



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



**Return of Private Foundation**  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation**2009**

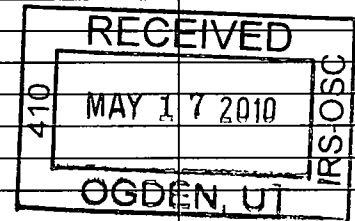
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

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 change

Use the IRS label. Otherwise, print or type See Specific Instructions	Name of foundation <b>DEMOREST FAMILY FOUNDATION</b>		A Employer identification number <b>20-3399144</b>
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number <b>(503) 224-5300</b>
	City or town, state, and ZIP code <b>PORTLAND, OR 97201</b>		C If exemption application is pending, check here <input type="checkbox"/>
	H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1 Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ <b>5,167,306.</b> (Part I, column (d) must be on cash basis)		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____			

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				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		4,470.	4,470.		STATEMENT 1
4 Dividends and interest from securities		76,621.	76,621.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		483,963.			
b Gross sales price for all assets on line 6a <b>1,346,861.</b>					
7 Capital gain net income (from Part IV, line 2)			483,963.		
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		4,980.	0.		STATEMENT 3
12 Total. Add lines 1 through 11		570,034.	565,054.		
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 <b>STMT 4</b>		2,500.	1,250.		1,250.
c Other professional fees					
17 Interest					
18 Taxes <b>STMT 5</b>		548.	0.		548.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses <b>STMT 6</b>		132.	82.		50.
24 Total operating and administrative expenses. Add lines 13 through 23		3,180.	1,332.		1,848.
25 Contributions, gifts, grants paid		307,000.			307,000.
26 Total expenses and disbursements. Add lines 24 and 25		310,180.	1,332.		308,848.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		259,854.			
b Net investment income (if negative, enter -0-)			563,722.		
c Adjusted net income (if negative, enter -0-)				N/A	



18P

<b>Part II Balance Sheets</b>		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
<b>Assets</b>	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	278,688.	1,183,290.	1,183,290.
	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	496,927.		
	b Investments - corporate stock	3,704,662.	3,556,841.	3,984,016.
	c Investments - corporate bonds			
<b>Liabilities</b>	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 <b>Total assets</b> (to be completed by all filers)	4,480,277.	4,740,131.	5,167,306.
	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 ▶)			
	23 <b>Total liabilities</b> (add lines 17 through 22)	0.	0.	
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	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 ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	4,480,277.	4,740,131.	
	30 <b>Total net assets or fund balances</b>	4,480,277.	4,740,131.	
	31 <b>Total liabilities and net assets/fund balances</b>	4,480,277.	4,740,131.	

**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	4,480,277.
2 Enter amount from Part I, line 27a	2	259,854.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	4,740,131.
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	4,740,131.

**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.)
<b>1a LT EMA PORTFOLIO CAPITAL GAINS - SEE</b>			
<b>b ATTACHED SCHEDULE</b>	<b>P</b>	<b>VARIOUS</b>	<b>VARIOUS</b>
<b>c U.S. TREASURY BILL</b>	<b>P</b>	<b>09/03/08</b>	<b>04/26/09</b>
<b>d</b>			
<b>e</b>			

(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)
<b>a</b>			
<b>b 846,861.</b>		<b>365,971.</b>	<b>480,890.</b>
<b>c 500,000.</b>		<b>496,927.</b>	<b>3,073.</b>
<b>d</b>			
<b>e</b>			

(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))
<b>a</b>			
<b>b</b>			<b>480,890.</b>
<b>c</b>			<b>3,073.</b>
<b>d</b>			
<b>e</b>			

<b>2 Capital gain net income or (net capital loss)</b>	<b>2</b>	<b>483,963.</b>
<b>3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):</b> If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	<b>3</b>	<b>N/A</b>

**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	302,122.	6,238,415.	.048429
2007	254,055.	6,405,835.	.039660
2006	50,097.	5,711,924.	.008771
2005	0.	4,166,822.	.000000
2004			

<b>2 Total of line 1, column (d)</b>	<b>2</b>	<b>.096860</b>
<b>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</b>	<b>3</b>	<b>.024215</b>
<b>4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5</b>	<b>4</b>	<b>4,704,694.</b>
<b>5 Multiply line 4 by line 3</b>	<b>5</b>	<b>113,924.</b>
<b>6 Enter 1% of net investment income (1% of Part I, line 27b)</b>	<b>6</b>	<b>5,637.</b>
<b>7 Add lines 5 and 6</b>	<b>7</b>	<b>119,561.</b>
<b>8 Enter qualifying distributions from Part XII, line 4</b>	<b>8</b>	<b>308,848.</b>

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 <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	5,637.
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	5,637.
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	5,637.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	4,000.	
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	4,000.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	1,637.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax <input checked="" type="checkbox"/> Refunded <input type="checkbox"/>	11		

**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. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 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) <input checked="" type="checkbox"/> OR		
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

**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?	13	X	

Website address ► N/A

14 The books are in care of ► HARRY L. DEMOREST Telephone no. ► (503) 224-5300  
 Located at ► 1581 SW UPPER HALL, PORTLAND, OR ZIP+4 ► 97204

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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<u>N/A</u>	1b
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
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 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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.)	<u>N/A</u>	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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.)	<u>N/A</u>	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 2009?		4b X

Form 990-PF (2009)

**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
HARRY L. DEMOREST	PRESIDENT/DIRECTOR			
1581 SW UPPER HALL				
PORTLAND, OR 97201	1.00	0.	0.	0.
KAAREN M. DEMOREST	SECRETARY/DIRECTOR			
1581 SW UPPER HALL				
PORTLAND, OR 97201	0.50	0.	0.	0.
CHRISTINE BARBOUR	DIRECTOR			
C/O 1581 SW UPPER HALL				
PORTLAND, OR 97201	0.25	0.	0.	0.
SCOTT E. DEMOREST	DIRECTOR			
C/O 1581 SW UPPER HALL				
PORTLAND, OR 97201	0.25	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

Form 990-PF (2009)





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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b> Average monthly fair market value of securities	<b>1a</b>	3,718,712.
<b>b</b> Average of monthly cash balances	<b>1b</b>	974,307.
<b>c</b> Fair market value of all other assets	<b>1c</b>	83,320.
<b>d</b> Total (add lines 1a, b, and c)	<b>1d</b>	4,776,339.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	4,776,339.
<b>4</b> Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	71,645.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	4,704,694.
<b>6</b> Minimum investment return. Enter 5% of line 5	<b>6</b>	235,235.

**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.)

<b>1</b> Minimum investment return from Part X, line 6	<b>1</b>	235,235.
<b>2a</b> Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	5,637.
<b>b</b> Income tax for 2009. (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b> Add lines 2a and 2b	<b>2c</b>	5,637.
<b>3</b> Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	229,598.
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>	0.
<b>5</b> Add lines 3 and 4	<b>5</b>	229,598.
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>	0.
<b>7</b> Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	229,598.

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

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b> Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	308,848.
<b>b</b> Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b> Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b> Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	308,848.
<b>5</b> Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	<b>5</b>	5,637.
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	303,211.

**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				229,598.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			306,604.	
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: ▶ \$ 308,848.				
a Applied to 2008, but not more than line 2a			306,604.	
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				2,244.
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				227,354.
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
<b>a</b> Paid during the year				
SEE STATEMENT 8				
<b>Total</b>			<b>3a</b>	307,000.
<b>b</b> Approved for future payment				
NONE				
<b>Total</b>			<b>3b</b>	0.





---



---

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


---

SOURCE	AMOUNT
MERRILL LYNCH EMA ACCOUNT	4,470.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	4,470.

---



---



---



---

**FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2**


---

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
MERRILL LYNCH EMA ACCOUNT	76,621.	0.	76,621.
TOTAL TO FM 990-PF, PART I, LN 4	76,621.	0.	76,621.

---



---



---



---

**FORM 990-PF OTHER INCOME STATEMENT 3**


---

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
FEDERAL TAX REFUND	4,980.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	4,980.	0.	

---



---



---



---

**FORM 990-PF ACCOUNTING FEES STATEMENT 4**


---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,500.	1,250.		1,250.
TO FORM 990-PF, PG 1, LN 16B	2,500.	1,250.		1,250.

---



---

FORM 990-PF	TAXES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
2008 STATE OF OREGON BALANCE DUE	548.	0.		548.	
TO FORM 990-PF, PG 1, LN 18	548.	0.		548.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
MERRILL LYNCH FEES	82.	82.		0.	
OTHER FEES	50.	0.		50.	
TO FORM 990-PF, PG 1, LN 23	132.	82.		50.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
MERRILL LYNCH - EMA ACCOUNT	3,556,841.	3,984,016.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,556,841.	3,984,016.		



FORM 990-PF

GRANTS AND CONTRIBUTIONS  
PAID DURING THE YEAR

STATEMENT 8

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
BRADLEY-ANGLE HOUSE P.O. BOX 14694 PORTLAND, OR 97293	N/A VIOLENCE PREVENTION	PUBLIC CHARITY	1,000.
CALDERA 224 NORTHWEST 13TH AVENUE, SUITE 304 PORTLAND, OR 97209	N/A ART/NATURE/EDUCATION	PUBLIC CHARITY	1,000.
CITY CLUB OF PORTLAND 901 SW WASHINGTON ST. PORTLAND, OR 97205	N/A PUBLIC MATTERS EDUCATION	PUBLIC CHARITY	1,000.
CLASSIC WINE AUCTION 111 SW FIFTH AVENUE SUITE 3400 PORTLAND, OR 97204	N/A YOUTH DEVELOPMENT	PUBLIC CHARITY	5,000.
EAST-WEST SYLVAN FOUNDATION 8111 SW WEST SLOPE DRIVE PORTLAND, OR 97225	N/A EDUCATION	PUBLIC CHARITY	10,000.
FRIENDS OF THE CHILDREN - PORTLAND 44 NE MORRIS PORTLAND, OR 97212	N/A YOUTH DEVELOPMENT	PUBLIC CHARITY	150,000.
LOAVES AND FISHES 7710 SW 31ST AVENUE PORTLAND, OR 972800477	N/A FEEDING THE UNDERPRIVELEGED	PUBLIC CHARITY	1,000.
MULTIPLE SCLEROSIS SOCIETY OF PORTLAND, OREGON INC. PO BOX 16553 PORTLAND, OR 972920553	N/A RESEARCH	PUBLIC CHARITY	10,000.

DEMOREST FAMILY FOUNDATION

20-3399144

OLD TIMERS' BASEBALL 5019 S.W. LOWELL PORTLAND, OR 97221	N/A YOUTH DEVELOPMENT	PUBLIC CHARITY	6,000.
OREGON MUSEUM OF SCIENCE AND INDUSTRY 1945 SE WATER AVENUE PORTLAND, OR 972143354	N/A EDUCATION	PUBLIC CHARITY	50,000.
OSU FOUNDATION 850 SW 35TH ST. CORVALLIS, OR 97333	N/A EDUCATION	PUBLIC CHARITY	40,000.
SCANDINAVIAN HERITAGE FOUNDATION 8800 SW OLESON ROAD PORTLAND, OR 97223	N/A PRESERVING AUTHENTIC TRADITIONS AND CULTURE	PUBLIC CHARITY	5,000.
SELF ENHANCEMENT, INC. 3920 N KERBY AVENUE PORTLAND, OR 97227	N/A YOUTH DEVELOPMENT	PUBLIC CHARITY	10,000.
STAFFORD SCHOOL 19875 SOUTHWEST STAFFORD ROAD WEST LINN, OR 97068	N/A EDUCATION	PUBLIC CHARITY	5,000.
THE CHILDREN'S COURSE 19825 RIVER ROAD GLADSTONE, OR 97027	N/A EDUCATION	PUBLIC CHARITY	1,000.
THE FRESHWATER TRUST 65 SW YAMHILL ST, SUITE 200 PORTLAND, OR 97204	N/A NATURE CONSERVATION	PUBLIC CHARITY	10,000.
THE OREGON-GARDEN 879 WEST MAIN STREET SILVERTON, OR 97381	N/A EDUCATION	PUBLIC CHARITY	1,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

307,000.



DEMOREST FAMILY FOUNDATION

# EMA Fiscal Statement

## SUMMARY OF CHECKING ACTIVITY

Date Cleared	Date Written	Check Number	Payee	Amount
12/31/09	12/22/09	00000159	CALDERA	1 000 00
12/29/09	12/22/09	00000160	THE CHILDREN'S COURSE	1 000 00
12/28/09	12/22/09	00000163	LOAVES + FISHES	1 000 00
12/28/09	12/22/09	00000164	OSU FOUNDATION	40 000 00
Total Checking Activity				336,098.00

## REALIZED CAPITAL GAIN AND LOSS SUMMARY

Quantity	Security Description	Date of Acquisition	Date of Liquidation	Sale Price	Cost Basis	Gain or (Loss)
3,000 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	140 549 38	2,747 82	137 801 56 LT
41 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	1 942 11	37 55	1 904 56 LT
700 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	33,158 14	641 16	32 516 98 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 59	4 646 28 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 59	4 646 28 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 59	4 646 28 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 59	4 646 28 LT
200 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	9,475 75	183 19	9 292 56 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 59	4 646 28 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 59	4 646 28 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 60	4 646 27 LT
59 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	2,795 34	54 04	2,741 30 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 60	4 646 27 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 60	4 646 27 LT
50 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	2 368 93	45 81	2,323 12 LT
150 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	7,106 82	137 25	6 969 57 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 50	4 646 37 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 49	4 646 38 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 50	4 646 37 LT
100 0000	GILEAD SCIENCES INC COM	08/30/93	04/22/09	4 737 87	91 50	4 646 37 LT
2 000 0000	BJ SERVICES CO	01/13/00	05/04/09	29,699 23	7,499 99	22 199 24 LT
1 050 0000	GILEAD SCIENCES INC COM	08/30/93	05/04/09	46,639 90	960 76	45 679 14 LT
950 0000	GILEAD SCIENCES INC COM	03/28/95	05/04/09	42,198 01	749 61	41 448 40 LT
1 000 0000	TEXAS INSTRUMENTS	11/22/95	06/11/09	20,819 46	6,876 21	13 943 25 LT
1 000 0000	TEXAS INSTRUMENTS	11/22/95	06/11/09	20,819 96	6,876 21	13,943 75 LT

PLEASE SEE REVERSE SIDE

Page 21 of 23  
Statement Period Year Ending 12/31/09





DEMOREST FAMILY FOUNDATION

# EMA Fiscal Statement

## REALIZED CAPITAL GAIN AND LOSS SUMMARY

Quantity	Security Description	Date of Acquisition	Date of Liquidation	Sale Price	Cost Basis	Gain or (Loss)
2,000 0000	BJ SERVICES CO	01/13/00	07/17/09	29,080 85	7,500 00	21,580 85 LT
2,000 0000	BJ SERVICES CO	01/13/00	07/22/09	29,040 85	7,500 01	21,540 84 LT
3,000 0000	NOBLE CORP NAMEN-AKT	06/26/96	07/23/09	99,269 84	19,500 00	79,769 84 LT
999 0000	TIME WARNER INC SHS	06/27/02	07/30/09	26,881 49	30,105 90	(3,224 41) LT
667 0000	TIME WARNER INC SHS	01/31/03	07/30/09	17,947 90	17,424 30	523 60 LT
1,000 0000	TIME WARNER INC SHS	08/27/07	07/30/09	26,908 42	42,986 57	(16,078 15) LT
1,000 0000	ISHARES S&P 500	10/05/06	12/11/09	57,290 92	62,460 00	(5,169 08) LT
1,000 0000	ISHARES S&P 500	10/06/06	12/11/09	57,290 93	62,450 00	(5,159 07) LT
100 0000	TIME WARNER CABLE INC	06/27/02	12/11/09	4,224 89	3,951 96	272 93 LT
151 0000	TIME WARNER CABLE INC	06/27/02	12/11/09	6,379 60	5,967 48	412 12 LT
167 0000	TIME WARNER CABLE INC	01/31/03	12/11/09	7,055 58	5,741 04	1,314 54 LT
251 0000	TIME WARNER CABLE INC	08/27/07	12/11/09	10,604 51	14,163 42	(3,558 91) LT
2,000 0000	WELLS FARGO & CO NEW DEL	04/10/08	12/01/09	55,720 16	58,220 00	(2,499 84) LT
				846,861.28	365,970.61	480,890.67