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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2010

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 HIRAIR AND ANNA HOVNANIAN FOUNDATION INC.	**A Employer identification number** 59-2714390
Number and street (or P O box number if mail is not delivered to street address) 4000 ROUTE 66 Room/suite	**B** Telephone number (732) 922-6100
City or town, state, and ZIP code TINTON FALLS, NJ 07753	**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 ▶☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation	**E** If private foundation status was terminated under section 507(b)(1)(A), check here ▶☐
I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 52,016,777. **J** Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis)*	**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	4,404,345.		N/A	
2	Check ▶ ☒ if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	1,822,947.	1,822,947.		STATEMENT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	-517,690.			
b	Gross sales price for all assets on line 6a 10,270,949.				
7	Capital gain net income (from Part IV, line 2)		0.		
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	157,888.	157,888.		STATEMENT 2
12	**Total.** Add lines 1 through 11	5,867,490.	1,980,835.		
Operating and Administrative Expenses 13	Compensation of officers directors, trustees, etc	60,000.	60,000.		0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees STMT 3	8,948.	0.		8,948.
b	Accounting fees STMT 4	4,000.	0.		4,000.
c	Other professional fees STMT 5	155,879.	155,879.		0.
17	Interest				
18	Taxes STMT 6	123,735.	107,224.		0.
19	Depreciation and depletion	16,672.	0.		
20	Occupancy	20,284.	0.		20,284.
21	Travel, conferences, and meetings	54,785.	0.		54,785.
22	Printing and publications				
23	Other expenses STMT 7	141,291.	0.		141,291.
24	**Total operating and administrative expenses.** Add lines 13 through 23	585,594.	323,103.		229,308.
25	Contributions, gifts, grants paid	1,516,240.			1,516,240.
26	**Total expenses and disbursements** Add lines 24 and 25	2,101,834.	323,103.		1,745,548.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	3,765,656.			
b	**Net investment income** (if negative enter -0-)		1,657,732.		
c	**Adjusted net income** (if negative, enter -0-)			N/A	

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2

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	305,831.	1,927,473.	1,927,473.
	2	Savings and temporary cash investments	1,179,798.	1,614,737.	1,614,737.
	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 8	33,538,762.	32,178,289.	36,961,655.
	c	Investments - corporate bonds			
	11	Investments - land, buildings, and equipment basis ▶ 7,620,433.			
		Less accumulated depreciation ▶	8,401,685.	7,620,433.	7,620,433.
	12	Investments - mortgage loans			
	13	Investments - other STMT 9	0.	704,732.	704,732.
	14	Land, buildings, and equipment: basis ▶ 3,249,573.			
		Less accumulated depreciation STMT 10 ▶ 61,826.	41,679.	3,187,747.	3,187,747.
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers)	43,467,755.	47,233,411.	52,016,777.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe ▶)			
	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	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	43,467,755.	47,233,411.	
	30	**Total net assets or fund balances**	43,467,755.	47,233,411.	
	31	**Total liabilities and net assets/fund balances**	43,467,755.	47,233,411.	

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	43,467,755.
2	Enter amount from Part I, line 27a	2	3,765,656.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	47,233,411.
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	47,233,411.

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	10,270,949.		10,788,639.	-517,690.

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				-517,690.

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	-517,690.
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	2,678,938.	35,448,390.	.075573
2008	2,861,822.	50,445,594.	.056731
2007	2,699,640.	59,262,623.	.045554
2006	2,829,756.	55,136,646.	.051323
2005	2,561,512.	57,752,166.	.044354

2	**Total** of line 1, column (d)	2	.273535
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	.054707
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	41,769,969.
5	Multiply line 4 by line 3	5	2,285,110.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	16,577.
7	Add lines 5 and 6	7	2,301,687.
8	Enter qualifying distributions from Part XII, line 4	8	1,745,548.

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)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	33,155.
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	33,155.
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	33,155.
6	Credits/Payments:				
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	16,584.		
b	Exempt foreign organizations - tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	25,000.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments. Add lines 6a through 6d			7	41,584.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	10.
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	8,419.
11	Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ 8,419. **Refunded** ▶			11	0.

Part VII-A Statements Regarding Activities

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

Form **990-PF** (2010)

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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?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ FOUNDATION Telephone no.▶732-922-6100

Located at ▶4000 ROUTE 66, TINTON FALLS, NJ ZIP+4 ▶07753

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 0.

		Yes	No
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?	16	X	
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▶ ARMENIA			

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

		Yes	No
File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
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)? N/A	1b		
Organizations relying on a current notice regarding disaster assistance check here ▶☐			
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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

Form **990-PF** (2010)

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
SEE STATEMENT 11		60,000.	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	
2	
All other program-related investments. See instructions. 3 ALL INVESTMENT INCOME WAS EARNED FROM INVESTMENTS AND ASSETS SHOWN IN PART II BALANCE SHEET AND SUPPORTING SCHEDULES AND IS INTENDED FOR THE GENERAL PURPOSES FOR WHICH THE	0.
Total. Add lines 1 through 3 ▶	0.

Form **990-PF** (2010)

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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	32,986,141.
b	Average of monthly cash balances			1b	1,620,507.
c	Fair market value of all other assets			1c	7,799,412.
d	**Total** (add lines 1a, b, and c)			1d	42,406,060.
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	42,406,060.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)			4	636,091.
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	41,769,969.
6	**Minimum investment return** Enter 5% of line 5			6	2,088,498.

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	2,088,498.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	33,155.		
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	33,155.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	2,055,343.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	2,055,343.
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	2,055,343.

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	1,745,548.
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	1,745,548.
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	0.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	1,745,548.

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 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				2,055,343.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			1,509,578.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 1,745,548.				
a Applied to 2009, but not more than line 2a			1,509,578.	
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				235,970.
e Remaining amount distributed out of corpus	0.			
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:**				
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 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				1,819,373.
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	0.			
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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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			
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 **Information Regarding Foundation Managers:**

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

SEE STATEMENT 12

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:

SEE STATEMENT 13

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

c Any submission deadlines.

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE STATEMENT 14				
Total			▶ 3a	1,516,240.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512 513, or 514		(e) Related or exempt function income
1 Program service revenue:	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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					
4 Dividends and interest from securities			14	1,822,947.	
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			41	396.	157,492.
8 Gain or (loss) from sales of assets other than inventory					-517,690.
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.		1,823,343.	-360,198.

13 Total Add line 12, columns (b), (d), and (e) 13 1,463,145.

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

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

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

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

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

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

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

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

b If "Yes," complete the following schedule.

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

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Signature of officer or trustee — Date: 11/18/11 — Title: TRUSTEE

Paid Preparer Use Only

Print/Type preparer's name SALVATORE REDA, CPA	Preparer's signature	Date 11/4/11	Check ☐ if self-employed	PTIN

Firm's name ▶ CITRIN COOPERMAN & COMPANY, LLP — Firm's EIN ▶

Firm's address ▶ 530 MORRIS AVENUE
SPRINGFIELD, NJ 07081

Phone no 973-218-0500

THE HIRAIR AND ANNA HOVNANIAN FOUNDATION INC.

CONTINUATION FOR 990-PF, PART IV
59-2714390 PAGE 1 OF 1

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	MERRILL LYNCH # 95326 SEE ATTACHED	P	VARIOUS	VARIOUS
b	MERRILL LYNCH # 95326 SEE ATTACHED	P	VARIOUS	VARIOUS
c	MERRILL LYNCH # 95326 SEE ATTACHED	P	VARIOUS	VARIOUS
d	MERRILL LYNCH # 95326 SEE ATTACHED	P	VARIOUS	VARIOUS
e	MERRILL LYNCH # 95326 SEE ATTACHED	P	VARIOUS	VARIOUS
f	MERRILL LYNCH # 95326 SEE ATTACHED	P	VARIOUS	VARIOUS
g	MERRILL LYNCH # 95321 SEE ATTACHED	P	VARIOUS	VARIOUS
h	MERRILL LYNCH # 95321 SEE ATTACHED	P	VARIOUS	VARIOUS
i	MERRILL LYNCH # 95321 SEE ATTACHED	P	VARIOUS	VARIOUS
j	MERRILL LYNCH # 95321 SEE ATTACHED	P	VARIOUS	VARIOUS
k	MERRILL LYNCH # 95321 SEE ATTACHED	P	VARIOUS	VARIOUS
l	MERRILL LYNCH # 95321 SEE ATTACHED	P	VARIOUS	VARIOUS
m	OTHER GAIN	P	VARIOUS	VARIOUS
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	737,022.		575,737.	161,285.
b	287,914.		412,498.	-124,584.
c	1,229,596.		878,774.	350,822.
d	1,182,504.		1,799,611.	-617,107.
e	94,161.			94,161.
f	60,668.			60,668.
g	564,931.		471,308.	93,623.
h	950,216.		1,117,065.	-166,849.
i	2,804,467.		2,143,466.	661,001.
j	2,219,946.		3,390,180.	-1,170,234.
k	133,089.			133,089.
l	6,097.			6,097.
m	338.			338.
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				161,285.
b				-124,584.
c				350,822.
d				-617,107.
e				94,161.
f				60,668.
g				93,623.
h				-166,849.
i				661,001.
j				-1,170,234.
k				133,089.
l				6,097.
m				338.
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	-517,690.
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

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FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDENDS	864,451.	0.	864,451.
INTEREST	958,496.	0.	958,496.
TOTAL TO FM 990-PF, PART I, LN 4	1,822,947.	0.	1,822,947.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
MISCELLANEOUS	396.	396.	
TRUMBALL ASSOCIATES	157,492.	157,492.	
TOTAL TO FORM 990-PF, PART I, LINE 11	157,888.	157,888.	

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	8,948.	0.		8,948.
TO FM 990-PF, PG 1, LN 16A	8,948.	0.		8,948.

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	4,000.	0.		4,000.
TO FORM 990-PF, PG 1, LN 16B	4,000.	0.		4,000.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BROKER FEES	155,879.	155,879.		0.
TO FORM 990-PF, PG 1, LN 16C	155,879.	155,879.		0.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	95,422.	95,422.		0.
EXCISE TAX	16,511.	0.		0.
STATE TAXES	11,802.	11,802.		0.
TO FORM 990-PF, PG 1, LN 18	123,735.	107,224.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ANNUAL REPORT	80.	0.		80.
STATE REPRESENTATION	358.	0.		358.
DUES AND SUBSCRIPTIONS	570.	0.		570.
OPERATING & OVERHEAD COSTS	135,583.	0.		135,583.
TELEPHONE & INTERNET	145.	0.		145.
OFFICE EXPENSE	850.	0.		850.
MISCELLANEIOUS	3,705.	0.		3,705.
TO FORM 990-PF, PG 1, LN 23	141,291.	0.		141,291.

FORM 990-PF CORPORATE STOCK STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
INVESTMENTS	32,178,289.	36,961,655.
TOTAL TO FORM 990-PF, PART II, LINE 10B	32,178,289.	36,961,655.

FORM 990-PF OTHER INVESTMENTS STATEMENT 9

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
TRUMBALL ASSOCIATES	COST	704,732.	704,732.
TOTAL TO FORM 990-PF, PART II, LINE 13		704,732.	704,732.

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 10

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
2 JEEPS	86,833.	61,826.	25,007.
TOTAL TO FM 990-PF, PART II, LN 14	86,833.	61,826.	25,007.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 11

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
HIRAIR HOVNANIAN 600 NAVESINK RIVER ROAD RED BANK, NJ 07701	CHAIRMAN 3.00	0.	0.	0.
ANNA HOVNANIAN 600 NAVESINK RIVER ROAD RED BANK, NJ 07701	PRESIDENT 3.00	0.	0.	0.
EDELE HOVNANIAN 600 NAVESINK RIVER ROAD RED BANK, NJ 07701	VP & TREASURER 2.00	12,000.	0.	0.
SIRAN SAHAKIAN 600 NAVESINK RIVER ROAD RED BANK, NJ 07701	VICE PRESIDENT 2.00	12,000.	0.	0.
LEELA HOVNANIAN 600 NAVESINK RIVER ROAD RED BANK, NJ 07701	VICE PRESIDENT 2.00	12,000.	0.	0.
ARMEN HOVNANIAN 600 NAVESINK RIVER ROAD RED BANK, NJ 07701	VICE PRESIDENT 2.00	12,000.	0.	0.
TANYA HOVNANIAN-BAGHDASSARIAN 600 NAVESINK RIVER ROAD RED BANK, NJ 07701	SECRETARY 2.00	12,000.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		60,000.	0.	0.

FORM 990-PF PART XV - LINE 1A LIST OF FOUNDATION MANAGERS STATEMENT 12

NAME OF MANAGER

HIRAIR HOVNANIAN
ANNA HOVNANIAN

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 13
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

HIRAIR HOVNANIAN, CHAIRMAN
4000 ROUTE 66
TINTON FALLS, NJ 07753

TELEPHONE NUMBER

732-922-6100

FORM AND CONTENT OF APPLICATIONS

PRELIMINARY APPLICATION SHOULD BE SUBMITTED ON OFFICIAL ORGANIZATION LETTERHEAD AND MUST DESCRIBE THE PURPOSE FOR WHICH FUNDS, IF GRANTED, WILL BE USED. FINANCIAL STATEMENTS FOR THE THREE(3) MOST RECENT ACCOUNTING PERIODS AND PROOF OF ORGANIZATION'S INTERNAL REVENUE SERVICE APPROVAL OF NON-TAXABLE STATUS UNDER 501(C)(3) I.R.C. MUST BE SUBMITTED. ALSO A CERTIFICATION OF ORGANIZATION OFFICER OR PROOF THAT ORGANIZATION CONTINUES TO QUALIFY UNDER SECTION 501(C)(3) OR 170(C)(2)(B) I.R.C. MUST BE SUBMITTED. A FORMAL APPLICATION MAY BE REQUIRED.

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

GRANTS ARE MADE ONLY TO RECOGNIZED ORGANIZATIONS THAT ARE QUALIFIED AS TAX EXEMPT UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OR TO GOVERNMENTS EXCLUSIVELY FOR CHARITABLE PURPOSE AS DESCRIBED IN SECTION 170(C)(2)(B) OF THE INTERNAL REVENUE CODE OF 1986 AND ITS REGULATIONS AS THEY NOW EXIST OR AS THEY MAY HEREAFTER BE AMENDED.

FORM 990-PF

GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

STATEMENT 14

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
ALZHEIMER'S ASSOCIATION 3 EVES DRIVE, SUITE 310 MARLTON, NJ 08053	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	5,000.
ARMENIA FUND USA 80 MAIDEN LANE SUITE 301 NEW YORK, NY 10038	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	100,000.
ARMENIAN ASSEMBLY OF AMERICA 1334 G. STREET NW SUITE 200 WASHINGTON, DC 20005	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	196,157.
ARMENIAN BONE MARROW REGISTRY 3111 LOS FELIZ AVE., #206 LOS ANGELES, CA 90039	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	5,000.
ARMENIAN SISTERS ACADEMY 440 UPPER GULPH ROAD RADNOR, PA 19087	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	5,000.
BIRTHRIGHT ARMENIA 333 E. LANCASTER AVE, #330 WYNNEWOOD, PA 19096	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	213,603.
CHILDHELP 15757 N 78TH STREET SCOTTSDALE, AZ 85260-9681	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	5,000.
FORDHAM UNIVERSITY ATHLETIC DEPARTMENT ROSE HILL GYM, 441 EAST FORDHAM ROAD BRONX, NY 10458	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	1,000.

LEADERSHIP COUNCIL FOR HUMAN RIGHTS 4268 WHEELED CAISON SQUARE FAIRFAX, VA 22033	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	5,000.
MIDDLETOWN TOWNSHIP FIRE COMPANY NO. 1 336 HIGHWAY 35 RED BANK, NJ 07701	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	50.
MONMOUTH MEDICAL CENTER FOUNDATION 300 SECOND AVENUE LONG BRANCH, NJ 07740	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	335,833.
OCEAN'S HARBOR HOUSE 2445 WINDSOR AVENUE TOMS RIVER, NJ 08754	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	2,500.
OCEAN HOUSING ALLIANCE, INC. C/O P.O. BOX 1778 TOMS RIVER, NJ 08754	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	1,000.
ORGANIZATION HUMAN. SERVICE FOR ARMENIA EAST HUNTINGTON DRIVE ARCADIA, CA 91006	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	50,000.
PEDDIE SCHOOL PO BOX A HIGHTSTOWN HIGHTSTOWN, NJ 08520-9942	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	10,000.
RUMSON COUNTRY DAY SCHOOL 35 BELLEVUE AVENUE RUMSON RUMSON, NJ 07760	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	50,000.
SOORP KHATCH ARMENIAN APOSTOLIC CHURCH 4906 FLINT DRIVE BETHESDA, MD 20816	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	1,000.
ST. ANNA CHURCH (HOLY ETCHMIADZIN) YEREVAN, ARMENIA	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	500,000.

ST. NERSESS ARMENIAN SEMINARY 150 STRATTON ROAD NEW ROCHELLE, NY 10804	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	10,000.
SUSAN G. KOMEN FOR THE CURE P.O. BOX 650309 DALLAS, TX 75265-0309	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	10,000.
THE PINGRY SCHOOL P.O. BOX 366 MARINSVILLE, NJ 08836-9974	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	1,000.
TOMS RIVER LITTLE INDIANS 1358 HOOPER AVENUE, PMB 233 TOMS RIVER, NJ 08753	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	500.
UNIVERSITY OF SOUTH CAROLINA 1714 COLLEGE STREET. COLUMBIA, SC 29208	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	8,000.
VAN KRIKORIAN 1334 G. STREET NW SUITE 200 WASHINGTON, DC 20005	NONE USED FOR THE ORGANIZATIONS EXEMPT PURPOSE	PUBLIC	597.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			1,516,240.

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

Your Tax Reporting Statement information that follows is a personal summary of your account activity and is not reported to the IRS.

The Capital Gain and Loss Transaction section is provided to facilitate your review and the preparation of your tax return. In calculating gain (loss), unless otherwise noted, it was assumed that the oldest position was liquidated first, and that an election was in effect to amortize the premium paid on the purchase of taxable bonds. The gain (loss) information may not include return of capital, sales load deferral or wash sales adjustments. RICs (which may include mutual funds and unit investment trusts) may reclassify principal distributions as capital gains. The Cost Basis for these securities may not have been adjusted on your statement to reflect such reclassifications Please refer to information provided by the RIC and discuss with your tax advisor. Securities distributed from a retirement account reflect the tax basis on the date of distribution Other methods for calculating gain (loss) are available. The cost basis for most Original Issue Discount (OID) obligations includes the accretion of OID. For purposes of allocating original purchase price to the components of an equity unit consisting of a purchase contract and a debt security subject to a remarketing event, we assumed that the fair market value of the debt security on purchase date was equal to its adjusted issue price. The difference between your original cost and the amount allocable to the debt component was allocated to the purchase contract. In making adjustments to the cost basis of the purchase contract, it was assumed that the unit holder included contract adjustment payments in income when received.

Data from Forms 1099 (reportable Dividend and Interest) is also repeated in this summary for your convenience. Additionally, we have included items such as margin interest and select account fees if applicable. Please discuss the deductibility of these items with your tax advisor. For select clients, we have also included a summary of Visa charges and checking activity.

Merrill Lynch is neither a tax return preparer nor tax advisor. Please see your tax advisor for more information.

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion		Sales Price	Cost Basis	Gain or (Loss)
				Year-to-Date	Life-to-Date			
SHORT TERM CAPITAL GAINS								
ASSECO POLAND SA SP ADR	2780 0000	12/02/10	12/02/10			58.02	58 02	0 00
MINARA RESOURCES LTD	108000 0000	09/07/10	09/07/10			9,367 07	9,367.07	0.00
ORIFLAME COSMETICS SDR	650 0000	01/26/10	09/29/10			41,324.01	36,441.99	4,882 02
JFE SHOJI HOLDINGS INC	5000.0000	07/23/10	09/29/10			20,116 00	19,118 50	997.50
MONEX GROUP INC	60 0000	05/27/09	01/26/10			25,945 59	23,376 26	2,569 33
HEINEKEN HOLDINGS NV	410.0000	04/03/09	01/26/10			17,169.11	10,738.60	6,430 51
	500 0000	07/24/09	01/26/10			20,937.96	17,037.65	3,900.31
		Security Subtotal				***38,107.07***	***27,776.25***	***10,330.82***
ASIAN BAMBOO AG, HAMBURG	1460 0000	11/18/09	07/26/10			62,239 42	49,538 82	12,700.60
	630.0000	01/26/10	07/26/10			26,856.74	24,005.08	2,851.66
		Security Subtotal				***89,096.16***	***73,543.90***	***15,552 26***
WAVIN N V. SHS	2070 0000	07/23/10	12/16/10			30,828 99	28,141 02	2,687.97
FLETCHER BUILDING LTD-AU	3030.0000	01/27/10	03/22/10			17,786.78	17,327 96	458 82
MEGACHIPS CO 6875	1900.0000	11/17/09	01/26/10			28,877.72	27,455.95	1,421 77
	2000.0000	11/17/09	07/27/10			31,303.40	28,901.00	2,402 40
		Security Subtotal				***60,181 12***	***56,356 95***	***3,824.17***

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
GRUPO BIMBO SER'A'	4000.0000	01/27/09	01/26/10			26,738 40	14,188 40	12,550.00
	1700.0000	09/24/09	01/26/10			11,363.82	9,110 64	2,253 18
		Security Subtotal				***38,102.22***	***23,299 04***	***14,803.18***
SINGAPORE POST LTD	51000.0000	05/27/09	01/27/10			37,081 07	30,156 45	6,924.62
HELLENIC EXCHANGE SA	5120.0000	09/30/10	09/30/10			894.51	894.51	0.00
WOOD GROUP ORD	6000 0000	04/03/09	01/26/10			32,209 80	21,772 52	10,437.28
BANQUE CANTONALE ORD	160.0000	07/21/10	07/21/10			1,507.17	1,507.17	0.00
CITYCON OJY	5000 0000	04/03/09	03/19/10			19,152 76	10,175 14	8,977.62
	17000 0000	04/07/10	04/07/10			2,250 46	2,250.46	0.00
		Security Subtotal				***21,403.22***	***12,425 60***	***8,977.62***
UNITED INTERNET AG REG S	2740 0000	11/18/09	09/29/10			43,624 87	39,140.08	4,484 79
	1280 0000	01/26/10	09/29/10			20,379.51	18,557.18	1,822 33
		Security Subtotal				***64,004.38***	***57,697.26***	***6,307.12***
ACTELION LTD	250 0000	01/26/10	12/16/10			13,501 73	13,171.27	330 46
VETROPACK HOLDING AG(BR)	2 0000	01/26/10	09/29/10			3,244 40	3,183.78	60 62
DIMENSION DATA HLD PLC	62000.0000	08/20/09	07/26/10			118,452.26	62,571.69	55,880 57
NIPPON DENKO CO LTD 5563	8000 0000	01/27/09	01/26/10			50,416 00	35,915 20	14,500 80
SANRIO FN	2500 0000	07/24/09	03/23/10			23,394 00	21,634 50	1,759 50
		Short Term Capital Gains Subtotal				**737,021.57**	**575,736.91**	**161,284.66**

SHORT TERM CAPITAL LOSSES

SHANDA INTER ENT SPO ADR	1600.0000	03/18/10	12/16/10			61,183 61	66,530.72	(5,347 11)
NAMCO BANDAI HOLDINGS	3000.0000	04/03/09	03/23/10			29,231.71	29,821.80	(590 09)
NISCAYAH GROUP AB	19000 0000	11/17/09	03/19/10			41,233 85	47,576 00	(6,342 15)
WAVIN N V. SHS	1750.0000	07/23/10	09/29/10			21,801.65	23,790 71	(1,989.06)
SHINKAWA LTD 6274	1300 0000	09/24/09	03/23/10			20,679.49	25,917.19	(5,237.70)
BIOTA HOLDINGS LTD	17000 0000	11/17/09	07/27/10			14,549 26	41,721 54	(27,172 28)
	18000 0000	01/27/10	07/27/10			15,405.11	33,349.61	(17,944.50)
		Security Subtotal				***29,954 37***	***75,071.15***	***(45,116.78)***

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
HELLENIC EXCHANGE SA	1030.0000	09/24/09	07/26/10			6,961.51	13,034 96	(6,073 45)
	4620 0000	11/17/09	09/29/10			32,570.70	65,451 69	(32,880 99)
		Security Subtotal				*39,532.21*	*78,486.65*	*(38,954 44)*
BANIF-BANCO INTERNACIONA	27000 0000	01/26/10	07/26/10			27,992 89	47,560.50	(19,567.61)
INDRA SISTEMAS SA FN	780.0000	05/27/09	03/19/10			16,304.13	17,743 28	(1,439.15)
		Short Term Capital Losses Subtotal				287,913.91	412,498.00	(124,584.09)
NET SHORT TERM CAPITAL GAIN (LOSS)								**36,700.57**
LONG TERM CAPITAL GAINS								
ASTRAL MEDIA INC A N-VTG	330 0000	01/27/09	07/26/10			11,727 48	7,067.99	4,659 49
BOMBARDIER INC CL B	3400 0000	11/03/08	03/19/10			19,504.10	13,561 58	5,942.52
NEO MATL TECHNOLOGIES	6000 0000	04/20/07	01/27/10			24,235 80	20,291.45	3,944.35
SINGAPORE PRESS HLD-1000	3410 0000	01/10/07	07/27/10			9,976 82	9,812.53	164.29
	4000 0000	05/02/07	07/27/10			11,703.02	11,542 80	160.22
		Security Subtotal				*21,679 84*	*21,355.33*	*324.51*
VIENNA INSURANCE GROUP	870.0000	11/03/08	03/19/10			44,559.67	24,819 10	19,740 57
MERCIALYS	720 0000	05/27/09	07/26/10			22,870.60	21,990.96	879.64
LINK (THE) REAL ESTATE I	20000 0000	08/27/07	01/27/10			48,569 46	40,934 66	7,634 80
GOLDEN OCEAN GROUP LTD	14000 0000	09/24/09	09/29/10			20,802 72	16,858 80	3,943 92
MMI HOLDINGS LTD	16000 0000	10/18/07	12/16/10			38,344 45	37,286.59	1,057.86
CSR LTD	71000 0000	07/24/09	07/27/10			108,681 90	104,929.13	3,752 77
SPORTINGBET PLC	7760.0000	06/14/07	09/29/10			9,643.55	8,944.15	699 40
	69000.0000	01/27/09	09/29/10			85,748 08	36,184.20	49,563.88
		Security Subtotal				*95,391.63*	*45,128.35*	*50,263.28*
KINTETSU WLD EXP 9375	700 0000	07/24/09	12/16/10			19,204 57	17,125.15	2,079.42
DECHRA PAHARMACEUTICALS	2330.0000	11/03/08	01/26/10			17,570 53	14,783.30	2,787.23
TELEKOM AUSTRIA AG	1430.0000	11/03/08	03/19/10			19,001 49	17,182.17	1,819.32

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
ACER INC GDR REG S NEW	2936.0000	04/30/07	01/26/10			41,520 03	27,238.67	14,281.36
	3474.0000	06/14/07	01/26/10			49,128 27	32,218 68	16,909.59
	8596.0000	06/14/07	07/26/10			108,670.63	79,721.32	28,949 31
	3076 0000	10/18/07	07/26/10			38,886.79	30,912 00	7,974.79
	1338 0000	10/18/07	07/26/10			16,915.00	13,450 49	3,464 51
	1737.0000	10/18/07	09/29/10			20,878.74	17,461.51	3,417.23
		Security Subtotal				***275,999.46***	***201,002.67***	***74,996 79***
BANQUE CANTONALE ORD	40 0000	01/27/09	03/19/10			18,111 21	11,173 05	6,938 16
SGL CARBON SE	1750 0000	11/03/08	01/26/10			51,450 88	34,920 90	16,529 98
ANSELL LTD	1850 0000	01/27/09	12/16/10			23,563 20	13,126 15	10,437 05
CITYCON OJY	6000 0000	04/03/09	09/29/10			23,987.70	12,210 10	11,777 60
IMI PLC 25P FN	130.0000	01/10/07	12/16/10			1,868 92	1,288.60	580 32
	3560.0000	01/25/07	12/16/10			51,179.80	35,457 47	15,722.33
	540 0000	05/01/07	12/16/10			7,763.23	6,288 49	1,474.74
		Security Subtotal				***60,811.95***	***43,034.56***	***17,777.39***
BONDUELLE	200.0000	01/27/09	03/19/10			23,293 73	13,492 86	9,800.87
ACTELION LTD	50 0000	05/27/09	12/16/10			2,700.34	2,496.39	203.95
VETROPACK HOLDING AG(BR)	8 0000	07/24/09	09/29/10			12,977 57	11,659 49	1,318 08
SOLAR HOLDINGS B	150 0000	01/27/09	09/29/10			9,722.44	5,164 26	4,558 18
	375 0000	01/28/09	09/29/10			24,306.11	13,042 09	11,264 02
		Security Subtotal				***34,028.55***	***18,206.35***	***15,822.20***
DIMENSION DATA HLD PLC	24000 0000	07/24/09	07/26/10			45,852 48	25,518.97	20,333.51
MOCHIDA PHARMACEUTC 4534	3000 0000	11/04/08	01/26/10			30,411 60	29,099 10	1,312.50
MITSUBISHI TANABE PHARMA	2000 0000	11/04/08	07/27/10			29,514 40	23,097.20	6,417.20
PIRELLI & COMPANY (IT)FN	134000 0000	04/03/09	07/23/10			84,748 98	36,421.20	48,327 78
		Long Term Capital Gains Subtotal				**1,229,596.29**	**878,773.55**	**350,822.74**

LONG TERM CAPITAL LOSSES

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
ASTRAL MEDIA INC A N-VTG	250 0000	01/10/07	01/27/10			8,253 37	9,092 25	(838 88)
	130.0000	04/30/07	01/27/10			4,291 76	5,077 37	(785 61)
	320 0000	01/25/07	01/27/10			10,564 32	12,707 68	(2,143 36)
	170 0000	04/30/07	07/26/10			6,041.42	6,639 64	(598.22)
		Security Subtotal				***29,150 87***	***33,516 94***	***(4,366 07)***

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
CHURCHILL CORP CL A	1300.0000	04/10/08	01/28/10			23,244.13	29,273.56	(6,029 43)
CSR PLC	3080 0000	01/25/07	09/29/10			16,889 81	41,510 05	(24,620 24)
	4100.0000	05/01/07	09/29/10			22,483.20	63,349 96	(40,866.76)
	200 0000	06/14/07	09/29/10			1,096 75	2,966 60	(1,869.85)
		Security Subtotal				***40,469.76***	***107,826.61***	***(67,356 85)***
SES SA	3060 0000	06/19/08	07/26/10			73,678 00	78,003.69	(4,325 69)
SINGAPORE PRESS HLD-1000	4340 0000	01/25/07	07/27/10			12,697.77	13,354 56	(656 79)
	5000 0000	07/06/07	07/27/10			14,628.78	14,931 79	(303 01)
	6000 0000	04/10/08	07/27/10			17,554.54	20,021.16	(2,466.62)
		Security Subtotal				***44,881.09***	***48,307.51***	***(3,426.42)***
GOURMET NAVIGATOR INC	12.0000	08/20/08	07/27/10			16,781.34	28,897 42	(12,116.08)
BRITISH STEAM SPECIALITI	3620.0000	07/16/07	03/19/10			15,205.54	38,786 88	(23,581 34)
NAMCO BANDAI HOLDINGS	4100.0000	08/20/08	03/23/10			39,949.98	48,391 48	(8,441.50)
	2500 0000	11/04/08	03/23/10			24,359 75	26,315.75	(1,956.00)
		Security Subtotal				***64,309.73***	***74,707 23***	***(10,397.50)***
ENVITEC BIOGAS AG, LOHNE	1740.0000	01/27/09	07/26/10			25,359 84	36,899 48	(11,539 64)
LITE-ON TECH CORP	2114.0000	04/20/07	01/27/10			26,847 80	35,121.18	(8,273 38)
CHARTER INTL PLC SHS	1710.0000	12/14/07	12/16/10			20,898 83	27,372.21	(6,473 38)
CALTEX AUSTRALIA LTD	2050 0000	05/01/07	01/28/10			17,010 27	41,280.34	(24,270 07)
	1880.0000	06/14/07	01/28/10			15,599 66	41,817 85	(26,218.19)
	550.0000	07/16/07	01/28/10			4,563.74	11,972.60	(7,408.86)
		Security Subtotal				***37,173.67***	***95,070 79***	***(57,897.12)***
JOYO BANK 8333	6000 0000	02/21/08	03/23/10			25,420.80	30,221 40	(4,800 60)
	910.0000	02/21/08	03/23/10			3,870.41	4,583.58	(713.17)
		Security Subtotal				***29,291.21***	***34,804.98***	***(5,513.77)***
MIKUNI COCA COLA 2572 11	5500 0000	02/21/08	01/26/10			43,790 45	62,888.10	(19,097.65)
ENIRO AB	7750.0000	04/03/09	07/26/10			9,530 81	29,555 40	(20,024.59)
OUTOKUMPU OYJ FN	1360 0000	01/25/07	09/29/10			26,807.43	53,492.51	(26,685.08)
	1600 0000	05/02/07	09/29/10			31,538 15	54,267 25	(22,729 10)
	1570 0000	07/16/07	09/29/10			30,946.82	53,467 76	(22,520.94)
	1720 0000	06/19/08	09/29/10			33,903.53	64,955.63	(31,052.10)
		Security Subtotal				***123,195 93***	***226,183 15***	***(102,987.22)***
NEOPOST SA	400.0000	08/20/08	01/26/10			32,246 60	41,126.16	(8,879 56)

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
SPORTINGBET PLC	25000.0000	06/14/07	07/26/10			21,586 47	28,814.91	(7,228 44)
WESTJET AIRLS LTD	1700.0000	08/24/07	01/27/10			20,410 03	25,091.66	(4,681.63)
	1700.0000	08/24/07	12/16/10			23,557.44	25,091.67	(1,534.23)
		Security Subtotal				***43,967.47***	***50,183 33***	***(6,215.86)***
HELLENIC EXCHANGE SA	2560.0000	07/24/09	07/26/10			17,302 36	31,177 99	(13,875 63)
	500 0000	09/24/09	09/29/10			3,524.96	6,240.26	(2,715.30)
		Security Subtotal				***20,827.32***	***37,418 25***	***(16,590.93)***
POINT INC 2685	660 0000	01/27/09	12/16/10			29,259 25	31,643 90	(2,384 65)
	340 0000	07/24/09	12/16/10			15,072.94	19,670 60	(4,597 66)
	320 0000	09/24/09	12/16/10			14,186.31	20,278.14	(6,091 83)
		Security Subtotal				***58,518.50***	***71,592 64***	***(13,074.14)***
BANIF-BANCO INTERNACIONA	2000 0000	02/21/08	07/26/10			2,073 54	9,189.20	(7,115.66)
	8000.0000	08/20/08	07/26/10			8,294.18	20,852.80	(12,558 62)
	11000 0000	04/03/09	07/26/10			11,404.51	15,904.90	(4,500.39)
		Security Subtotal				***21,772.23***	***45,946.90***	***(24,174.67)***
WOOD GROUP ORD	40 0000	12/14/07	01/26/10			214.73	324 26	(109 53)
SHENZHEN INVESTMENT LTD	62000.0000	02/26/07	01/27/10			22,575.16	30,137.21	(7,562 05)
AXELL CORP6730	500 0000	04/03/09	09/29/10			10,415 20	16,642 87	(6,227 67)
HOKUHOKU FINANCIAL GRP	2690.0000	05/01/07	07/27/10			4,941 26	8,847.42	(3,906.16)
	9310 0000	07/17/07	07/27/10			17,101.54	30,002.41	(12,900.87)
		Security Subtotal				***22,042.80***	***38,849 83***	***(16,807.03)***
ITE GROUP PLC	7000 0000	12/14/07	09/29/10			19,006.81	23,804 33	(4,797.52)
INDRA SISTEMAS SA FN	460.0000	05/02/07	03/19/10			9,615 25	11,443.43	(1,828 18)
	600.0000	07/05/07	03/19/10			12,541.63	15,226.14	(2,684.51)
		Security Subtotal				***22,156.88***	***26,669 57***	***(4,512.69)***
BONDUELLE	60.0000	02/21/08	03/19/10			6,988 11	7,165.68	(177 57)
CONTACT ENERGY LTD (NZ)	5400 0000	06/19/08	07/27/10			22,144 13	34,309 25	(12,165.12)
ACTELION LTD	460 0000	10/18/07	09/29/10			18,836 23	24,245 55	(5,409.32)
	430 0000	08/20/08	09/29/10			17,607 78	23,951 95	(6,344 17)
	350 0000	11/03/08	09/29/10			14,331 92	18,424.21	(4,092 29)
	360.0000	05/27/09	09/29/10			14,741 41	17,973.97	(3,232 56)
	320.0000	09/24/09	12/16/10			17,282.20	20,368 42	(3,086.22)
		Security Subtotal				***82,799.54***	***104,964.10***	***(22,164.56)***

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
SOLAR HOLDINGS B	127.0000	06/28/07	09/29/10			8,231.66	17,187 01	(8,955 35)
MITSUBISHI MATERIAL 5711	17370 0000	05/01/07	01/26/10			47,187 34	86,348 01	(39,160 67)
	1630 0000	06/14/07	01/26/10			4,428 06	8,687 24	(4,259.18)
	370.0000	06/14/07	01/26/10			1,014.95	1,971.96	(957.01)
		Security Subtotal				***52,630 35***	***97,007.21***	***(44,376 86)***
SHOWA SHELL SEKIYU 5002	2070.0000	05/01/07	01/26/10			16,684 61	24,894 03	(8,209 42)
	230 0000	06/14/07	01/26/10			1,853.85	2,811 49	(957.64)
	70.0000	06/14/07	01/26/10			561 22	855 68	(294.46)
		Security Subtotal				***19,099.68***	***28,561.20***	***(9,461.52)***
SHIMIZU CORPORATION 1803	1960.0000	01/25/07	01/26/10			7,668 50	10,219.25	(2,550 75)
	3040 0000	05/01/07	01/26/10			11,894.00	19,030 09	(7,136 09)
	960 0000	05/01/07	01/26/10			3,810.91	6,009.51	(2,198.60)
		Security Subtotal				***23,373.41***	***35,258.85***	***(11,885 44)***
PIRELLI & COMPANY (IT)FN	73050 0000	05/02/07	07/23/10			46,200.83	73,724 46	(27,523 63)
	3000 0000	06/14/07	07/23/10			1,897.36	2,707 53	(810.17)
		Security Subtotal				***48,098.19***	***76,431.99***	***(28,333.80)***
		Long Term Capital Losses Subtotal				**1,182,504.24**	**1,799,610.68**	**(617,106.44)**
NET LONG TERM CAPITAL GAIN (LOSS)								**(266,283.70)**

OTHER TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
NEOPOST SA DROIT D'OPTIO	770.0000	12/14/09	01/08/10			0.00	N/A	N/A
MEDIQ N.V. RIGHTS	1830 0000	04/15/10	05/07/10			0 00	N/A	N/A
MAPFRE SA RTS	27 0000	06/02/10	06/22/10			0.00	N/A	N/A
NEOPOST SA DROIT EUR	370 0000	07/19/10	08/06/10			0 00	N/A	N/A
MEDIQ N.V. RIGHTS	1830.0000	08/05/10	08/23/10			0 00	N/A	N/A
GESTEVISION TELECINCOEUR	2930 0000	11/22/10	12/01/10			2,295 66	0.00	2295 66
	2930.0000	12/17/10	12/09/10			0 00	N/A	N/A
		Security Subtotal			S/T GAIN	***2,295.66***		2295.66
LITE-ON TECH CORP	10 0000	10/28/08	01/27/10		L/T GAIN	127.00	0.00	127.00
	10 0000	10/19/09	01/27/10		S/T GAIN	127.00	0.00	127.00
		Security Subtotal				***254 00***	0.00	254.00

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
SPICE PLC	13000 0000	09/17/08	07/26/10		L/T GAIN	11,390.14	0.00	11,390.14
	43250 0000	09/17/08	09/29/10		L/T GAIN	47,491.78	0.00	47,491.78
		Security Subtotal				*58,881.92*		
LEE AND MAN PAPER MANUFA	61000 0000	01/08/10	01/27/10		S/T GAIN	39,820 27	0.00	39,820.27
HUABAO INTL HOLDINGS LTD	48000 0000	09/09/09	01/27/10		S/T GAIN	49,333.38	0.00	49,333.38
BANIF-BANCO INTERNACIONA	1600.0000	07/23/08	07/26/10		L/T GAIN	1,658 83	0.00	1,658.83
ACER INC GDR REG S NEW	14.0000	09/01/10	09/29/10		S/T GAIN	168.28	0.00	168.28
		Other Transactions Subtotal				152,412 34		
TOTAL CAPITAL GAINS AND LOSSES						**3,589,448.35**	**3,666,619.14**	**(229,583.13)**
TOTAL REPORTABLE GROSS PROCEEDS						**3,591,865.11**		
DIFFERENCE					S/T gain	**(2,416.76)** **		

Note: Capital gains and losses in this statement are not reported to the Internal Revenue Service

** Difference reflects items that are included in the reportable gross proceeds section of your statement but are not included in the gain/loss section (e g., liquidation of fractional shares and the proceeds from certain tender offers) It also reflects items that are included in the gain/loss section of your statement but not in the reportable gross proceeds section (e.g , option premium received)

N/A Results which cannot be calculated because of insufficient data in the Capital Gain (or Loss) Column and are not included in the Realized Capital Gain and Loss summary.

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

Your Tax Reporting Statement information that follows is a personal summary of your account activity and is not reported to the IRS.

The Capital Gain and Loss Transaction section is provided to facilitate your review and the preparation of your tax return. In calculating gain (loss), unless otherwise noted, it was assumed that the oldest position was liquidated first, and that an election was in effect to amortize the premium paid on the purchase of taxable bonds. The gain (loss) information may not include return of capital, sales load deferral or wash sales adjustments. RICs (which may include mutual funds and unit investment trusts) may reclassify principal distributions as capital gains. The Cost Basis for these securities may not have been adjusted on your statement to reflect such reclassifications. Please refer to information provided by the RIC and discuss with your tax advisor. Securities distributed from a retirement account reflect the tax basis on the date of distribution. Other methods for calculating gain (loss) are available. The cost basis for most Original Issue Discount (OID) obligations includes the accretion of OID. For purposes of allocating original purchase price to the components of an equity unit consisting of a purchase contract and a debt security subject to a remarketing event, we assumed that the fair market value of the debt security on purchase date was equal to its adjusted issue price. The difference between your original cost and the amount allocable to the debt component was allocated to the purchase contract. In making adjustments to the cost basis of the purchase contract, it was assumed that the unit holder included contract adjustment payments in income when received.

Data from Forms 1099 (reportable Dividend and Interest) is also repeated in this summary for your convenience. Additionally, we have included items such as margin interest and select account fees if applicable. Please discuss the deductibility of these items with your tax advisor. For select clients, we have also included a summary of Visa charges and checking activity.

Merrill Lynch is neither a tax return preparer nor tax advisor. Please see your tax advisor for more information.

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

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SHORT TERM CAPITAL GAINS								
BANCO SANTANDER SA EURO.	3158 0000	10/15/10	10/20/10			473.69	383.69	90.00
MOBILE TELESYS OJSC ADR	1250 0000	01/22/10	12/10/10			24,983 59	24,319 80	663 79
RESEARCH IN MOTION LTD	1000.0000	01/22/10	03/19/10			74,391.00	63,156.60	11,234 40
SEEK LTD	8820 0000	01/22/10	12/13/10			59,840 86	51,013 12	8,827 74
ENQUEST PLC SHS	17860.0000	04/06/10	07/26/10			28,769 63	28,576 00	193 63
ORG SORIANA SR B NEW	24000.0000	07/23/10	09/28/10			66,794.40	65,200.80	1,593.60
QANTAS AIRWAYS LIMITED	5910.0000	07/24/09	03/22/10			15,482 06	10,092 92	5,389 14
GRUPO MEXICO S.A. SER B	32427.0000	07/24/09	01/26/10			70,515.76	39,392 00	31,123 76
	21000 0000	09/24/09	01/26/10			45,666 61	39,797 10	5,869.51
		Security Subtotal				***116,182.37***	***79,189.10***	***36,993.27***
SWISS LIFE HOLDING AG	440 0000	07/29/10	07/29/10			1,002.33	1,002.33	0 00
RAMSAY HEALTH CARE LTD	4150 0000	03/18/10	12/13/10			65,591.91	51,612.30	13,979 61
DASSAULT SYSTEMES SA	790.0000	07/24/09	01/26/10			46,457.30	35,700 02	10,757 28
VIVENDI SA	470 0000	05/19/09	01/26/10			13,177.96	12,078.57	1,099.39
	1200.0000	05/19/09	03/19/10			31,586.48	30,838 93	747.55
		Security Subtotal				***44,764 44***	***42,917.50***	***1,846 94***

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
YOKOHAMA RUBBER CO 5101	5000.0000	01/23/09	01/22/10			20,197.50	18,144.00	2,053.50
		Short Term Capital Gains Subtotal				**564,931.08**	**471,308.18**	**93,622.90**
SHORT TERM CAPITAL LOSSES								
MOBILE TELESYS OJSC ADR	3800 0000	11/17/09	09/28/10			79,129.10	80,521.39	(1,392.29)
NETEASE COM INC ADR	1800 0000	03/18/10	07/26/10			65,970.14	74,283.30	(8,313 16)
	1200 0000	03/19/10	07/26/10			43,980 10	48,743.28	(4,763.18)
		Security Subtotal				***109,950 24***	***123,026 58***	***(13,076 34)***
SHANDA INTER ENT SPO ADR	2100 0000	03/19/10	07/26/10			83,075.23	87,368.82	(4,293 59)
TERNIUM S A	1200 0000	01/22/10	05/24/10			38,161.88	41,376.00	(3,214 12)
EVRAZ GROUP SA GDR REG S	2300 0000	03/19/10	12/13/10			79,707.88	86,559 12	(6,851 24)
NINE DRAGONS PAPER (HOLD	25000 0000	11/18/09	05/25/10			35,356.55	43,778 00	(8,421.45)
	39000 0000	11/18/09	07/27/10			59,927.99	68,293.68	(8,365.69)
		Security Subtotal				***95,284.54***	***112,071.68***	***(16,787 14)***
HOME RETAIL GROUP	12000 0000	12/11/09	09/29/10			39,116 16	60,142 01	(21,025 85)
	12000.0000	01/22/10	09/29/10			39,116.16	49,959.75	(10,843.59)
		Security Subtotal				***78,232.32***	***110,101.76***	***(31,869.44)***
AUTOGRILL SPA 1000 IIL	2760 0000	09/24/09	05/24/10			29,768 10	34,206 89	(4,438.79)
LUXOTTICA GROUP SPA	3280 0000	09/24/09	07/26/10			85,099 34	85,821 53	(722 19)
QANTAS AIRWAYS LIMITED	13000 0000	11/17/09	07/27/10			27,854.20	33,401.72	(5,547.52)
PRIMARY HEALTH CARE LTD	12100 0000	09/24/09	07/27/10			39,171.60	65,582.62	(26,411 02)
FUNAI ELEC CO 6839	1300 0000	01/22/10	05/25/10			45,746.09	69,531.28	(23,785 19)
DIAGEO	330.0000	11/17/09	01/26/10			5,707.59	5,734 69	(27.10)
RAMSAY HEALTH CARE LTD	2740.0000	03/18/10	05/24/10			30,700 04	34,076.55	(3,376 51)
FLETCHER BUILDING LTD	5960.0000	11/17/09	05/24/10			31,417.08	35,634 14	(4,217 06)
DEUTSCHE BK REGD NPV	640 0000	11/18/09	09/29/10			35,039 26	49,747.65	(14,708 39)
NIPPON STEEL CORP 5401	8000.0000	01/22/10	12/15/10			27,895 20	32,066 40	(4,171.20)

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
YOKOHAMA RUBBER CO 5101	7000.0000	03/27/09	01/22/10			28,276 50	30,235 80	(1,959 30)
		Short Term Capital Losses Subtotal				950,216.19	1,117,064.62	(166,848.43)
NET SHORT TERM CAPITAL GAIN (LOSS)								(73,225.53)
LONG TERM CAPITAL GAINS								
FAIRFAX FINL HLDGS LTD	300 0000	11/19/08	03/19/10			111,021 33	83,290 68	27,730.65
KEPPEL LTD SPONS ADR	2700.0000	02/13/06	07/26/10			34,829.41	21,704.36	13,125.05
	2940 0000	02/07/07	07/26/10			37,925 35	36,867 60	1,057 75
	3160 0000	05/19/09	09/28/10			42,992.03	28,819 20	14,172.83
		Security Subtotal				*115,746.79*	*87,391.16*	*28,355.63*
OPEN TEXT CORP COM	1600 0000	11/19/08	01/22/10			64,971 04	43,935 04	21,036 00
ROYAL BANK CANADA PV$1	100.0000	11/08/06	07/26/10			5,022 81	4,614 57	408 24
TECK RESOURCES LTD CLS B	900 0000	02/13/06	01/22/10			32,998 95	25,847 82	7,151 13
	660.0000	02/07/07	01/22/10			24,199.22	23,632.75	566.47
		Security Subtotal				*57,198 17*	*49,480 57*	*7,717.60*
USIMINAS SP ADR REG S	1315.0000	07/16/07	07/26/10			40,226.62	35,729 70	4,496.92
VIENNA INSURANCE GROUP	1570 0000	11/19/08	01/26/10			82,418.41	39,364.60	43,053 81
	680 0000	11/19/08	03/19/10			34,828 25	17,049.64	17,778.61
		Security Subtotal				*117,246 66*	*56,414.24*	*60,832.42*
DAMPSKIBSSELSKABET NORDE	2325.0000	09/24/09	09/29/10			92,791 35	87,158.90	5,632.45
GEBERIT AG, RAPPERSWIL-J	250 0000	08/25/08	07/26/10			39,957 25	35,394.73	4,562 52
CSL LTD	2730 0000	05/01/07	01/22/10			76,542 93	65,763.65	10,779 28
	940 0000	08/24/07	01/22/10			26,355 45	24,287 16	2,068 29
	3500.0000	08/24/07	03/22/10			115,759.30	90,430.95	25,328.35
		Security Subtotal				*218,657.68*	*180,481.76*	*38,175.92*
NOVO-NORDISK A/S (VORMAL	2400 0000	03/25/08	07/26/10			203,956.47	165,409 20	38,547 27
	40.0000	06/06/08	07/26/10			3,399 28	2,704 28	695.00
		Security Subtotal				*207,355.75*	*168,113 48*	*39,242.27*
MIZUHO SECURITIES	18000.0000	11/19/08	05/25/10			47,149 20	37,092 60	10,056 60
	3000 0000	11/19/08	07/27/10			6,813.00	6,182.10	630 90
		Security Subtotal				*53,962.20*	*43,274 70*	*10,687.50*

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

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RWE AG	440.0000	12/30/05	01/26/10			41,651 06	32,492 28	9,158.78
COMMONWEALTH BANK OF AU	730 0000	03/27/09	05/24/10			30,193 39	17,825.62	12,367.77
	930 0000	03/27/09	07/27/10			42,487.91	22,709 35	19,778 56
	220 0000	03/27/09	09/29/10			11,113 81	5,372 11	5,741 70
	1550 0000	09/24/09	09/29/10			78,301.84	67,808.42	10,493 42
		Security Subtotal				*162,096.95*	*113,715.50*	*48,381.45*
FAST RETAILING CO 9983	300 0000	11/19/08	01/22/10			51,392.73	31,438.35	19,954.38
	200 0000	11/19/08	05/25/10			29,599 00	20,958 90	8 640 10
	100 0000	11/19/08	07/27/10			14,759 22	10,479 45	4,279 77
	400 0000	01/23/09	07/27/10			59,036.87	51,275.16	7,761 71
	300 0000	05/19/09	07/27/10			44,277.67	33,095.49	11,182.18
		Security Subtotal				*199,065 49*	*147,247.35*	*51,818.14*
ASTRAZENECA PLC SHS FN	1400.0000	01/23/09	05/24/10			57,462 06	53,428 86	4,033 20
	150 0000	03/27/09	05/24/10			6,156.66	4,938.77	1,217.89
		Security Subtotal				*63,618.72*	*58,367 63*	*5,251.09*
SANKYO CO LTD 6417	1200 0000	05/01/07	07/27/10			58,293 60	52,924.92	5,368.68
ELBIT SYSTEMS	780 0000	03/30/09	05/25/10			42,488 29	37,638 75	4,849.54
PORTUGAL TELECOM SA	5730 0000	01/23/09	09/29/10			74,683 42	45,496 20	29,187 22
	1980 0000	01/23/09	12/13/10			26,436 37	15,721.20	10,715 17
	3750.0000	05/19/09	12/13/10			50,068.91	33,627.75	16,441.16
		Security Subtotal				*151,188.70*	*94,845 15*	*56,343 55*
QANTAS AIRWAYS LIMITED	20090 0000	07/24/09	07/27/10			43,045.43	34,309.13	8,736 30
NEDBANK GROUP LTD FN	860.0000	08/24/07	09/29/10			18,237.39	15,594 74	2,642.65
SHOPRITE HOLD PAR 1.134	5760.0000	12/12/07	12/13/10			85,079.06	37,169.81	47,909 25
WIPRO LIMITED SPON ADR	3499 0000	11/17/09	12/10/10			50,538.35	42,755 33	7,783.02
GRUPO MEXICO S A SER B	29326 0000	08/23/07	01/26/10			63,772 31	55,530.09	8,242.22
CHUO MITSUI TRST HOLD IN	25000 0000	11/19/08	01/22/10			93,372.50	84,395 00	8,977 50
ACER INC GDR REG S NEW	5266.0000	09/05/06	03/19/10			80,043 19	40,013.63	40,029.56
	1669.0000	02/07/07	03/19/10			25,368 81	14,873 32	10,495 49
	2003 0000	02/07/07	07/26/10			25,321 92	17,849 78	7,472 14
	1197 0000	04/30/07	07/26/10			15,132 48	11,100 37	4,032.11
	4006 0000	04/30/07	09/29/10			48,152 12	37,149 63	11,002.49
		Security Subtotal				*194,018.52*	*120,986.73*	*73,031.79*

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

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JFE HOLDINGS INC#5411	1000.0000	12/30/05	03/23/10			39,880.89	33,619.20	6,261.69
	1000.0000	02/13/06	03/23/10			39,880.90	34,237.00	5,643.90
		Security Subtotal				*79,761.79*	*67,856.20*	*11,905.59*
BENESSE HOLDINGS INC SHS	1800.0000	12/12/07	01/22/10			76,089.42	73,147.86	2,941.56
DASSAULT SYSTEMES SA	20.0000	11/19/08	01/26/10			1,176.13	755.51	420.62
CARSO GLOBAL TELECOM SA	2000.0000	10/09/07	03/22/10			9,898.00	9,746.00	152.00
	5000.0000	12/13/07	03/22/10			24,745.00	23,178.00	1,567.00
	9000.0000	12/13/07	12/31/10			46,175.88	41,720.40	4,455.48
		Security Subtotal				*80,818.88*	*74,644.40*	*6,174.48*
BANCO SANTANDER RG S	3150.0000	03/27/09	09/29/10			39,653.86	22,875.93	16,777.93
	3090.0000	03/27/09	12/13/10			34,009.74	22,440.20	11,569.54
		Security Subtotal				*73,663.60*	*45,316.13*	*28,347.47*
BP PLC	4150.0000	01/23/09	05/24/10			30,663.29	27,758.84	2,904.45
SMRT CORPORATION LTD SD	20000.0000	11/19/08	03/18/10			28,823.86	20,708.24	8,115.62
	9000.0000	11/19/08	05/25/10			13,297.05	9,318.71	3,978.34
	20000.0000	11/19/08	05/25/10			29,549.03	20,708.24	8,840.79
		Security Subtotal				*71,669.94*	*50,735.19*	*20,934.75*
		Long Term Capital Gains Subtotal				2,804,467.07	2,143,466.07	661,001.00
LONG TERM CAPITAL LOSSES								
ALCON INC	300.0000	08/25/08	03/18/10			48,783.70	51,364.05	(2,580.35)
KEPPEL LTD SPONS ADR	860.0000	04/30/07	07/26/10			11,093.82	12,190.50	(1,096.68)
	3340.0000	04/30/07	09/28/10			45,440.93	47,344.50	(1,903.57)
		Security Subtotal				*56,534.75*	*59,535.00*	*(3,000.25)*
MOBILE TELESYS OJSC ADR	450.0000	11/17/09	12/10/10			8,994.08	9,535.43	(541.35)
ROYAL BANK CANADA PV$1	400.0000	04/30/07	07/26/10			20,091.26	20,990.16	(898.90)
	400.0000	12/12/07	07/26/10			20,091.27	20,824.30	(733.03)
	1300.0000	12/12/07	09/29/10			67,162.55	67,678.96	(516.41)
		Security Subtotal				*107,345.08*	*109,493.42*	*(2,148.34)*
SILICONWARE PRECSN SPADR	1192.0000	08/23/07	03/18/10			7,301.98	11,963.91	(4,661.93)
	6565.0000	12/12/07	03/18/10			40,216.03	61,779.25	(21,563.22)
		Security Subtotal				*47,518.01*	*73,743.16*	*(26,225.15)*

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

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TECK RESOURCES LTD CLS B	740 0000	04/30/07	01/22/10			27,132.48	28,504 91	(1,372 43)
	260 0000	04/30/07	05/24/10			8,160.61	10,015.24	(1,854 63)
	1500.0000	08/23/07	05/24/10			47,080 50	63,088 80	(16,008.30)
	900.0000	08/22/08	05/24/10			28,248.31	36,456.03	(8,207.72)
		Security Subtotal				*110,621.90*	*138,064.98*	*(27,443.08)*
TELENORTE LES PART SPADR	1600 0000	07/16/07	01/25/10			28,865 07	35,205 77	(6,340.70)
USIMINAS SP ADR REG S	1400 0000	07/16/07	05/24/10			34,572 42	38,039 21	(3,466 79)
SHINSEI BANK 8303	40000.0000	08/22/08	07/27/10			29,976 00	128,028 00	(98,052 00)
SES SA	2240.0000	02/13/08	01/26/10			49,310 46	52,973 76	(3,663 30)
BUNZL PLC	3950.0000	08/22/08	01/26/10			39,851.55	48,940.90	(9,089.35)
ROY DUT SHELL PLC A LON	560 0000	08/24/07	09/29/10			16,851.09	21,045 12	(4,194.03)
	3580.0000	12/12/07	09/29/10			107,726.68	145,850.63	(38,123.95)
		Security Subtotal				*124,577.77*	*166,895.75*	*(42,317 98)*
NAMCO BANDAI HOLDINGS	4400 0000	06/06/08	03/23/10			42,873 16	54,606.20	(11,733 04)
HOME RETAIL GROUP	16000 0000	07/24/09	09/29/10			52,154 88	80,847 02	(28,692 14)
ARCELOR SA, LUXEMBOURG	1050.0000	08/24/07	09/29/10			35,056.80	62,864 03	(27,807.23)
MIZUHO SECURITIES	15000.0000	07/24/09	07/27/10			34,065.00	45,238.50	(11,173 50)
KDDI CORPORATION 9433	16 0000	10/09/07	07/27/10			78,607.85	122,278 20	(43,670 35)
VERBUND AGH SHS	1240.0000	11/19/08	09/29/10			43,949 57	53,607 81	(9,658.24)
SALZGITTER AG	500 0000	06/13/07	01/26/10			47,414.15	92,417 42	(45,003 27)
ASTRAZENECA PLC SHS FN	1410.0000	11/19/08	05/24/10			57,872 51	58,567 39	(694 88)
SANKYO CO LTD 6417	800 0000	02/13/06	07/27/10			38,862 40	49,913 13	(11,050 73)
	800 0000	02/07/07	07/27/10			38,862.40	39,773 52	(911.12)
		Security Subtotal				*77,724.80*	*89,686.65*	*(11,961.85)*
TNT NV	932 0000	02/07/07	09/29/10			25,204 40	41,096 67	(15,892 27)
	1398 0000	05/02/07	09/29/10			37,806.60	62,449.75	(24,643.15)
		Security Subtotal				*63,011 00*	*103,546.42*	*(40,535.42)*
NATIONAL BANK OF GREECE	1458.0000	12/12/07	05/24/10			18,914 43	94,842.57	(75,928 14)
	530.0000	02/13/08	05/24/10			6,875.61	28,984 36	(22,108.75)
	2132 0000	03/26/08	05/24/10			27,658.16	105,709.24	(78,051.08)
		Security Subtotal				*53,448.20*	*229,536.17*	*(176,087.97)*

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
QANTAS AIRWAYS LIMITED	13090 0000	06/13/07	03/22/10			34,291.04	62,944.69	(28,653.65)
	14000 0000	07/16/07	03/22/10			36,674.92	70,234.64	(33,559.72)
		Security Subtotal				***70,965.96***	***133,179 33***	***(62,213.37)***
NEDBANK GROUP LTD FN	2910 0000	05/02/07	09/29/10			61,710.20	63,691.28	(1,981.08)
ABC-MART, INC. 2670	1100.0000	01/23/09	03/23/10			37,119 50	37,692.38	(572.88)
NIPPON MINING HLD #5016	9000.0000	02/26/07	01/22/10			39,553.20	75,968 10	(36,414.90)
	5000.0000	04/18/07	01/22/10			21,973 99	42,250 00	(20,276 01)
	10000 0000	05/01/07	01/22/10			43,948.01	81,011.00	(37,062.99)
		Security Subtotal				***105,475.20***	***199,229.10***	***(93,753.90)***
JFE HOLDINGS INC#5411	600 0000	02/07/07	03/23/10			23,928 54	34,327 14	(10,398 60)
	700.0000	05/01/07	03/23/10			27,916 64	38,840.06	(10,923.42)
	200 0000	05/01/07	12/14/10			6,593 20	11,097.16	(4,503 96)
	900 0000	09/24/09	12/14/10			29,669 40	33,955.11	(4,285.71)
		Security Subtotal				***88,107 78***	***118,219.47***	***(30,111.69)***
DIAGEO	2500 0000	03/25/08	01/26/10			43,239 24	52,009 25	(8,770 01)
VIVENDI SA	1370 0000	08/22/08	01/26/10			38,412 33	51,814 64	(13,402.31)
KAGOSHIMA BANK 8390	3000 0000	11/19/08	01/22/10			22,128 60	22,307 10	(178.50)
DEUTSCHE BK REGD NPV	990 0000	04/18/07	09/29/10			54,201 34	147,510.00	(93,308 66)
	600 0000	05/02/07	09/29/10			32,849 30	92,526 20	(59,676.90)
	630 0000	07/24/09	09/29/10			34,491.76	45,756.08	(11,264.32)
		Security Subtotal				***121,542.40***	***285,792.28***	***(164,249.88)***
PHILIPS ELECTRONIC (NL)	1000.0000	02/07/07	12/13/10			29,871.80	38,368 57	(8,496 77)
	250 0000	05/02/07	12/13/10			7,467 96	10,297.46	(2,829.50)
		Security Subtotal				***37,339.76***	***48,666.03***	***(11,326 27)***
NIPPON STEEL CORP 5401	17000 0000	05/01/07	12/14/10			59,277.30	111,826.00	(52,548 70)
NIPPON OIL CORP 5001	13000 0000	05/01/07	01/22/10			61,791 60	101,288.20	(39,496 60)
SHISEIDO 4911	2000 0000	06/06/08	07/27/10			45,580 40	47,587 60	(2,007.20)
	2000.0000	06/06/08	12/15/10			42,862.60	47,587.60	(4,725.00)
		Security Subtotal				***88,443.00***	***95,175.20***	***(6,732.20)***
TOYOTA MOTOR CORP 7203	1000 0000	02/13/06	12/15/10			38,797 89	52,118.40	(13,320 51)
	600 0000	02/19/07	12/15/10			23,278 74	40,947 90	(17,669.16)
	100 0000	05/01/07	12/15/10			3,879.80	6,167 88	(2,288.08)
		Security Subtotal				***65,956 43***	***99,234 18***	***(33,277.75)***

Merrill Lynch
Bank of America Corporation

Account No.
16H-95321

Taxpayer No.
59-2714390

THE HIRAIR & ANNA HOVNANIAN

2010 ANNUAL STATEMENT SUMMARY

2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
UBE INDUSTRIES LTD 4208	17000 0000	06/06/08	03/23/10			45,308.40	65,040.30	(19,731.90)
		Long Term Capital Losses Subtotal				2,219,946.41	3,390,179.98	(1,170,233.57)
NET LONG TERM CAPITAL GAIN (LOSS)								**(509,232.57)**
OTHER TRANSACTIONS								
ROYAL PHILIPS ELECIR EUR	2300 0000	04/01/10	05/07/10			0.00	N/A	N/A
TNT NV RIGHIS	3085.0000	04/15/10	04/28/10			0 00	N/A	N/A
CORIO NV RIGHTS EUR	800 0000	04/30/10	05/25/10			0 00	N/A	N/A
SCOR SE DROITS EUR	9440.0000	05/12/10	06/18/10			0.00	N/A	N/A
VINCI SA DROITS D'OPIION	3090 0000	05/14/10	06/21/10			0 00	N/A	N/A
BNP PARIBAS DROITS EUR	3770.0000	05/21/10	06/24/10			0 00	N/A	N/A
TNT N V EUR	4655.0000	08/06/10	08/18/10			0.00	N/A	N/A
DEUTSCHE BANK AG EUR	5430 0000	09/22/10	09/27/10		S/T GAIN	29,819 39	0.00	29819.39
CHUNGHWA TELECOM CO LTD		02/25/10	02/25/10		S/T GAIN	6.77	0.00	6.77
DULUXGROUP LTD	3530 0000	07/19/10	07/27/10		S/T GAIN	7,624 27	0.00	7624.27
WIPRO LIMITED SPON ADR	1.0000	06/28/10	12/10/10		S/T GAIN	14 45	0.00	14.45
GRUPO MEXICO S.A SER B	747 0000	08/26/08	01/26/10		L/T GAIN	1,624 42	0.00	1624.42
ACER INC GDR REG S NEW	245 0000	09/26/06	03/19/10		L/T GAIN	3,724.00	0.00	3724.00
	7.0000	09/01/10	09/29/10		S/T GAIN	84.14	0.00	84.14
		Security Subtotal				*3,808 14*		
JFE HOLDINGS INC#5411	1100.0000	12/15/10	12/15/10		S/T GAIN	36,262 60		36262.20
BANCO SANTANDER RG S	68 0000	11/18/09	12/13/10		LT GAIN	748 44		748.44
NIPPON STEEL CORP 5401	17000.0000	12/15/10	12/15/10		S/T GAIN	59,277.30		59277.30
		Other Transactions Subtotal				139,185.78		
TOTAL CAPITAL GAINS AND LOSSES						**6,678,746.53**	**7,122,018.85**	**(582,458.10)**
TOTAL REPORTABLE GROSS PROCEEDS						**6,592,323.67**		
DIFFERENCE					S/T LOSS	**86,422.86 ****		

Form **8868**
(Rev. January 2011)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (e-file) You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions) For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print

File by the due date for filing your return See instructions

Name of exempt organization: THE HIRAIR AND ANNA HOVNANIAN FOUNDATION INC.

Employer identification number: 59-2714390

Number, street, and room or suite no If a P O box, see instructions: 4000 ROUTE 66

City, town or post office, state, and ZIP code. For a foreign address, see instructions: TINTON FALLS, NJ 07753

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-T (corporation)	07
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

- The books are in the care of ▶ FOUNDATION 4000 ROUTE 66 - TINTON FALLS, NJ 07753

Telephone No ▶ 732-922-6100 FAX No ▶

- 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.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2011, to file the exempt organization return for the organization named above The extension is for the organization's return for.

▶ ☒ calendar year 2010 or

▶ ☐ tax year beginning ____, and ending ____

2 If the tax year entered in line 1 is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	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.	3a	$ 41,584.
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	3b	$ 16,584.
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	$ 25,000.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

LHA **For Paperwork Reduction Act Notice, see Instructions**

023841
01-03-11

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ ☒

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 HIRAIR AND ANNA HOVNANIAN FOUNDATION INC.

Employer identification number: 59-2714390

Number, street, and room or suite no If a P O box, see instructions: 4000 ROUTE 66

City, town or post office, state, and ZIP code For a foreign address, see instructions: TINTON FALLS, NJ 07753

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 books are in the care of ▶ FOUNDATION 4000 ROUTE 66 - TINTON FALLS, NJ 07753

Telephone No. ▶ 732-922-6100 FAX No ▶

- 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

TAXPAYER RESPECTFULLY REQUESTS ADDITIONAL TIME TO GATHER INFORMATION NECESSARY 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	$ 41,584.
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	$ 41,584.
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 ▶ Date ▶

Form **8868** (Rev 1-2011)

023842
01-24-11