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

2010

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 2010, 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

Name of foundation The Buffy and William Cafritz Family Foundation, Inc.		A Employer identification number 20-5657328
Number and street (or P O box number if mail is not delivered to street address) 7315 Wisconsin Avenue	Room/suite 250 E	B Telephone number 301-657-4774
City or town, state, and ZIP code Bethesda, MD 20814		C If exemption application is pending, check here ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 963,758.	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	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 ☐

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	500,358.		N/A	
	2 Check ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	2,231.	2,231.		Statement 2
	4 Dividends and interest from securities	16,451.	16,451.		Statement 3
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-33,156.			Statement 1
	b Gross sales price for all assets on line 6a 87,575.				
	7 Capital gain net income (from Part IV, line 2)		30,003.		
	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					
12 Total. Add lines 1 through 11	485,884.	48,685.			
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				
	c Other professional fees	2,688.	2,688.		0.
	17 Interest				
	18 Taxes	300.	0.		0.
	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	2,988.	2,688.		0.
	25 Contributions, gifts, grants paid	217,105.			217,105.
26 Total expenses and disbursements. Add lines 24 and 25	220,093.	2,688.		217,105.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	265,791.				
b Net investment income (if negative, enter -0-)		45,997.			
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

End of year

(a) Book Value

(b) Book Value

(c) Fair Market Value

Assets	1	Cash - non-interest-bearing		6,012.	33,607.	33,607.
	2	Savings and temporary cash investments		14,704.	21,208.	21,208.
	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 6		44,204.	39,292.	41,172.
	b	Investments - corporate stock Stmt 7		578,380.	814,984.	867,771.
	c	Investments - corporate bonds				
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)		643,300.	909,091.	963,758.
	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.	
Foundations that follow SFAS 117, check here	24	Unrestricted	☐			
	25	Temporarily restricted				
	26	Permanently restricted				
	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		643,300.	909,091.	
	30	Total net assets or fund balances		643,300.	909,091.	
	31	Total liabilities and net assets/fund balances		643,300.	909,091.	

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	643,300.
2	Enter amount from Part I, line 27a	2	265,791.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	909,091.
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	909,091.

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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 87,575.		57,572.	30,003.

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			30,003.

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	30,003.
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))
2009	205,792.	428,093.	.480718
2008	207,156.	455,540.	.454748
2007	207,232.	359,589.	.576302
2006	0.	58,523.	.000000
2005			

2 Total of line 1, column (d)	2	1.511768
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	.377942
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	24,524.
5 Multiply line 4 by line 3	5	9,269.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	460.
7 Add lines 5 and 6	7	9,729.
8 Enter qualifying distributions from Part XII, line 4	8	217,105.

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.

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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)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	460.
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	460.
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	460.
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a 300.		
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	300.
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	160.
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 2011 estimated tax ☐ Refunded ☒		11	

Part VII-A Statements Regarding Activities

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?	Yes	No
1a		X
b 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
1b		
c Did the foundation file Form 1120-POL for this year?		X
1c		
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?	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) <u>MD</u>		
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 2010 or the taxable year beginning in 2010 (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

N/A

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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 ▶ The Foundation C/O William Cafritz Telephone no. ▶ 301-657-4774 Located at ▶ 7315 Wisconsin Avenue, STE 250E, Bethesda, MD ZIP+4 ▶ 20814			
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			
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶	16	Yes	No X

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 22 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 2010?	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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ 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 2010 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 2010) 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 2010?	4b	X

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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

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?

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

5b

6b

7b

X

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
William N. Cafritz	Director, President			
7315 Wisconsin Avenue, Suite 350				
Bethesda, MD 20814	5.00	0.	0.	0.
Buffy M. Cafritz	Director			
7315 Wisconsin Avenue, Suite 350				
Bethesda, MD 20814	2.00	0.	0.	0.
Pamela Anne Cafritz	Director			
3 Flintlock Lane				
Clifton Park, NY 12065	1.00	0.	0.	0.
Charles C. Wilkes	Director, Secretary-Treasu			
3923 Prospect Court				
Kensington, MD 20895	1.00	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

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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	24,646.
b	Average of monthly cash balances	1b	251.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	24,897.
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	24,897.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	373.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	24,524.
6	Minimum investment return. Enter 5% of line 5	6	1,226.

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	1,226.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	460.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	460.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	766.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	766.
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	766.

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	217,105.
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	217,105.
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	460.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	216,645.

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.

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				766.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007	195,922.			
d From 2008	186,477.			
e From 2009	184,803.			
f Total of lines 3a through e	567,202.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$	217,105.			
a Applied to 2009, 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 2010 distributable amount				766.
e Remaining amount distributed out of corpus	216,339.			
5 Excess distributions carryover applied to 2010 (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:	783,541.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				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 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	783,541.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007	195,922.			
c Excess from 2008	186,477.			
d Excess from 2009	184,803.			
e Excess from 2010	216,339.			

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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 2010, 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	(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007		
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).)

William N. Cafritz

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 ☒ 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	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
Name and address (home or business)				
a <i>Paid during the year</i>				
See Statement 8				
Total				217,105.
b <i>Approved for future payment</i>				
None				
Total				0.

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No 1545-0047

2010

Name of the organization

The Buffy and William Cafritz Family
Foundation, Inc.

Employer identification number

20-5657328

Organization type (check one).

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

The Buffy and William Cafritz Family
Foundation, Inc.

Employer identification number

20-5657328

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	William N. Cafritz, Trust 5334 Goldsboro Road Bethesda, MD 20817	\$ 261,418.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
2	William N. Cafritz, Trust 5334 Goldsboro Road Bethesda, MD 20817	\$ 38,940.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
3	William N. Cafritz, Trust 5334 Goldsboro Road Bethesda, MD 20817	\$ 200,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization

The Buffy and William Cafritz Family
Foundation, Inc.

Employer identification number

20-5657328

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	8,698 shares of Washington REIT Common Stock Donor's Basis \$28,839 acquired 7/27/94	\$ 261,418.	11/23/10
2	906 shares of Danaher Corp Common Stock Donor's Basis \$23,098, acquired 9/03/04	\$ 38,940.	11/23/10
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

The Buffy and William Cafritz Family
Foundation, Inc.

Employer identification number

20-5657328

Part III

Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

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 Frontier Communications Corp		P	03/02/07	07/23/10
b Medtronic Inc.		D	11/10/09	03/16/10
c Research in Motion		D	11/29/07	08/19/10
d Tennessee HDA Bond		P	04/01/09	01/04/10
e Zimmer Holdings		D	03/16/10	03/16/10
f Kinder Morgan Mgt		P	Various	Various
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 713.		912.	-199.
b 43,939.		16,984.	26,955.
c 20,326.		20,513.	-187.
d 5,000.		4,912.	88.
e 17,451.		14,159.	3,292.
f 146.		92.	54.
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

(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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-199.
b			26,955.
c			-187.
d			88.
e			3,292.
f			54.
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	30,003.
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

Form 990-PF Gain or (Loss) from Sale of Assets Statement 1

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
Frontier Communications Corp	713.	912.	0.	0.	-199.

(a) Description of Property	(b) Gross Sales Price	(c) Value at Time of Acq.	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
Medtronic Inc.	43,939.	38,705.	0.	0.	5,234.

(a) Description of Property	(b) Gross Sales Price	(c) Value at Time of Acq.	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
Research in Motion	20,326.	48,856.	0.	0.	-28,530.

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	Manner Acquired	Date Acquired	Date Sold
Tennessee HDA Bond	5,000.	4,912.	0.	Purchased	04/01/09	01/04/10
				(e) Deprec.	(f) Gain or Loss	
						88.

(a) Description of Property	(b) Gross Sales Price	(c) Value at Time of Acq.	(d) Expense of Sale	Manner Acquired	Date Acquired	Date Sold
Zimmer Holdings	17,451.	27,254.	0.	Donated	03/16/10	03/16/10
				(e) Deprec.	(f) Gain or Loss	
						-9,803.

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	Manner Acquired	Date Acquired	Date Sold
Kinder Morgan Mgt	146.	92.	0.	Purchased	Various	Various
				(e) Deprec.	(f) Gain or Loss	
						54.

Capital Gains Dividends from Part IV	0.
Total to Form 990-PF, Part I, line 6a	-33,156.

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 2

Source	Amount
Tennessee HDA Bond	2,231.
Total to Form 990-PF, Part I, line 3, Column A	2,231.

Form 990-PF	Dividends and Interest from Securities	Statement	3
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Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
Capital One Financial Corp	200.	0.	200.
Capital Source, Inc.	120.	0.	120.
Commonwealth REIT	813.	0.	813.
Ishares Tech Index	110.	0.	110.
M&T Bank	852.	0.	852.
Medtronic, Inc.	1,065.	0.	1,065.
Merck & Company, Inc.	1,520.	0.	1,520.
Monsanto Company	324.	0.	324.
Mosaic Company	60.	0.	60.
MTB US Govt MMKT	2.	0.	2.
Prazair Inc.	720.	0.	720.
Verizon Communications	765.	0.	765.
Washington REIT	9,900.	0.	9,900.
Total to Fm 990-PF, Part I, ln 4	16,451.	0.	16,451.

Form 990-PF	Other Professional Fees	Statement	4
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment Fees	2,688.	2,688.		0.
To Form 990-PF, Pg 1, ln 16c	2,688.	2,688.		0.

Form 990-PF	Taxes	Statement	5
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Federal Excise Tax	300.	0.		0.
To Form 990-PF, Pg 1, ln 18	300.	0.		0.

Form 990-PF	U.S. and State/City Government Obligations			Statement	6
Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value	
Tennessee HDA		X	39,292.	41,172.	
Total U.S. Government Obligations					
Total State and Municipal Government Obligations			39,292.	41,172.	
Total to Form 990-PF, Part II, line 10a			39,292.	41,172.	

Form 990-PF	Corporate Stock	Statement	7
Description	Book Value	Fair Market Value	
Capital Source Inc	45,390.	21,300.	
Chevron Corp	26,567.	27,375.	
Ishares US Tech Sector Index Fd	24,203.	25,752.	
Kinder Morgan, LLC	18,666.	34,109.	
Praxair, Inc.	35,154.	38,188.	
Research in Motion Limited	0.	0.	
Verizon Communications	13,536.	14,312.	
Washington REIT	363,366.	384,214.	
Zimmer Holdings	0.	0.	
Commonwealth REIT	8,000.	10,955.	
Capital One Financial Corp	38,875.	42,560.	
Merck & Company	32,468.	36,040.	
Cerner Corporation	78,770.	94,740.	
Medtronic, Inc.	38,705.	37,090.	
Danaher Corporation	38,940.	42,736.	
Monsanto Company	28,364.	27,856.	
The Mosaic Company	23,980.	30,544.	
Total to Form 990-PF, Part II, line 10b	814,984.	867,771.	

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
Alvin Ailey American Dance Theater C/O Carolyn Peachey, 111 Quincy Place, NE Washington, DC 20002	None General purpose fund	Public Charity	3,500.
American Diabetes Association 1333 New Hampshire, NW Washington, DC 20036	None General purpose fund	Public Charity	250.
American Russian Cultural Cooperation Foundation 1050 17th Street NW, Ste 1000 Washington, DC 20036	None General purpose fund	Public Charity	2,500.
Bethesda Chevy Chase Rescue Squad, Inc. 5020 Battery Lane Bethesda, MD 20814	None General purpose fund	Public Charity	300.
Blair House Restoration C/O Andrea L. Metzger, Exec Dir, PO Box 27208 Washington, DC 20038-7208	None General purpose fund	Public Charity	500.
Corner Stone School of Washington, DC C/O Beth Dozoretz, 3005 45th Street, NW Washington, DC 20016	None General purpose fund	Public Charity	1,000.
Dacor Bacon House 1801 F Street, NW Washington, DC 20006	None General purpose fund	Public Charity	279.
FAPE 1725 Eye Street, NW Washington, DC 20006	None General purpose fund	Public Charity	5,000.

Fort Drum Chapter 10th Mountain Div Assoc C/O Robert J. O'Malley, 2401 Calvert Street, NW Washington,	None General purpose fund	Public Charity	200.
Glen Echo Fire Department 5920 Massachusettes Ave Bethesda, MD 20816	None General purpose fund	Public Charity	1,000.
Jewish Federation of Greater Washington 6101 Montrose Road Rockville, MD 208524816	None General purpose fund	Public Charity	10,000.
Johns Hopkins 600 North Wolfe Street Baltimore, MD 212876921	None General purpose fund	Public Charity	5,000.
Kennedy Center Honors Gala 2700 F St. NW Washington, DC 205660001	None General purpose fund	Public Charity	12,200.
Kennedy Center Spring Gala 2700 F St. NW Washington, DC 205660001	None General purpose fund	Public Charity	2,500.
Kennedy Center 2700 F St. NW Washington, DC 205660001	None General purpose fund	Public Charity	62,000.
Library of Congress 101 Independence Ave. SE Washington, DC 20540	None General purpose fund	Public Charity	50,000.
National Gallery of Art 2000 B Club Drive Landover, MD 20785	None Exhibition Support	Public Charity	21,000.
National Theatre 1321 Pennsylvania Ave., NW Washington, DC 20004	None General purpose fund	Public Charity	2,000.

NIH Foundation 1 Cloister Court Bethesda, MD 20814	None General purpose fund	Public Charity	15,000.
Parkinson Foundation 7913 Westpark Drive McLean, VA 22102	None General purpose fund	Public Charity	2,500.
Robert James DBA Movirt CRF 3337 5th Street, SE Washington, DC 20032	None General purpose fund	Public Charity	4,000.
Ronald Regan Foundation 40 Presidential Drive Simi Valley, CA 93065	None General purpose fund	Public Charity	5,000.
Ronald W. Reagan Society of Eureka College 300 East College Ave Eureka , IL 61530	None General purpose fund	Public Charity	500.
Surburban Hospital Foundation 8600 Old Georgetown Road Bethesda, MD 20814	None General purpose fund	Public Charity	500.
The Childrens Inn at NIH 5910 Gloster Road Bethesda, MD 20814	None General purpose fund	Public Charity	1,000.
Vital Voices 1625 Massachusetts Ave., NW, Suite 850 Washington, DC 20036	None General purpose fund	Public Charity	2,500.
Washington Hebrew Congregation 3935 Macomb Street, NW Washington, DC 20016	None General purpose fund	Public Charity	4,376.
Washington Performing Arts 2000 L Street, NW Washington, DC 20036-4907	None General purpose fund	Public Charity	2,500.

Total to Form 990-PF, Part XV, line 3a

217,105.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).		
Type or print File by the extended due date for filing your return. See instructions.	Name of exempt organization The Buffy and William Cafritz Family Foundation, Inc.	Employer identification number 20-5657328
	Number, street, and room or suite no. If a P.O. box, see instructions. C/O Schick & Company, CPA's, 8100 Huntfield Drive	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Fulton, MD 20759	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

The Foundation C/O William Cafritz

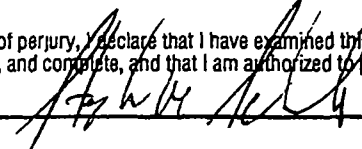
- The books are in the care of **7315 Wisconsin Avenue, STE 250E - Bethesda, MD 20729**
Telephone No. **301-657-4774** FAX No. **301-657-2332**
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until **November 15, 2011.**
- 5 For calendar year **2010**, or other tax year beginning _____, and ending _____.
- 6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period
- 7 State in detail why you need the extension
Additional time is required to file a complete and accurate tax return

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	300.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature  Title **CPA** Date **8/12/11**