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

2009

Department of the Treasury
Internal Revenue Service

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

For calendar year 2009, or tax year beginning

, and ending

G Check all that apply

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name changeUse the IRS
label.Otherwise,
print
or type.See Specific
Instructions.

Name of foundation

PROPP FOUNDATION INC.

Number and street (or P.O. box number if mail is not delivered to street address)

405 PARK AVENUE

Room/suite

1103

City or town, state, and ZIP code

NEW YORK, NY 10022

A Employer identification number

13-6098342

B Telephone number

(212) 752-3910

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

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundationI Fair market value of all assets at end of year
(from Part II, col. (c), line 16)

>\$ 1415131.

J Accounting method

☒ 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)

1 Contributions, gifts, grants, etc., received

2 Check ☒ If the foundation is not required to attach Sch B3 Interest on savings and temporary
cash investments

4 Dividends and interest from securities

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

b Gross sales price for all
assets on line 6a

7 Capital gain net income (from Part IV, line 2)

8 Net short-term capital gain

9 Income modifications

Gross sales less returns
and allowances

10a Less Cost of goods sold

c Gross profit or (loss)

11 Other income

12 Total. Add lines 1 through 11

13 Compensation of officers, directors, trustees, etc.

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees

b Accounting fees

c Other professional fees

17 Interest

18 Taxes

19 Depreciation and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses

24 Total operating and administrative
expenses. Add lines 13 through 23

25 Contributions, gifts, grants paid

26 Total expenses and disbursements.

Add lines 24 and 25

27 Subtract line 26 from line 12

a Excess of revenue over expenses and disbursements

b Net investment income (if negative, enter -0-)

c Adjusted net income (if negative, enter -0-)

N/A

11.

11.

32757.

32757.

50404.

50404.

83172.

83172.

0.

0.

1954.

0.

649.

0.

250.

0.

2853.

0.

69000.

69000.

71853.

0.

11319.

83172.

N/A

Statement 1
Statement 20.
1954.

149.

250.

2353.

69000.

71353.

SCANNED MAY 12 2010
Operating and Administrative Expenses

RECEIVED
MAY 10 2010
IRS-OSC
OGE-UNIT

Stmt 3

Stmt 4

13

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	44450.	46265.	46265.
	2 Savings and temporary cash investments	321675.	449186.	449186.
	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			
	b Investments - corporate stock Stmt 5	406408.	356401.	794180.
	c Investments - corporate bonds Stmt 6	193500.	125500.	125500.
Liabilities	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 ▶)			
	16 Total assets (to be completed by all filers)	966033.	977352.	1415131.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	966033.	977352.	
28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	0.	0.		
30 Total net assets or fund balances	966033.	977352.		
31 Total liabilities and net assets/fund balances	966033.	977352.		

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	966033.
2 Enter amount from Part I, line 27a	2	11319.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	977352.
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	977352.

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 2000 AMERICAN EXPRESS	P	01/29/09	04/20/09
b 2000 AMERICAN EXPRESS	P	01/29/09	04/28/09
c 2000 TANGER FACTORY OUTLET CENTERS	P	05/31/01	01/29/09
d FRACTION SOUTHERN UNION	P		03/11/09
e 2000 CANADIAN APT PROPERTIES	P	10/11/05	03/02/09

(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 38199.		35103.	3096.
b 47443.		35102.	12341.
c 65124.		26250.	38874.
d 9.			9.
e 20389.		24305.	-3916.

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

(i) FMV 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			3096.
b			12341.
c			38874.
d			9.
e			-3916.

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	50404.
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))
2008	85512.	1536712.	.055646
2007	80553.	1698022.	.047439
2006	69394.	1568347.	.044247
2005	63195.	1469660.	.043000
2004	62307.	1365553.	.045628

2 Total of line 1, column (d)	2	.235960
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	.047192
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	1344173.
5 Multiply line 4 by line 3	5	63434.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	832.
7 Add lines 5 and 6	7	64266.
8 Enter qualifying distributions from Part XII, line 4	8	71353.

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 or determination letter _____ (attach copy of letter if necessary-see instructions)	1	832.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		
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	832.
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	832.
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	1876.
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	1876.
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	1044.
11	Enter the amount of line 10 to be credited to 2010 estimated tax ☒ 1044. 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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
1c Did the foundation file Form 1120-POL for this year?		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.		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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?	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.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☒ NY		
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	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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

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? Website address ► N/A	13	X	
14	The books are in care of ► ORGANIZATION'S OFFICES Located at ► 405 PARK AVE. NEW YORK N.Y., NEW YORK, NY	Telephone no ►	212-752-3910	
		ZIP+4 ►	10022	
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)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
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 2009?		1c
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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If "Yes," list the years ►	☐ Yes ☒ No	
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 2009 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 2009.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a
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 2009?		4b

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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 "Yes" to 6b, 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
MORRIS PROPP 405 PARK AVE. NEW YORK, NY 10022	DIRECTOR 2.00	0.	0.	0.
E. PROPP 280 PARK AVE NEW YORK, NY 10017	EXECUTIVE VICE-PRES, TREAS 2.00	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.

Form 990-PF (2009)

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	933855.
b	Average of monthly cash balances	1b	430788.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1364643.
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	1364643.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	20470.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1344173.
6	Minimum investment return. Enter 5% of line 5	6	67209.

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	67209.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	832.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	832.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	66377.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	66377.
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	66377.

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	71353.
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	71353.
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	832.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	70521.

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				66377.
2 Undistributed Income, if any, as of the end of 2009				
a Enter amount for 2008 only			63173.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 71353.				
a Applied to 2008, but not more than line 2a			63173.	
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 2009 distributable amount				8180.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (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	0.			
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 2008 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				58197.
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 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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 SCHEDULE ATTACHED	N/A	ALL PUBLIC	FOR GENERAL CHARITIES OPERATING NEEDS OF RECIPIENT ORGANIZATIO	69000.
Total			▶ 3a	69000.
b Approved for future payment None				
Total			▶ 3b	0.

Part XVI-A

Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
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	11.	
4 Dividends and interest from securities			14	32757.	
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					
8 Gain or (loss) from sales of assets other than inventory			18	50404.	
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.		83172.	0.
13 Total. Add line 12, columns (b), (d), and (e)				13	83172.

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

Part XVI-B

Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

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

- | | | | |
|--|-------|-----|----|
| <p>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?</p> <p>a Transfers from the reporting foundation to a noncharitable exempt organization of</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p>b Other transactions</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p>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.</p> | | Yes | No |
| | | | |
| | 1a(1) | | X |
| | 1a(2) | | X |
| | | | |
| | 1b(1) | | X |
| | 1b(2) | | X |
| | 1b(3) | | X |
| | 1b(4) | | X |
| | 1b(5) | | X |
| | 1b(6) | | X |
| | 1c | | X |

[illegible]

- 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		

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.

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.

Sign Here	Signature of officer or trustee 		Date 4/30/10	Title President
	Preparer's signature 	Date 4/29/10	Check if self-employed ☐	Preparer's identifying number
Paid Preparer's Use Only	Firm's name (or yours if self-employed), address, and ZIP code Samuel Oelbaum CPA 111 Broadway New York NY 10006		EIN 	
	Phone no. 			

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

Source	Amount
MONEY MARKET ACCOUNTS	11.
Total to Form 990-PF, Part I, line 3, Column A	11.

Form 990-PF Dividends and Interest from Securities Statement 2

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
VARIOUS SECURITIES	32757.	0.	32757.
Total to Fm 990-PF, Part I, ln 4	32757.	0.	32757.

Form 990-PF Taxes Statement 3

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
PAYROLL TAXES	149.	0.		149.
FEDERAL EXCISE TAX	500.	0.		0.
To Form 990-PF, Pg 1, ln 18	649.	0.		149.

Form 990-PF Other Expenses Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
STATE FILING FEE	250.	0.		250.
To Form 990-PF, Pg 1, ln 23	250.	0.		250.

Form 990-PF	Corporate Stock	Statement	5
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Description	Book Value	Fair Market Value
SCHEDULE ATTACHED	356401.	794180.
Total to Form 990-PF, Part II, line 10b	356401.	794180.

Form 990-PF	Corporate Bonds	Statement	6
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Description	Book Value	Fair Market Value
SCHEDULE ATTACHED	125500.	125500.
Total to Form 990-PF, Part II, line 10c	125500.	125500.

Form 990-PF	Part XV - Line 1a List of Foundation Managers	Statement	7
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Name of Manager

MORRIS PROPP
E. PROPP

Portfolio Value - As of 12/31/2009:3

As of 12/31/2009

3/9/2010

Page 1

Security	Shares	Quote/Price	Cost Basis	Balance
A T & T	500 000	28 030	15,360 00	14,015.00
ABERDEEN ASIA PACIFIC	2,709 000	6 217	22,705 87	16,841.85
ALLIANT ENERGY	388 000	30 260	3,228 46	11,740 88
ALLIED CAPITAL	1,000 000	3.610	21,815 00	3,610.00
BLACKROCK INCOME TRUST	1,000 000	6 360	9,820.00	6,360 00
BRISTOL MYERS	800 000	25 250	11,446 00	20,200.00
CASTLE A M	3,000.000	13 690	36,444 72	41,070.00
CHEMTURA	4,000 000	1 230	2,621 44	4,920.00
CHEVRON CORP	1,540 000	76.990	16,472.53	118,564.60
DELAWARE ENHANCED GL	500.000	11 790	10,000 00	5,895 00
EATON VANCE OPPORTUN	500 000	9 350	10,000 00	4,675 00
EQUITY ONE	900 000	16.170	11,680 00	14,553 00
FAIRPOINT COMMUNICATI...	11 000	0 033	0 00	0 36
FREEPORT MCMORAN CO...	767 000	80 290	19,011 88	61,582 43
GENERAL AMERICAN INVE.	1,649 000	23 460	39,673 65	38,685 54
GREAT PLAINS ENERGY	64.000	19 390	1,670 40	1,240 96
HARTFORD FINANCIAL SE.	400 000	23 260	519 27	9,304 00
HONEYWELL INTL	3,000 000	39 200	446 09	117,600 00
IBERDROLA SA	151 000	38.279	4,026 69	5,780 13
IDEARC INC	30 000	0 003	0 00	0 09
ITT CORP	400 000	49.740	241.33	19,896 00
LACLEDE GROUP	500 000	33 770	12,150.00	16,885 00
MDU RESOURCES	1,518.000	23.600	8,328 39	35,824 80
MORGAN STANLEY HI YIEL.	53.595	16.510	3,965 00	884 85
NUVEEN QUALITY PFD INC.	500 000	7.251	7,500.00	3,625 50
PACTIV CORP	485 000	24 140	15,210.10	11,707 90
PEPSI AMERICAS	2,000.000	29.260	2,601.30	58,520 00
PMC COMMERCIAL	500 000	7 510	7,119.00	3,755 00
PUTNAM HIGH INCOME FU	1,000.000	7 210	9,900.00	7,210 00
SOUTHERN UNION	1,275.000	22 700	12,682.19	28,942 50
VELOCITYHSI CORP	200 000	0 001	0.00	0 20
VERIZON COMMUNICATIONS	610 000	33 130	16,925.00	20,209 30
WEIS MARKETS	2,000 000	36 360	2,837.16	72,720 00
WESTERN ASSET EMERGI	1,000.000	17 360	20,000 00	17,360 00
TOTAL Investments			356,401.47	794,179.89

2009
CONTRIBUTIONS

Propp Foundation Inc. Grants Paid 2009

Contributed to:

Aleh Foundation	500
American Friends of Ateret Cohanim Inc	500
American Fr of Childrens Day Nurseries & Childrens Town	1,000
American Friends of Hazon Yeshaya	10,000
American Friends of Ponevez Yeshiva in Israel	1,800
American Friends of Yeshiva D'Mir	1,800
American Jewish Historical Society	500
American Red Cross	250
American Society for Yad Vashem	1,800
Amit Women	500
Bar-Ilan University	3,600
Boys Town of Jerusalem	500
CAMERA -Comm for Accuracy in Mid East Report in Amer	300
Children's Village of Jerusalem	300
Colel Chabad	3,600
Congregation Beth Hamedrash Hagodol	500
Congregation Kehilath Jeshurun	2,000
Diskin	500
Fas/Hatzolah	500
Foundation for Stroke Prevention	1,000
Friends of Torah-Ofakim	750
General Israel Orphans Home for Girls/Jerusalem	500
Great Charity of Jerusalem, Inc	250
Hebrew Free Burial Assn	250
Hebrew Free Loan Society	500
Hebrew Immigrant Aid Society	500
Jewish Center	3,600
Jewish Center of Atlantic Beach	3,600
Jewish Institute for the Blind	250
Jewish National Fund	500
Keren Or Inc	1,000
Manhattan High School for Girls	1,200
Mesivta Tifereth Israel of Rizhin	400
Mesivta Yeshiva Rabbi Chaim Berlin	400
Mirrer Yeshiva Central Institute	1,000
National Breast Cancer	150
National Council of Young Israel	1,800
National Society Hebrew Day Schools Torah Umesorah	1,800
NYU Medical Center - Parkinsons Disease Center	1,800
Partnership for Public Service	1,000
Police Athletic League	100
P'TACH	750
Rabbinical College of Telshe Yeshiva	500
Recording for the Blind and Dyslexic	250
Riverdale Jewish Center	500
Rivkah Laufer Bikur	300
Southern Poverty Law Center- Teaching Tolerance	100
Talmudic Research Center of Northern New Jersey	1,000
United Institutions of Karlin Stolin Jerusalem	1,000
United Negro College Fund	100
Westchester Day School	10,000
WPBT	200
Yeshiva Chayai Olom	1,000
Yeshiva Gedolah Kesser Torah	<u>500</u>

Total Contributions **69,000**