 GAIN DETAILED ON TRANS PAGES, NOT ABOVE

CAPITAL LOSS CARRYOVER

FEDERAL	0 00	0 00
NORTH CAROLINA	N/A	N/A

Short-Term	61,873.58	67,714.07	(5,840.49)
Long-Term	326,170.41	309,565.27	16,605.14

LERNER FAMILY FOUNDATION, INC. 56-1720870
INCOME TAX SCHEDULE
FORM 990-PF, PART IV
GAINS AND LOSSES
September 30, 2009

No. of Shares	Description	Purchase Date	Sale Date	Sales Price	Cost	Gain / (Loss)
SHORT TERM						
7	First Solar Inc	Various	09/28/09	1,032.82	866.21	166.61
50	Freeport McMoran Copper B	Various	09/28/09	3,434.91	1,410.81	2,024.10
3	Google Inc	Various	09/28/09	1,501.34	1,079.93	421.41
75	Juniper Networks Inc	Various	09/28/09	2,057.94	1,326.68	731.26
35	Lasalle Hotel Pptys	Various	09/28/09	662.92	339.77	323.15
6	Marriott Intl Inc New Cl A	Various	09/28/09	158.09	103.61	54.48
11	Varian Semiconductor Equipment	Various	09/28/09	361.45	203.33	158.12
20	Vertex Pharmaceuticals Inc	Various	09/28/09	748.58	546.52	202.06
260	Weatherford Int Ltd Com Usd1.00	Various	09/28/09	5,467.78	3,923.69	1,544.09
				15,425.83	9,800.55	5,625.28
LONG TERM						
45	Anadarko Petroleum Corp	Various	09/28/09	2,842.12	2,188.63	653.49
75	ASML Holding Nv-Uy Reg SHS	Various	09/28/09	2,235.69	1,589.03	646.66
55	Bed Bath & Beyond Inc Com	Various	09/28/09	2,072.89	2,052.00	20.89
70	Broadcom Corp Com	Various	09/28/09	2,109.74	1,601.00	508.74
350	CISCO Systems Inc Com	Various	09/28/09	8,316.31	1,558.53	6,757.78
8	CITRIX Sys Inc Com	Various	09/28/09	309.51	224.59	84.92
100	Cree Inc	Various	09/28/09	3,561.00	2,214.00	1,347.00
75	CRH PLC	Various	09/28/09	2,070.69	1,795.50	275.19
50	Ebay Inc	Various	09/28/09	1,194.46	1,588.32	(393.86)
22	Franklin RES Inc Com	Various	09/28/09	2,217.10	2,164.14	52.96
430	Hong Kong & China Gas Ltd	Various	09/28/09	1,036.27	469.09	567.18
100	ING Groep N V Sponsored ADR	Various	09/28/09	1,687.20	3,279.00	(1,591.80)
250	Intel Corp Com	Various	09/28/09	4,952.75	1,187.50	3,765.25
25	L-D Communications Hldgs Inc	Various	09/28/09	1,993.94	1,356.67	637.27
103	Liberty Media Corp New Ent Com Ser A	Various	09/28/09	3,166.23	1,446.74	1,719.49
85	Liberty Media Hldg Corp	Various	09/28/09	1,852.10	1,274.98	577.12
300	Liberty Media Hldg Corp	Various	09/28/09	3,369.51	4,958.71	(1,589.20)
55	McDermott Intl Inc	Various	09/28/09	1,409.61	1,745.28	(335.67)
20	Nat'l Oilwell Varco	Various	09/28/09	854.37	509.04	345.33
80	News Corp	Various	09/28/09	1,113.57	1,336.19	(222.62)
165	NVIDIA Corp	Various	09/28/09	2,499.73	4,053.51	(1,553.78)
30	Pall Corp Com	Various	09/28/09	994.77	709.19	285.58
50	Proctor & Gamble Company Com	Various	09/28/09	2,922.92	1,594.19	1,328.73
135	Sandisk Corp	Various	02/06/08	2,959.59	3,329.10	(369.51)
170	Seagate Technology	Various	09/28/09	2,645.13	3,925.30	(1,280.17)
35	Sears Hldgs Corp	Various	09/28/09	2,322.54	3,595.71	(1,273.17)
100	Walt Disney Company Com	Various	09/28/09	2,818.19	1,840.35	977.84
				65,527.93	53,586 29	11,941.64
				80,953.76	63,386.84	17,566.92

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Asset Detail

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
U.S. Treasuries and Agencies						
U.S. Treasury Bonds and Notes						
U.S. Treasury Notes 4.000% 11/15/12 CUSIP: 912828AP5	20,000.00	$21,564.00	$19,967.65	$1,596.35	$800.00	1.25%
U.S. Treasury Notes 4.250% 8/15/13 CUSIP: 912828BH2	18,000.00	$19,627.02	$18,223.44	$1,403.58	$765.00	1.14%
U S Treasury Notes 4.875% 8/15/16 CUSIP: 912828FQ8	25,000.00	$28,129.00	$26,763.76	$1,365.24	$1,218.75	1.63%
		$69,320.02	$64,954.85	$4,365.17	$2,783.75	4.02%
Government Agency Bonds/Notes						
Fed Natl Mtg Assn 6.000% 5/15/11 CUSIP: 31359MJH7	14,000.00	$15,159.34	$14,401.28	$758.06	$840.00	0.88%
Fedl Natl Mtg Assn 3.625% 8/15/11 CUSIP: 31398ATL6	17,000.00	$17,876.52	$17,828.75	$47.77	$616.25	1.04%
Fed Home Ln Mtg Corp 5.000% 1/30/14 CUSIP: 3128X2TM7	20,000.00	$21,937.60	$19,656.68	$2,280.92	$1,000.00	1.27%
Fed Natl Mtg Assn 5.250% 9/15/16 CUSIP: 31359MW41	15,000.00	$16,800.00	$15,381.34	$1,418.66	$787.50	0.97%
		$71,773.46	$67,268.05	$4,505.41	$3,243.75	4.16%
Total U.S. Treasuries and Agencies		$141,093.48	$132,222.90	$8,870.58	$6,027.50	8.18%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Corporate and Foreign Bonds						
U.S. Corporate Bonds & Notes						
Goldman Sachs Group 4.500% 6/15/10 CUSIP: 38143UBE0	6,000.00	$6,154.32	$5,812.98	$341.34	$270.00	0.36%
Verizon Global Fdg 7.250% 12/01/10 CUSIP: 92344GAL0	6,000.00	$6,385.68	$6,330.96	$54.72	$435.00	0.37%
Conoco Funding 6.350% 10/15/11 CUSIP: 20825UAB0	6,000.00	$6,574.80	$6,278.00	$296.80	$381.00	0.38%
Hewlett-Pack Co Hpq 4.250% 2/24/12 CUSIP: 428236AU7	6,000.00	$6,339.36	$6,183.56	$155.80	$255.00	0.37%
Disney Walt Co New 6.375% 3/01/12 CUSIP: 25468PBX3	7,000.00	$7,686.35	$7,396.06	$290.29	$446.25	0.45%
Goldman Sachs 3.250% 6/15/12 CUSIP: 38146FAA9	7,000.00	$7,305.41	$7,256.88	$48.53	$227.50	0.42%
Bank of America Corp 3.125% 6/15/12 CUSIP: 06050BAA9	7,000.00	$7,280.56	$7,105.58	$174.98	$218.75	0.42%
Merrill Lynch & Co 5.450% 2/05/13 CUSIP: 59018YM40	8,000.00	$8,295.36	$7,689.38	$605.98	$436.00	0.48%
Glaxosmithkline Cap 4.850% 5/15/13 CUSIP: 377372AC1	5,000.00	$5,371.65	$4,951.75	$419.90	$242.50	0.31%
Credit Suisse First 5.500% 8/15/13 CUSIP: 22541LAH6	8,000.00	$8,641.52	$8,005.12	$636.40	$440.00	0.50%
Wyeth 5.500% 2/01/14 CUSIP: 983024AE0	7,000.00	$7,644.77	$6,913 76	$731.01	$385.00	0.44%
American Express Co 7.250% 5/20/14 CUSIP: 025816BA6	5,000.00	$5,617.85	$5,136.35	$481.50	$362.50	0.33%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
JPMorgan Chase & Co 4.650% 6/01/14 CUSIP: 46625HHN3	8,000.00	$8,343.92	$8,092.62	$251.30	$372.00	0.48%
Wachovia Corp New 5.250% 8/01/14 CUSIP: 929903AJ1	9,000.00	$9,140.04	$8,798.85	$341.19	$472.50	0.53%
Gen Elec Cap Corp 4.875% 3/04/15 CUSIP: 36962GP65	8,000.00	$8,245.52	$7,949.84	$295.68	$390.00	0.48%
Comcast Corp New 5.900% 3/15/16 CUSIP: 20030NAL5	6,000.00	$6,448.20	$6,126.72	$321.48	$354.00	0.37%
Time Warner Cable 5.850% 5/01/17 CUSIP· 88732JAH1	6,000.00	$6,326.10	$5,955.84	$370.26	$351.00	0.37%
XTO Energy Inc 6.250% 8/01/17 CUSIP: 98385XAL0	6,000.00	$6,477.12	$6,126.06	$351.06	$375.00	0.38%
At & T Inc 5.500% 2/01/18 CUSIP: 00206RAJ1	6,000.00	$6,260.22	$6,191.08	$69.14	$330.00	0.36%
CISCO Systems Inc 4.950% 2/15/19 CUSIP: 17275RAE2	8,000.00	$8,409.44	$8,106.09	$303.35	$396.00	0.49%
		$142,948.19	$136,407.48	$6,540.71	$7,140.00	8.29%
Foreign Corporate Bonds						
BP Capital Markets 5.250% 11/07/13 CUSIP: 05565QBF4	7,000.00	$7,668.01	$7,215.07	$452.94	$367.50	0.44%
Rio Tinto Finance PL 8.950% 5/01/14 CUSIP: 767201AF3	6,000.00	$7,081.14	$6,518.10	$563.04	$537.00	0.41%
		$14,749.15	$13,733.17	$1,015.98	$904.50	0.85%
Total Corporate and Foreign Bonds		$157,697.34	$150,140.65	$7,556.69	$8,044.50	9.14%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Common Equity Securities						
Domestic Common Stocks						
Akamai Technologies Inc CUSIP: 00971T101	290.00	$5,707.20	$4,967.38	$739.82	$0.00	0.33%
Amazon Com Inc CUSIP: 023135106	230.00	$21,472.80	$7,375.98	$14,096.82	$0.00	1.24%
AMGEN Inc Com CUSIP: 031162100	260.00	$15,659.80	$13,174.50	$2,485.30	$0.00	0.91%
Anadarko Petroleum Corp CUSIP: 032511107	455.00	$28,542.15	$17,302.51	$11,239.64	$163.80	1.65%
Applied Materials Com CUSIP: 038222105	775.00	$10,369.50	$11,085.03	-$715.53	$186.00	0.60%
AT & T Inc CUSIP: 00206R102	200.00	$5,402.00	$4,874.12	$527.88	$328.00	0.31%
Autodesk Inc CUSIP: 052769106	400.00	$9,520.00	$11,605.26	-$2,085.26	$0.00	0.55%
Baker Hughes Inc Com CUSIP: 057224107	200.00	$8,532.00	$9,473.75	-$941.75	$120.00	0.49%
Bank of America Corp CUSIP: 060505104	790.00	$13,366.80	$13,231.92	$134.88	$31.60	0.77%
Bed Bath & Beyond Inc Com CUSIP: 075896100	300.00	$11,262.00	$10,229.74	$1,032.26	$0.00	0.65%
Berkshire Hathaway Inc Del-Cl B CUSIP: 084670207	5.00	$16,615.00	$5,455.00	$11,160.00	$0.00	0.96%
Biogen IDEC Inc CUSIP: 09062X103	500.00	$25,260.00	$20,761.59	$4,498.41	$0.00	1.46%
Blackrock Inc CUSIP: 09247X101	32.00	$6,938.24	$3,941.15	$2,997.09	$99.84	0.40%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Boeing Company Com CUSIP: 097023105	100.00	$5,415.00	$5,811.15	-$396.15	$168.00	0.31%
Broadcom Corp Com CUSIP: 111320107	400.00	$12,276.00	$8,776.28	$3,499.72	$0.00	0.71%
Cablevision Sys Corp CUSIP: 12686C109	530.00	$12,587.50	$5,131.53	$7,455.97	$212.00	0.73%
Celgene Corp CUSIP: 151020104	160.00	$8,944.00	$7,529.38	$1,414.62	$0.00	0.52%
Chubb Corp Com CUSIP: 171232101	200.00	$10,082.00	$5,354.62	$4,727.38	$280.00	0.58%
CISCO Systems Inc Com CUSIP: 17275R102	1,500.00	$35,310.00	$6,679.41	$28,630.59	$0.00	2.05%
CITRIX Sys Inc Com CUSIP: 177376100	65.00	$2,549.95	$1,670.13	$879.82	$0.00	0.15%
Coca Cola Co Com CUSIP: 191216100	260.00	$13,962.00	$11,630.02	$2,331.98	$426.40	0.81%
Comcast Corp New CL A Spl CUSIP: 20030N200	900.00	$14,472.00	$16,184.35	-$1,712.35	$243.00	0.84%
Comerica CUSIP: 200340107	70.00	$2,076.90	$1,501.69	$575.21	$14.00	0.12%
ConocoPhillips CUSIP: 20825C104	85.00	$3,838.60	$3,849.70	-$11.10	$159.80	0.22%
Cree Inc CUSIP: 225447101	325.00	$11,943.75	$6,615.00	$5,328.75	$0.00	0.69%
Cvs/Caremark Corp CUSIP: 126650100	275.00	$9,828.50	$7,860.31	$1,968.19	$83.88	0.57%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Devon Energy Corporation New CUSIP: 25179M103	115.00	$7,742.95	$7,259.66	$483.29	$73.60	0.45%
Dolby Laboratories Inc CUSIP: 25659T107	140.00	$5,346.60	$4,205.29	$1,141.31	$0.00	0.31%
Ebay Inc CUSIP: 278642103	700.00	$16,520.00	$20,144.89	-$3,624.89	$0.00	0.96%
Electronic Arts Inc CUSIP: 285512109	525.00	$10,001.25	$19,726 19	-$9,724.94	$0.00	0.58%
Emerson Electric Com CUSIP: 291011104	180.00	$7,214.40	$4,459.14	$2,755.26	$237.60	0.42%
Expedia Inc DEL CUSIP: 30212P105	475.00	$11,376.25	$6,615.36	$4,760.89	$0.00	0.66%
First Solar Inc CUSIP: 336433107	50.00	$7,643.00	$5,701.45	$1,941.55	$0.00	0.44%
Fluor Corp New CUSIP: 343412102	225.00	$11,441.25	$8,231.84	$3,209.41	$112.50	0.66%
Forest Labs Inc CL A Com CUSIP: 345838106	500.00	$14,720.00	$22,014.00	-$7,294.00	$0.00	0.85%
Franklin RES Inc Com CUSIP: 354613101	100.00	$10,060.00	$7,316.97	$2,743.03	$84.00	0.58%
Freeport McMoran Copper B CUSIP: 35671D857	225.00	$15,437.25	$5,559.71	$9,877.54	$0.00	0.89%
Gap Inc Com CUSIP: 364760108	210.00	$4,494.00	$3,421.76	$1,072.24	$71.40	0.26%
General Electric Corp Com CUSIP: 369604103	800.00	$13,136.00	$16,732.94	-$3,596.94	$320.00	0.76%
Genzyme Corp Com CUSIP: 372917104	250.00	$14,182.50	$8,345.00	$5,837.50	$0.00	0.82%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Google Inc CUSIP: 38259P508	20.00	$9,917.00	$6,768.53	$3,148.47	$0.00	0.57%
Halliburton Co Com CUSIP: 406216101	175.00	$4,746.00	$5,754.79	-$1,008.79	$63.00	0.27%
Hess Corp CUSIP: 42809H107	130.00	$6,949.80	$7,032.02	-$82.22	$52.00	0.40%
Home Depot Inc Com CUSIP: 437076102	850.00	$22,644.00	$22,986.38	-$342.38	$765.00	1.31%
Honeywell Intl Inc CUSIP: 438516106	175.00	$6,501.25	$5,624.50	$876.75	$211.75	0.38%
Intel Corp Com CUSIP: 458140100	1,250.00	$24,462.50	$5,937.50	$18,525.00	$700.00	1.42%
Jacobs Engr Group Inc CUSIP: 469814107	40.00	$1,838.00	$1,766.02	$71.98	$0.00	0.11%
Johnson & Johnson Com CUSIP: 478160104	400.00	$24,356.00	$4,400.00	$19,956.00	$784.00	1.41%
Jones Lang Lasalle Inc CUSIP· 48020Q107	100.00	$4,737.00	$3,393.73	$1,343.27	$20.00	0.27%
JPMorgan Chase & Co CUSIP: 46625H100	285.00	$12,488.70	$10,868.55	$1,620.15	$57.00	0.72%
Juniper Networks Inc CUSIP: 48203R104	475.00	$12,834.50	$7,711.46	$5,123.04	$0.00	0.74%
Key Corp CUSIP: 493267108	580.00	$3,770.00	$3,294.13	$475.87	$23.20	0.22%
L-3 Communications Hldgs Inc CUSIP: 502424104	185.00	$14,859.20	$10,039.35	$4,819.85	$259.00	0.86%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Lawson Software Inc New CUSIP: 52078P102	320.00	$1,996.80	$1,763.44	$233.36	$0.00	0.12%
Liberty Media Corp New Ent Com Ser A CUSIP: 53071M500	448.00	$13,937.28	$6,145.40	$7,791.88	$0.00	0.81%
Liberty Media Hldg Corp CUSIP: 53071M104	1,000.00	$10,970.00	$11,499.92	-$529.92	$0.00	0.64%
Liberty Media Hldg Corp CUSIP: 53071M302	400.00	$8,368.00	$5,378.67	$2,989.33	$0.00	0.48%
Marriott Intl Inc New CL A CUSIP: 571903202	50.00	$1,379.50	$863.44	$516.06	$17.50	0.08%
Merck & Co Inc Com CUSIP: 589331107	325.00	$10,279.75	$8,570.29	$1,709.46	$494.00	0.60%
Mettler-Toledo Intl Inc Com CUSIP: 592688105	110.00	$9,964.90	$3,547.01	$6,417.89	$0.00	0.58%
Microsoft Corp Com CUSIP: 594918104	800.00	$20,576.00	$15,016.00	$5,560.00	$416.00	1.19%
Murphy Oil Corp CUSIP: 626717102	20.00	$1,151.40	$983.90	$167.50	$20.00	0.07%
Nasdaq Omx Group Inc CUSIP: 631103108	330.00	$6,946.50	$11,597.27	-$4,650.77	$0.00	0.40%
Nat'l Oilwell Varco CUSIP: 637071101	170.00	$7,332.10	$4,242.99	$3,089.11	$0.00	0.42%
News Corp CUSIP: 65248E203	930.00	$13,010.70	$8,815.13	$4,195.57	$111.60	0.75%
Northrop Grumman Corp CUSIP: 666807102	150.00	$7,762.50	$6,676.70	$1,085.80	$258.00	0.45%
Novellus Sys Inc CUSIP: 670008101	210.00	$4,405.80	$4,879.16	-$473.36	$0.00	0.26%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Nucor Corp CUSIP: 670346105	150.00	$7,051.50	$6,269.14	$782.36	$210.00	0.41%
NVIDIA Corp CUSIP: 67066G104	800.00	$12,024.00	$14,129.76	-$2,105.76	$0.00	0.70%
Paccar Inc CUSIP: 693718108	85.00	$3,205.35	$2,905.78	$299.57	$30.60	0.19%
Pall Corp Com CUSIP: 696429307	300.00	$9,684.00	$7,091.94	$2,592.06	$174.00	0.56%
Parker Hannifin Corp CUSIP: 701094104	75.00	$3,888.00	$3,178.30	$709.70	$75.00	0.23%
Pepsico Inc Com CUSIP: 713448108	220.00	$12,905.20	$2,439.62	$10,465.58	$396.00	0.75%
Procter & Gamble Company Com CUSIP: 742718109	300.00	$17,376.00	$9,565.13	$7,810.87	$528.00	1.01%
Qualcomm Inc Com CUSIP. 747525103	160.00	$7,196.80	$6,336.46	$860.34	$108.80	0.42%
Robert Half International Inc CUSIP: 770323103	45.00	$1,125.90	$904.42	$221.48	$21.60	0.07%
Safeway Stores Inc Com New CUSIP: 786514208	325.00	$6,409.00	$6,521.00	-$112.00	$130.00	0.37%
Sandisk Corp CUSIP: 80004C101	490.00	$10,633.00	$9,734.42	$898.58	$0.00	0.62%
Schwab Charles Corp New CUSIP: 808513105	425.00	$8,138.75	$5,696.27	$2,442.48	$102.00	0.47%
Seagate Technology CUSIP: G7945J104	1,000.00	$15,210.00	$14,145.71	$1,064.29	$0.00	0.88%
Sears Hldgs Corp CUSIP: 812350106	240.00	$15,674.40	$18,922.47	-$3,248.07	$0.00	0.91%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
State Street Corp CUSIP: 857477103	200.00	$10,520.00	$7,259.90	$3,260.10	$8.00	0.61%
Texas Instruments Com CUSIP: 882508104	1,000.00	$23,690.00	$17,162.60	$6,527.40	$480.00	1.37%
Toll Bros Inc Com CUSIP: 889478103	175.00	$3,419.50	$3,376.98	$42.52	$0.00	0.20%
Tutor Perini Corp CUSIP: 901109108	95.00	$2,023.50	$1,859.54	$163.96	$0.00	0.12%
United Parcel Service Inc CUSIP: 911312106	115.00	$6,494.05	$7,712.46	-$1,218.41	$207.00	0.38%
UnitedHealth Group Inc CUSIP: 91324P102	725.00	$18,154.00	$15,424.46	$2,729.54	$21.75	1.05%
Varian Semiconductor Equiptment CUSIP: 922207105	50.00	$1,642.00	$924.21	$717.79	$0.00	0.10%
Vertex Pharmaceuticals Inc CUSIP: 92532F100	180.00	$6,822.00	$4,642.56	$2,179.44	$0.00	0.40%
Walt Disney Company Com CUSIP: 254687106	800.00	$21,968.00	$14,722.77	$7,245.23	$280.00	1.27%
Weyerhaeuser Company Com CUSIP: 962166104	177.00	$6,487.05	$7,655.13	-$1,168.08	$35.40	0.38%
Williams Sonoma Inc Com CUSIP: 969904101	90.00	$1,820.70	$2,049.62	-$228.92	$43.20	0.11%
XTO Energy Inc CUSIP: 98385X106	180.00	$7,437.60	$7,450.31	-$12.71	$90.00	0.43%
YAHOO Inc CUSIP: 984332106	450.00	$8,014.50	$6,063.72	$1,950.78	$0.00	0.46%
		$988,449.12	$751,506.66	$236,942.46	$10,608.82	57.26%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
ADRs						
Allied Wrld Assurance Com Ltshs CUSIP: G0219G203	80.00	$3,834.40	$3,383.76	$450.64	$57.60	0.22%
ASML Holding Nv-Uy Reg SHS CUSIP: N07059186	505.00	$14,932.85	$8,352.83	$6,580.02	$281.79	0.87%
AXA S.A SPD ADR CUSIP: 054536107	422.00	$11,415.10	$9,772 91	$1,642.19	$192.85	0.66%
BASF Aktiengesllschaft-Level I CUSIP: 055262505	110.00	$5,843.09	$2,010.76	$3,832.33	$208.01	0.34%
BHP Billiton Ltd CUSIP: 088606108	15.00	$990.15	$684.20	$305.95	$24.60	0.06%
BP PLC ADR CUSIP: 055622104	200.00	$10,646.00	$8,572.99	$2,073.01	$672.00	0.62%
Canon Inc ADR Repstg 5 SHS CUSIP: 138006309	180.00	$7,198.20	$6,029.37	$1,168.83	$191.34	0.42%
Carnival Corp Paired CTF 1 Com Carni CUSIP: 143658300	140.00	$4,659.20	$3,549.87	$1,109.33	$0.00	0.27%
Covidien PLC Usd0.20 CUSIP: G2554F105	150.00	$6,489.00	$5,389.52	$1,099.48	$108.00	0.38%
CRH PLC CUSIP: 12626K203	500.00	$13,870.00	$9,898.06	$3,971.94	$462.00	0.80%
Danone CUSIP: 23636T100	550.00	$6,621.45	$4,440.50	$2,180.95	$127.05	0.38%
Diageo PLC Spns ADR CUSIP: 25243Q205	100.00	$6,149.00	$5,026 00	$1,123.00	$226.50	0.36%
Ericsson (Lm)Tel Adr-Each Rep 10 Ord CUSIP: 294821608	200.00	$2,004.00	$1,964.24	$39.76	$32.00	0.12%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Glaxo Smithkline CUSIP: 37733W105	120.00	$4,741.20	$4,994.62	-$253.42	$220.80	0.27%
Grupo Televisa SA-Sponsored ADR CUSIP: 40049J206	300.00	$5,577.00	$3,121.87	$2,455.13	$196.50	0.32%
Honda Mtr Ltd ADR New CUSIP: 438128308	310.00	$9,396.10	$8,731.73	$664.37	$78.74	0.54%
Hong Kong & China Gas Ltd CUSIP: 438550303	3,630.00	$9,169.38	$3,960.00	$5,209.38	$163.35	0.53%
HSBC Hldgs PLC Sponsored ADR New CUSIP: 404280406	120.00	$6,882.00	$6,585.61	$296.39	$264.00	0.40%
Hutchinson Whampoa Ltd ADR CUSIP: 448415208	100.00	$3,609.60	$4,123.00	-$513.40	$107.60	0.21%
ING Groep N V Sponsored ADR CUSIP: 456837103	800.00	$14,264.00	$13,799.59	$464.41	$0.00	0.83%
Koninklijke Philips Electrs N V CUSIP: 500472303	225.00	$5,481.00	$4,505.89	$975.11	$179.33	0.32%
McDermott Intl Inc CUSIP: 580037109	405.00	$10,234.35	$10,608.65	-$374.30	$0.00	0.59%
Mitsubishi UFJ Finl Group Apd ADR CUSIP: 606822104	700.00	$3,738.00	$5,476.16	-$1,738.16	$81.20	0.22%
National Bk Greece S A SPD ADR CUSIP: 633643408	550.00	$3,965.50	$3,252.80	$712.70	$0.00	0.23%
Nestle SA Spon ADR Repstg Reg CUSIP: 641069406	285.00	$12,129.03	$6,070.50	$6,058.53	$229.14	0.70%
Nippon Teleg & Tel Corp ADR CUSIP: 654624105	300.00	$6,909.00	$6,120.00	$789.00	$160.20	0.40%
Nokia Corp Spnsd ADR CUSIP: 654902204	250.00	$3,655.00	$2,870.00	$785.00	$98.25	0.21%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Nomura Hldgs Inc SPD ADR CUSIP: 65535H208	725.00	$4,437.00	$8,435.47	-$3,998.47	$225.48	0.26%
Novartis AG Spons ADR CUSIP: 66987V109	330.00	$16,625.40	$14,392.06	$2,233.34	$479.82	0.96%
Novo-Nordisk A S CUSIP: 670100205	110.00	$6,924.50	$2,042.63	$4,881.87	$86.02	0.40%
Orix Corp Spnd ADR CUSIP: 686330101	170.00	$5,164.60	$11,659.90	-$6,495.30	$56.61	0.30%
Petroleo Brasileiro SA Petrobras CUSIP: 71654V408	175.00	$8,032.50	$5,216.72	$2,815.78	$62.30	0.47%
Rio Tinto PLC Spn ADR CUSIP: 767204100	45.00	$7,663.05	$5,559.04	$2,104 01	$244.80	0.44%
Roche Holdings Ltd-Sponsored ADR CUSIP: 771195104	175.00	$7,062.30	$6,325.91	$736.39	$116.38	0.41%
Sap AG CUSIP: 803054204	200.00	$9,774.00	$3,339.66	$6,434.34	$222.00	0.57%
Schlumberger Ltd CUSIP: 806857108	125.00	$7,450.00	$6,403.68	$1,046.32	$105.00	0.43%
Shire PLC CUSIP: 82481R106	150.00	$7,843.50	$7,312.27	$531.23	$44.55	0.45%
Smith & Nephew P L C SPD ADR New CUSIP: 83175M205	150.00	$6,754.50	$7,538.00	-$783.50	$101.85	0.39%
Suncor Energy Inc CUSIP: 867224107	220.00	$7,603.20	$6,748.13	$855.07	$0.00	0.44%
Taiwan Semiconductor Mfg Co Ltd ADR CUSIP: 874039100	602.00	$6,597.92	$3,575.59	$3,022.33	$219.13	0.38%
Telefonica S A CUSIP: 879382208	80.00	$6,632.80	$2,086.40	$4,546.40	$251.76	0.38%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Tesco PLC Sponsored ADR CUSIP: 881575302	350.00	$6,710.55	$3,786.80	$2,923.75	$184.45	0.39%
Total S.A. ADR CUSIP: 89151E109	120.00	$7,111.20	$4,118.68	$2,992.52	$325.56	0.41%
Trend Micro Inc ADR CUSIP: 89486M206	190.00	$7,108.85	$6,395.42	$713.43	$168.91	0.41%
Tyco Electronics Ltd Com Chf2.60 CUSIP: H8912P106	200.00	$4,456.00	$6,687.85	-$2,231.85	$128.00	0.26%
Tyco International Com Usd0.80 CUSIP: H89128104	400.00	$13,792.00	$16,965.80	-$3,173.80	$328.40	0.80%
UBS AG CUSIP: H89231338	300.00	$5,493.00	$7,303.45	-$1,810.45	$0.00	0.32%
Unilever PLC Spnsrd ADR New CUSIP: 904767704	300.00	$8,604.00	$6,582.45	$2,021.55	$282.00	0.50%
United Overseas Bk Ltdadr CUSIP: 911271302	300.00	$7,145.40	$4,755.00	$2,390.40	$248.40	0.41%
Verigy Ltd CUSIP: Y93691106	170.00	$1,975.40	$2,483.55	-$508.15	$0.00	0.11%
Vodafone Group SPD ADR Rep 10 Ord SH CUSIP: 92857W209	835.00	$18,787.50	$16,023.98	$2,763.52	$1,006.18	1.09%
Wal-Mart DE Mexico S.A.B DE C V CUSIP: 93114W107	200.00	$6,930.80	$3,530.00	$3,400.80	$87.40	0.40%
Weatherford Int Ltd Com Usd1.00 CUSIP: H27013103	1,300.00	$26,949.00	$13,125.52	$13,823.48	$0.00	1.56%
		$418,032.57	$335,689.39	$82,343.18	$9,337.85	24.21%

Statement of Value and Activity

October 1, 2008 - September 30, 2009

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Percent of Market Value
Real Estate Investment Trusts						
Lasalle Hotel Pptys CUSIP: 517942108	115.00	$2,260.90	$900.37	$1,360.53	$234.60	0.13%
		$2,260.90	$900.37	$1,360.53	$234.60	0.13%
Total Common Equity Securities		$1,408,742.59	$1,088,096.42	$320,646.17	$20,181.27	81.60%
Cash Equivalents						
Taxable Money Market Funds						
Western Asset Institutional Mny Mkt CUSIP: 52470G825	14,506.39	$14,506.39	$14,506.39	$0.00	$47.09	0.84%
Western Asset Institutional Mny Mkt CUSIP: 52470G825	4,151.68	$4,151.68	$4,151.68	$0.00	$13.48	0.24%(i)
Total Cash Equivalents		$18,658.07	$18,658.07	$0.00	$60.57	1.08%
Total All Assets		**$1,726,191.48**	**$1,389,118.04**	**$337,073.44**	**$34,313.84**	**100.00%**

Your holdings are valued using the most current prices available to us. For Alternative Investments, unrealized gain/ loss and original tax cost (excluding acquisition costs) are shown for information purposes only and do not reflect any adjustments necessitated by annual K-1 forms. Consult your tax advisor regarding use of this information. Estimated income for Alternative Investments and certain non-publicly traded Partnerships cannot be accurately forecasted and is therefore not listed.

LERNER FAMILY FOUNDATION, INC. 56-1720870
INCOME TAX SCHEDULE - CONTRIBUTIONS
FORM 990PF - PART XV
September 30, 2009

Greensboro Jewish Federation 5509-C West Friendly Avenue Greensboro, NC 27410		$ 10,000
B'Nai Shalom Day School 804-A Winview Drive Greensboro, NC 27410		5,000
Duke University Alumni Development Records Duke University Medical Center P.O. Box 90581 Durham, NC 27519		
Medical Centre	$ 12,500	
Trinity	12,500	25,000
Freeman Center for Jewish Life at Duke University P.O. Box 90936 Durham, NC 27708		18,000
Temple Israel Salisbury c/o Libby Post 225 Stonewall Road Salisbury, NC 28144		5,000
Catawba College Attn: Christine Walden-Development 2300 West Innes Street Salisbury, NC 28144		1,000
Greensboro Urban Ministry 305 West Lee Street Greensboro, NC 27406		1,000
Temple Emanuel 1129 Jefferson Road Greensboro, NC 27410		5,000
Alzheimer's Association National Office 225 N. Michigan Avenue, Floor 17 Chicago, IL 60601		1,000

LERNER FAMILY FOUNDATION, INC. 56-1720870
INCOME TAX SCHEDULE - CONTRIBUTIONS
FORM 990PF - PART XV
September 30, 2009

National Multiple Sclerosis Society P.O. Box 4527 New York, NY 10163	1,000
American Hebrew Academy 4334 Hobbs Road Greensboro, NC 27410	1,000
Joslin Diabetees Center One Joslin Place Boston, MA 02115	1,500
Combined Jewish Philanthropies 126 High Street Boston, MA 02110	1,000
Livingstone College 701 West Monroe Street Salisbury, NC 28144	1,000
KCP (Kids Creating Peace) Attn: Shalom Sharabi 1066 S. La Cienega Blvd Los Angeles, CA 90035	24,500
	$ 101,000