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** October 1 **, 2010, and ending** September 30 **, 20** 11

**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<br>Community Finance Corporation | **A** Employer identification number<br>86-0683138 |
| Number and street (or P O box number if mail is not delivered to street address)<br>335 N Wilmot Rd. — Room/suite 420 | **B** Telephone number (see page 10 of the instructions)<br>520-623-3377 |
| City or town, state, and ZIP code<br>Tucson, Arizona 85711 | **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

**I** Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶ $ 961,499,893

**J** Accounting method: ☐ Cash ☑ Accrual
☐ Other (specify) ____________
*(Part I, column (d) must be on cash basis.)*

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

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

**Part I** **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)*

| | | | (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 (attach schedule) | | | | |
| | 2 | Check ▶ ☐ if the foundation is **not** required to attach Sch. B | | | | |
| | 3 | Interest on savings and temporary cash investments | 990 | 990 | 990 | |
| | 4 | Dividends and interest from securities | 1,768,979 | 1,768,979 | 1,768,979 | |
| | 5a | Gross rents | 121,040,020 | 121,040,020 | 121,040,020 | |
| | b | Net rental income or (loss) | | | | |
| | 6a | Net gain or (loss) from sale of assets not on line 10 | | | | |
| | b | Gross sales price for all assets on line 6a | | | | |
| | 7 | Capital gain net income (from Part IV, line 2) | | | | |
| | 8 | Net short-term capital gain | | | | |
| | 9 | Income modifications | | | | |
| | 10a | Gross sales less returns and allowances | | | | |
| | b | Less: Cost of goods sold | | | | |
| | c | Gross profit or (loss) (attach schedule) | | | | |
| | 11 | Other income (attach schedule) Sch, #1a | 1,236,765 | 7,994,354 | 1,236,765 | |
| | 12 | **Total.** Add lines 1 through 11 | 124,046,754 | 130,804,343 | 124,046,754 | |
| Operating and Administrative Expenses | 13 | Compensation of officers, directors, trustees, etc. | | | | |
| | 14 | Other employee salaries and wages | | | | |
| | 15 | Pension plans, employee benefits | | | | |
| | 16a | Legal fees (attach schedule) | | | | |
| | b | Accounting fees (attach schedule) Sch, #2 | 33,300 | 33,300 | 33,300 | |
| | c | Other professional fees (attach schedule) Sch, #3 | 75,405,818 | 75,405,818 | 75,405,818 | |
| | 17 | Interest | 42,523,600 | 42,523,600 | 42,523,600 | |
| | 18 | Taxes (attach schedule) (see page 14 of the instructions) | | | | |
| | 19 | Depreciation (attach schedule) and depletion Sch, #6 | 4,911,717 | 4,911,717 | 4,911,717 | |
| | 20 | Occupancy | | | | |
| | 21 | Travel, conferences, and meetings | | | | |
| | 22 | Printing and publications | | | | |
| | 23 | Other expenses (attach schedule) Sch, #4 | 7,574,998 | 7,574,998 | 7,574,998 | |
| | 24 | **Total operating and administrative expenses.** Add lines 13 through 23 | 130,449,433 | 130,449,433 | 130,449,443 | |
| | 25 | Contributions, gifts, grants paid | 363,250 | | | 363,250 |
| | 26 | **Total expenses and disbursements.** Add lines 24 and 25 | 130,812,683 | 130,449,433 | 130,449,443 | 363,250 |
| | 27 | Subtract line 26 from line 12: | | | | |
| | a | **Excess of revenue over expenses and disbursements** | (6,765,929) | | | |
| | b | **Net investment income** (if negative, enter -0-) | | 354,910 | | |
| | c | **Adjusted net income** (if negative, enter -0-) | | | 0 | |

**For Paperwork Reduction Act Notice, see page 30 of the instructions.** Cat No 11289X Form **990-PF** (2010)

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## Part II Balance Sheets

| | | Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.) | Beginning of year (a) Book Value | End of year (b) Book Value | End of year (c) Fair Market Value |
|---|---|---|---|---|---|
| Assets | 1 | Cash—non-interest-bearing | 790,148 | 794,379 | 794,379 |
| | 2 | Savings and temporary cash investments | 55,093,118 | 56,793,859 | 56,793,859 |
| | 3 | Accounts receivable ▶ 203,482 | | | |
| | | Less: allowance for doubtful accounts ▶ 0 | 197,449 | 203,482 | 203,482 |
| | 4 | Pledges receivable ▶ | | | |
| | | Less: allowance for doubtful accounts ▶ | | | |
| | 5 | Grants receivable | | | |
| | 6 | Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions) | | | |
| | 7 | Other notes and loans receivable (attach schedule) ▶ | | | |
| | | Less allowance for doubtful accounts ▶ | | | |
| | 8 | Inventories for sale or use | | | |
| | 9 | Prepaid expenses and deferred charges | 223,242 | 46,731 | 46,731 |
| | 10a | Investments—U.S. and state government obligations (attach schedule) | | | |
| | b | Investments—corporate stock (attach schedule) | | | |
| | c | Investments—corporate bonds (attach schedule) | | | |
| | 11 | Investments—land, buildings, and equipment. basis ▶ | | | |
| | | Less: accumulated depreciation (attach schedule) ▶ | | | |
| | 12 | Investments—mortgage loans | | | |
| | 13 | Investments—other (attach schedule) Sch. #5 | 778,168,934 | 759,945,969 | 759,945,969 |
| | 14 | Land, buildings, and equipment basis ▶ Sch. #6 124,336,414 | | | |
| | | Less: accumulated depreciation (attach schedule) ▶ 13,153,248 | 116,121,870 | 111,183,166 | 111,183,166 |
| | 15 | Other assets (describe ▶ Schedule #7 ) | 44,172,978 | 32,532,307 | 32,532,307 |
| | 16 | **Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I) | 994,767,739 | 961,499,893 | 961,499,893 |
| Liabilities | 17 | Accounts payable and accrued expenses | 44,393,906 | 28,301,659 | |
| | 18 | Grants payable | | | |
| | 19 | Deferred revenue | 2,428,228 | 2,554,133 | |
| | 20 | Loans from officers, directors, trustees, and other disqualified persons | | | |
| | 21 | Mortgages and other notes payable (attach schedule) Sch #8 | 961,725,333 | 951,189,758 | |
| | 22 | Other liabilities (describe ▶ ) | | | |
| | 23 | **Total liabilities** (add lines 17 through 22) | 1,008,547,467 | 982,045,550 | |
| 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 | (13,779,728) | (20,545,657) | |
| | 25 | Temporarily restricted | | | |
| | 26 | Permanently restricted | | | |
| | | **Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.** | | | |
| | 27 | Capital stock, trust principal, or current funds | | | |
| | 28 | Paid-in or capital surplus, or land, bldg., and equipment fund | | | |
| | 29 | Retained earnings, accumulated income, endowment, or other funds | | | |
| | 30 | **Total net assets or fund balances** (see page 17 of the instructions) | (13,779,728) | (20,545,657) | |
| | 31 | **Total liabilities and net assets/fund balances** (see page 17 of the instructions) | 994,767,739 | 961,499,893 | |

## 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 | (13,779,728) |
| 2 | Enter amount from Part I, line 27a | 2 | (6,765,929) |
| 3 | Other increases not included in line 2 (itemize) ▶ Unrealized gain on investments Sch. #1b | 3 | 1,342,741 |
| 4 | Add lines 1, 2, and 3 | 4 | (19,202,916) |
| 5 | Decreases not included in line 2 (itemize) ▶ Adj. to gross rents for unrealized gain on investments Sch #1b | 5 | (1,342,741) |
| 6 | Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 | 6 | (20,545,657) |

COMMUNITY FINANCE CORPORATION #86-0683138

## Part IV Capital Gains and Losses for Tax on Investment Income NA

| | (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 | | | | |
| 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 | | | | |

| | Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 | | | (l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h)) |
|---|---|---|---|---|
| | (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 | | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |

| | | | |
|---|---|---|---|
| 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 | |
| 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) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 . . . . . . . . . . . . . . . . . . | 3 | |

## 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 page 18 of the 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 | 171,752 | 743,139 | .23111692 |
| 2008 | 97,528 | 650,485 | .14993121 |
| 2007 | 43,541 | 399,647 | .10894865 |
| 2006 | 26,673 | 277,265 | .09620039 |
| 2005 | 24,401 | 220,652 | .11058590 |

| | | | |
|---|---|---|---|
| 2 | **Total** of line 1, column (d) . . . . . . . . . . . . . . . . . . . . . . . | 2 | .69678307 |
| 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 | .13935661 |
| 4 | Enter the net value of noncharitable-use assets for 2010 from Part X, line 5 . . . . . . | 4 | 751,264 |
| 5 | Multiply line 4 by line 3 . . . . . . . . . . . . . . . . . . . . . . | 5 | 104,694 |
| 6 | Enter 1% of net investment income (1% of Part I, line 27b) . . . . . . . . . . . | 6 | 3,549 |
| 7 | Add lines 5 and 6 . . . . . . . . . . . . . . . . . . . . . . . . | 7 | 108,243 |
| 8 | Enter qualifying distributions from Part XII, line 4 . . . . . . . . . . . . . . . . | 8 | 363,250 |

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 on page 18.

## Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

| | | | | | |
|---|---|---|---|---|---|
| 1a | Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1.<br>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 | 3,549 |
| 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 | 3,549 |
| 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 | 3,549 |
| 6 | Credits/Payments: | | | | |
| a | 2010 estimated tax payments and 2009 overpayment credited to 2010 | 6a | 3,248 | | |
| b | Exempt foreign organizations—tax withheld at source | 6b | | | |
| c | Tax paid with application for extension of time to file (Form 8868) | 6c | 301 | | |
| d | Backup withholding erroneously withheld | 6d | | | |
| 7 | Total credits and payments. Add lines 6a through 6d | | | 7 | 3,549 |
| 8 | Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached | | | 8 | |
| 9 | **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶ | | | 9 | 0 |
| 10 | **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶ | | | 10 | |
| 11 | Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ | | **Refunded** ▶ | 11 | |

## Part VII-A Statements Regarding Activities

| | | | 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 | | ✓ |
| b | Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? | 1b | | ✓ |
| | *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 | | ✓ |
| d | Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:<br>**(1)** On the foundation. ▶ $ ________ **(2)** On foundation managers. ▶ $ ________ | | | |
| e | Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ________ | | | |
| 2 | Has the foundation engaged in any activities that have not previously been reported to the IRS?<br>*If "Yes," attach a detailed description of the activities.* | 2 | | ✓ |
| 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 | | ✓ |
| 4a | Did the foundation have unrelated business gross income of $1,000 or more during the year? | 4a | ✓ | |
| b | If "Yes," has it filed a tax return on **Form 990-T** for this year? | 4b | ✓ | |
| 5 | Was there a liquidation, termination, dissolution, or substantial contraction during the year?<br>*If "Yes," attach the statement required by General Instruction T.* | 5 | | ✓ |
| 6 | Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:<br>• By language in the governing instrument, or<br>• 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 | ✓ | |
| 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 | ✓ | |
| 8a | Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ Arizona | | | |
| 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 | ✓ | |
| 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 on page 27)? *If "Yes," complete Part XIV* | 9 | | ✓ |
| 10 | Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses* | 10 | | ✓ |

## 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 page 20 of the instructions) | 11 | | ✓ |
| 12 | Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? | 12 | | ✓ |
| 13 | Did the foundation comply with the public inspection requirements for its annual returns and exemption application? | 13 | ✓ | |

Website address ▶

14 The books are in care of ▶ Corporation Telephone no. ▶ 520-623-3377

Located at ▶ 335 N. Wilmot Rd. Ste. #420 Tucson, Arizona ZIP+4 ▶ 85711

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

| | | | 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 | | ✓ |
| | 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 ▶ | | | |

## 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)? | 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 | | ✓ |
| 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<br>If "Yes," list the years ▶ 20 , 20 , 20 , 20 | | | |
| 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 page 22 of the instructions.) | 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.<br>▶ 20 , 20 , 20 , 20 | | | |
| 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.)* | 3b | | ✓ |
| 4a | Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | 4a | | ✓ |
| b | Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010? | 4b | | ✓ |

## 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)? (see page 22 of the instructions) . . ☐ 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 page 22 of the instructions)? **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? . . . . . . . . . . . ☐ 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** ✓

*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? . **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 (see page 22 of the instructions).**

| (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 Schedule #9 | | | | |
| | | | | |
| | | | | |
| | | | | |

**2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). 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 . . . . . . . . . . . . . . . . . . . . . . ▶

Community Finance Corporation #86-0683138

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

**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

| (a) Name and address of each person paid more than $50,000 | (b) Type of service | (c) Compensation |
|---|---|---|
| GEO Group, Inc.<br>1819 Main Suite #1000 Sarasota, Florida 34236 | Facilitie Management Fees | 4,194,866 |
| GEO Group, Inc.<br>1819 Main Suite #1000 Sarasota, Florida 34236 | Facilitie Management Fees | 1,615,035 |
| North Marq Real Estate Services, LLC<br>1110 W. Washington #110 Phoenix, Arizona 85007 | Facilitie Management Fees | 273,098 |
| Business Development Finance Corporation<br>335 N. Wilmot Rd. Suite #420 Tucson, Arizona 85711 | Administrative Fees | 151,106 |
| CB Richard Ellis<br>150 N. 18th Avenue Suite #163 Phoenix, Arizona 85007 | Facilitie Management Fees | 84,230 |
| **Total** number of others receiving over $50,000 for professional services ▶ | | 0 |

## Part IX-A Summary of Direct Charitable Activities N/A

| 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 | |
| 2 | |
| 3 | |
| 4 | |

## Part IX-B Summary of Program-Related Investments (see page 24 of the instructions) N/A

| 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 page 24 of the instructions<br>3 | |
| **Total.** Add lines 1 through 3 ▶ | |

COMMUNITY FINANCE CORPORATION #86-0683138

## Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.) SCH. #10

| | | | |
|---|---|---|---|
| 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 | |
| b | Average of monthly cash balances | 1b | 762,705 |
| c | Fair market value of all other assets (see page 25 of the instructions) | 1c | |
| d | **Total** (add lines 1a, b, and c) | 1d | 762,705 |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e | | |
| 2 | Acquisition indebtedness applicable to line 1 assets | 2 | |
| 3 | Subtract line 2 from line 1d | 3 | 762,705 |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions) | 4 | 11,441 |
| 5 | **Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4 | 5 | 751,264 |
| 6 | **Minimum investment return.** Enter 5% of line 5 | 6 | 37,563 |

## Part XI Distributable Amount (see page 25 of the 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 | 37,563 |
| 2a | Tax on investment income for 2010 from Part VI, line 5 | 2a | 3,549 | | |
| b | Income tax for 2010. (This does not include the tax from Part VI.) | 2b | | | |
| c | Add lines 2a and 2b | | | 2c | 3,549 |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | | | 3 | 34,014 |
| 4 | Recoveries of amounts treated as qualifying distributions | | | 4 | |
| 5 | Add lines 3 and 4 | | | 5 | 34,014 |
| 6 | Deduction from distributable amount (see page 25 of the instructions) | | | 6 | |
| 7 | **Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 | | | 7 | 34,014 |

## Part XII Qualifying Distributions (see page 25 of the 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 | 363,250 |
| b | Program-related investments—total from Part IX-B | 1b | |
| 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 | 363,250 |
| 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 (see page 26 of the instructions) | 5 | 3,549 |
| 6 | **Adjusted qualifying distributions.** Subtract line 5 from line 4 | 6 | 359,701 |

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

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## Part XIII Undistributed Income (see page 26 of the instructions)

| | | (a)<br>Corpus | (b)<br>Years prior to 2009 | (c)<br>2009 | (d)<br>2010 |
|---|---|---|---|---|---|
| 1 Distributable amount for 2010 from Part XI, line 7 | | | | | 34,014 |
| 2 Undistributed income, if any, as of the end of 2010: | | | | | |
| a Enter amount for 2009 only | | | | | |
| b Total for prior years. 20____,20____,20____ | | | | | |
| 3 Excess distributions carryover, if any, to 2010: | | | | | |
| a From 2005 | 14,221 | | | | |
| b From 2006 | 16,146 | | | | |
| c From 2007 | 27,363 | | | | |
| d From 2008 | 69,948 | | | | |
| e From 2009 | 141,091 | | | | |
| f **Total** of lines 3a through e | | 268,769 | | | |
| 4 Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 363,250 | | | | | |
| a Applied to 2009, but not more than line 2a | | | | | |
| b Applied to undistributed income of prior years (Election required—see page 26 of the instructions) | | | | | |
| c Treated as distributions out of corpus (Election required—see page 26 of the instructions) | | | | | |
| d Applied to 2010 distributable amount | | | | | 34,014 |
| e Remaining amount distributed out of corpus | | 329,236 | | | |
| 5 Excess distributions carryover applied to 2010 *(If an amount appears in column (d), the same amount must be shown in column (a).)* | | | | | |
| 6 **Enter the net total of each column as indicated below:** | | | | | |
| a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 | | 598,005 | | | |
| b Prior years' undistributed income Subtract line 4b from line 2b | | | | | |
| 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 | | | | | |
| d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions | | | | | |
| e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions | | | | 0 | |
| f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011 | | | | | 0 |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions) | | | | | |
| 8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions) | | 14,221 | | | |
| 9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a | | 583,784 | | | |
| 10 Analysis of line 9: | | | | | |
| a Excess from 2006 | 16,146 | | | | |
| b Excess from 2007 | 27,363 | | | | |
| c Excess from 2008 | 69,948 | | | | |
| d Excess from 2009 | 141,091 | | | | |
| e Excess from 2010 | 329,236 | | | | |

COMMUNITY FINANCE CORPORATION #86-0683138

## Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) N/A

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling . . . . ▶

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

| | Tax year | Prior 3 years | | | (e) Total |
|---|---|---|---|---|---|
| | (a) 2010 | (b) 2009 | (c) 2008 | (d) 2007 | |
| 2a 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:<br>(1) Value of all assets . . . | | | | | |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i) . . | | | | | |
| b "Endowment" alternative test—enter ⅔ of minimum investment return shown in Part X, line 6 for each year listed . . . | | | | | |
| c "Support" alternative test—enter:<br>(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 page 28 of the instructions.)

**1 Information Regarding Foundation Managers:**

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

None

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

None

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

Check here ▶ ☑ 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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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

**Part XV** **Supplementary Information** (continued)

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

| Recipient<br>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* | | | | |
| United Way of Tucson and Southern Arizona<br>330 N. Commerce Park Loop<br>Tucson, AZ 85745 | N/A | 501(c)3 | See Schedule #11 | 50,000 |
| Microbusiness Advancement Center<br>330 N. Commerce Park Loop<br>Tucson, AZ 85745 | N/A | 501(c)3 | See Schedule #11 | 60,000 |
| University of Arizona Foundation/DAVINCHI Scholarship<br>1111 N. Cherry Avenue<br>Tucson, AZ 85721-0109 | N/A | 501(c)3 | See Schedule #11 | 25,000 |
| Community Foundation of Southern Arizona<br>2530 E. Broadway Blvd.<br>Tucson, AZ 85716 | N/A | 501(c)3 | See Schedule #11 | 75,000 |
| University of Arizona Foundation/Arizona Assurance<br>1111 N. Cherry Avenue<br>Tucson, AZ 85721-0109 | N/A | 501(c)3 | See Schedule #11 | 75,000 |
| See Schedule #11 | | | See Schedule #11 | 78,250 |
| **Total** . . . . . . . . . . ▶ 3a | | | | 363,250 |
| b *Approved for future payment* | | | | |
| N/A | | | | |
| **Total** . . . . . . . . . . ▶ 3b | | | | |

Community Finance Corporation #86-0683138

## 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 (See page 28 of the instructions.) |
|---|---|---|---|---|---|
| | (a) Business code | (b) Amount | (c) Exclusion code | (d) Amount | |
| 1 Program service revenue: | | | | | |
| a Administrative Fees | | | | | 512,748 |
| b Other Income | 531120 | 389,272 | 30 | 334,745 | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| f | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 2 Membership dues and assessments . . . . | | | | | |
| 3 Interest on savings and temporary cash investments | | | 14 | 990 | |
| 4 Dividends and interest from securities . . . . | | | 14 | 1,768,979 | |
| 5 Net rental income or (loss) from real estate: | | | | | |
| a Debt-financed property . . . . . . . . | | | 30 | 121,040,020 | |
| b Not debt-financed property . . . . . . . | | | | | |
| 6 Net rental income or (loss) from personal property | | | | | |
| 7 Other investment income . . . . . . . . . | | | | | |
| 8 Gain or (loss) from sales of assets other than inventory | | | | | |
| 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) . . . . | | 389,272 | | 123,144,734 | 512,748 |

13 **Total.** Add line 12, columns (b), (d), and (e) . . . . . . . . . . . . . . . . . . . 13 124,046,754

(See worksheet in line 13 instructions on page 29 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) (See page 29 of the instructions ) |
|---|---|
| 1a | Administrative fees are earned pursuant to the Organization's purpose of lessening the burdens of government and to finance the erection of public buildings. |
| 1b | Other income are sources earned in the rental of a college dormitory project in the Phoenix, Arizona area that is in the pursuit of the Organization's purpose of lessening the burdens of government and to finance the erection of public buildings. The amount in "unrelated business income" is rental income earned from retail renters and is reported on Form 990-T |

Community Finance Corporation #86-0683138

## 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) | | ✓ |
| | (2) Other assets | 1a(2) | | ✓ |
| b | Other transactions: | | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | | ✓ |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | | ✓ |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | | ✓ |
| | (4) Reimbursement arrangements | 1b(4) | | ✓ |
| | (5) Loans or loan guarantees | 1b(5) | | ✓ |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | ✓ | |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | | ✓ |

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 |
|---|---|---|---|
| 1b(6) | 151,106 | Business Development Finance Corporation | Management fees |

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 |
|---|---|---|
| | | |

**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

▶ X

Signature of officer or trustee

X 9 Aug 12

Date

▶ X President

Title

**Paid Preparer Use Only**

| Print/Type preparer's name | Preparer's signature | Date | Check ☑ if self-employed | PTIN |
|---|---|---|---|---|
| Ron Kovar | Ronald D. Kovar Jr. CPA | 7/31/12 | | P01218573 |

Firm's name ▶ Ronald D. Kovar Jr. CPA

Firm's EIN ▶

Firm's address ▶ 7838 E. Linden Ct. Tucson, AZ 85715

Phone no 520-722-3643

**Community Finance Corporation**
**Form 990-PF, Year End September 30, 2011**
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Schedule #1a, Page 1, Part I, Line 11, "Other Income":

| | Column a | Column b | Column c |
|---|---|---|---|
| Administrative Fees | 512,748 | 512,748 | 512,748 |
| Add back of loss from Project/Trust Funds | | 6,757,589 | |
| Other income | 724,017 | 724,017 | 724,017 |
| Other Income | 1,236,765 | 7,994,354 | 1,236,765 |

The loss from Project/Trust funds is used for the Corporation's charitable purposes, which is the purpose of lessening the burdens of government and to erect, finance the erection of, or maintain public buildings, monuments, or works. The loss from Project/Trust funds is added back in column b in other income in order to avoid distorting the amount of net investment income in Line 27b that is subject to excise tax on this return

Schedule #1b, Page 2, Part III, Lines 3 and 5, "Other Increases and Decreases not included"

| | |
|---|---|
| Unrealized gain on investments | 1,342,741 |

Unrealized gain on investments represents the increase in the market value of investments over the original cost of the investments This gain is used for the Corporation's charitable purposes and is offset by an decrease in lease income or gross rent, as the Corporation's non charitable purposes are not financially liable for market increases in these investments.

Schedule #2, Page 1, Part I, Line 16b, "Accounting Fees"

| | |
|---|---|
| Accounting fees | 33,300 |

Accounting fees represent charges for accounting writeup and preparation of the Form 990-PF for fiscal year ended September 30, 2010 and accounting support during the fiscal year ended September 30, 2011

Schedule #3, Page 1, Part I, Line 16c, "Other Professional Fees".

| | | |
|---|---|---|
| Legal, professional, and trustee fees | 1,223,340 | |
| Management fees | 151,106 | |
| Facilitie management fees and operating costs | 74,031,372 | Related to exempt activities |
| | 75,405,818 | |

Schedule #4, Page 1, Part I, Line 23, "Other Expenses":

| | |
|---|---|
| Amortization | 1,065,484 |
| Facilities expenses | 2,874,550 |
| Ground lease rent | 683,798 |
| Other expenses | 4,074 |
| Repairs and maintenance | 971,538 |
| Real estate taxes | 1,975,554 |
| | 7,574,998 |

Amortization represents costs associated with the issuance of notes payable.
These costs were incurred in December 2000, December 2001, July 2002, November 2002, December 2002, April 2004, February 2006, September 2007, February 2008, November 2008, and September 2009 and are being amortized on a straight line basis over a period of 26.75 years or 321 months, 26.83 years or 322 months, 19.92 years or 239 months, 29 75 years or 357 months, 19.83 years or 238 months, 11 17 years or 134 months, 19 67 years or 236 months, 34.75 years or 417 months, 31.58 years or 379 months, 16.46 years or 198 months, and 31 83 years or 382 months, respectively.

Schedule #4, Page 1, Part I, Line 23, "Other Expenses" (Continued):

| | |
|---|---|
| Amount amortized for note #1 | 3,540,359 |
| Amortization for fiscal 2011 | 160,925 |
| Total amortization at 9/30/11 | 965,552 |
| Amount amortized for note #2 | 734,274 |
| Amortization for fiscal 2011 | 27,365 |
| Total amortization at 9/30/11 | 269,085 |
| Amount amortized for note #3 | 1,150,303 |
| Amortization for fiscal 2011 | 57,746 |
| Total amortization at 9/30/11 | 529,340 |
| Amount amortized for note #5 | 667,702 |
| Amortization for fiscal 2011 | 22,444 |
| Total amortization at 9/30/11 | 200,124 |
| Amount amortized for note #7 | 1,135,589 |
| Amortization for fiscal 2011 | 57,266 |
| Total amortization at 9/30/11 | 501,079 |
| Amount amortized for note #12 | 3,971,695 |
| Amortization for fiscal 2011 | 201,916 |
| Total amortization at 9/30/11 | 1,144,192 |
| Amount amortized for note #14 | 7,051,313 |
| Amortization for fiscal 2011 | 201,466 |
| Total amortization at 9/30/11 | 856,231 |
| Amount amortized for note #18 | 2,353,394 |
| Amortization for fiscal 2011 | 74,522 |
| Total amortization at 9/30/11 | 273,246 |
| Amount amortized for note #19 | 4,309,784 |
| Amortization for fiscal 2011 | 261,834 |
| Total amortization at 9/30/11 | 752,772 |
| Amount amortized for note #20 | 3,424,955 |
| Amortization for fiscal 2011 | 107,602 |
| Total amortization at 9/30/11 | 224,170 |
| Amount amortized for all notes | 28,339,368 |
| Amortization for fiscal 2011 | 1,173,086 b |
| Total amortization at 9/30/11 | 5,715,791 |

b-1,065,484 of this 1,173,086 total is recognized as amortization expense in Schedule #4 above. The remaining balance of 107,602 represents amortization of note #20 (107,602), which is being capitalized for a project still in the construction stage rather than being expensed.

**Community Finance Corporation**
**Form 990-PF, Year End September 30, 2011**
**EI #86-0683138**

Schedule #5, Page 2, Part II, Line 13, "Investments-Other"

| | |
|---|---|
| Certificates of deposit | 38,589,221 |
| United States Treasury Note | 4,509,283 |
| Net investment in leases | 716,847,465 |
| | 759,945,969 |

Investments include certificates of deposit that mature ranging from deposit that mature ranging from September 11, 2013 to November 1, 2013 with interest rates ranging from variable to 3.75% The certificates of deposit have a cost basis of $37,575,524, resulting in an unrealized appreciation of $1,013,697 from their fair value of $38,589,221.

Investments also includes a United States Treasury Note that matures on December 31, 2011 with with an interest rate of 4.625% The United States Treasury Note has a cost basis of $4,499,335, resulting in an unrealized appreciation of $9,948 from its fair value of $4,509,283

Net investment in leases represents the difference between note payable and related obligations over the cash, investments, and other assets for this activity This difference represents the minimum lease payments required by the various local governments over the term of the leases for the real estate projects constructed/developed under these lease agreements. Fair value = the book/cost basis.

Schedule #6, Page 1, Part I, Line 19, "Depreciation" and Page 2, Part II, Line 14, "Land, Buildings, & Equipment"

| | |
|---|---|
| Land | 6,453,678 |
| Land improvements | 229,541 |
| Buildings | 107,358,612 |
| Furniture and equipment | 10,294,583 |
| Total cost/basis | 124,336,414 |
| Less accumulated depreciation | (13,153,248) |
| Property and equipment, net | 111,183,166 |

| | |
|---|---|
| Accumulated depreciation at 10/01/09 | 8,241,531 |
| Addition to accumulated depreciation | 4,911,717 |
| Accumulated depreciation at 09/30/10 | 13,153,248 |

Depreciation is based on the estimated useful lives of the assets using the straight-line method Estimated useful lives used for buildings are 30 years, for land improvements are 20 years, and for furniture and equipment is 5 years Depreciation expense for fiscal 2009 is $4,911,717 on a straight-line basis

Schedule #7, Page 2, Part II, Line 15, "Other Assets"

| | |
|---|---|
| Note issuance costs | 28,339,368 |
| Less accumulated amortization | (5,715,791) |
| Subtotal see Schedule #4 | 22,623,577 |
| Other receivable | 49,448 |
| Lease income receivable | 9,433,724 |
| Interest receivable | 425,558 |
| | 32,532,307 |

Schedule #8, Page 2, Part II, Line 21, "Mortgages and Other Notes Payable":

| | |
|---|---|
| Note payable #1 | 75,380,000 |
| Note payable #2 | 27,460,000 |
| Note payable #3 | 7,215,000 |
| Note payable #5 | 11,775,000 |
| Note payable #6 | 3,480,000 |
| Note payable #7 | 9,295,000 |
| Note payable #12 | 45,965,000 |
| Note payable #14 | 77,415,000 |
| Note payable #15 | 185,000 |
| Note payable #16 | 41,625,000 |
| Note payable #17 | 22,700,000 |
| Note payable #18 | 193,995,000 |
| Note payable #19 | 210,855,000 |
| Note payable #20 | 176,260,000 |
| Note payable #21 | 35,518,235 |
| Note payable #22 | 16,626,977 |
| Notes payable | 955,750,212 |
| Original (discount)/premium | (4,560,454) |
| Total notes payable | 951,189,758 |

Note payable #1 exists with the Industrial Development Authority of the City of Phoenix, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying lease with the State of Arizona for the real estate property constructed with the proceeds from this note payable This loan originated on December 14, 2000 and was refinanced on October 12, 2005 with a final maturity of September 2027 The interest rate ranges from 3 50% to 5 00%, depending on the maturity dates of various issues/installments associated with the note payable ranging from March 2006 to September 2027 Semi-annual payments range from $2,721,537 to $3,507,500 The original balance on the refinanced loan was $87,645,000, with $75,380,000 the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to construct/develop two buildings to be utilized by the local government the State of Arizona This note payable has no relationship with disqualified persons.

Note payable #2 exists with the Industrial Development Authority of the City of Phoenix, Arizona. It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying lease with the State of Arizona for the real estate property constructed with the proceeds from this note payable This loan originated on December 1, 2001 with a final maturity of September 2028 The interest rate ranges from 3 50% to 5.25%, depending on the maturity dates of various issues/installments associated with the note payable ranging from September 2004 to September 2028 Semi-annual payments range from $736,342 to $1,547,750. The original loan balance was $29,725,000, with $27,460,000 the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to construct/develop one building to be utilized by the local government the State of Arizona This note payable has no relationship with disqualified persons.

Note payable #3 exists with the Industrial Development Authority of the County of Maricopa, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying contract with the State of Arizona /GEO Group, Inc for the real estate property acquired with the proceeds from this note payable. This loan originated on July 31, 2002 with a final maturity of July 2022 The interest rate ranges from 4.10% to 5 375%, depending on the maturity dates of various issues/ installments associated with the note payable ranging from July 2004 to July 2022 Semi-annual payments range from $22,441 to $857,441. The original loan balance was $10,265,000, with $7,215,000 the outstanding balance at September 30, 2011. The purpose of the note payable was to have the necessary resources to purchase a secure private prison to be utilized by the local government the State of Arizona and to be managed by the publicly traded corporation GEO Group, Inc. This note payable has no relationship with disqualified persons

Schedule #8, Page 2, Part II, Line 21, "Mortgages and Other Notes Payable": (Continued)

Note payable #5 exists with the Industrial Development Authority of the City of Tucson, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying lease with the University of Arizona/Marshall Foundation for the real estate property constructed with the proceeds from this note payable This loan originated on November 5, 2002 with a final maturity of July 2032 The interest rate ranges from 3 00% to 5 00%, depending on the maturity dates of various issues/installments associated with the note payable ranging from July 2003 to July 2032. Semi-annual payments range from $448,259 to $1,365,000 The original loan balance was $13,440,000, with $11,775,000 the outstanding balance at September 30, 2011. The purpose of the note payable was to have the necessary resources to construct/develop a building to be utilized by the local government/university the University of Arizona and the charitable non-profit organization the Marshall Foundation This note payable has no relationship with disqualified persons

Note payable #6 exists with the Industrial Development Authority of the City of Tucson, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying lease with the University of Arizona/Marshall Foundation for the real estate property constructed with the proceeds from this note payable This loan originated on November 5, 2002 with a final maturity of July 2032. The interest rate ranges from 4 90% to 6 15%, depending on the maturity dates of various issues/installments associated with the note payable ranging from July 2003 to July 2032. Semi-annual payments range from $164,846 to $445,830 The original loan balance was $3,960,000, with $3,480,000 the outstanding balance at September 30, 2011. The purpose of the note payable was to have the necessary resources to construct/develop a building to be utilized by the local government/university the University of Arizona and the charitable non-profit organization the Marshall Foundation This note payable has no relationship with disqualified persons

Note payable #7 exists with the Industrial Development Authority of the County of Pinal, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying contract with the State of Arizona /GEO Group, Inc for the real estate property acquired with the proceeds from this note payable This loan originated on December 20, 2002 with a final maturity of October 2022 The interest rate ranges from 3 875% to 5.25%, depending on the maturity dates of various issues/ installments associated with the note payable ranging from April 2003 to October 2022. Semi-annual payments range from $26,381 to $1,031,381. The original loan balance was $12,840,000, with $9,295,000 the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to purchase a secure private prison to be utilized by the local government the State of Arizona and to be managed by the publicly traded corporation GEO Group, Inc This note payable has no relationship with disqualified persons.

Note payable #12 exists with the Industrial Development Authority of the County of Pinal, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying contract with the State of Arizona /GEO Group, Inc for the real estate property acquired with the proceeds from this note payable. This loan originated on February 10, 2006 with a final maturity of October 2025 The interest rate ranges from 4.50% to 5 25%, depending on the maturity dates of various issues/ installments associated with the note payable ranging from October 2008 to October 2025 Semi-annual payments range from $95,175 to $4,325,175. The original loan balance was $51,560,000, with $45,965,000 being the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to construct a secure private prison to be utilized by the local government the State of Arizona and to be managed by the publicly traded corporation GEO Group, Inc This note payable has no relationship with disqualified persons.

Schedule #8, Page 2, Part II, Line 21, "Mortgages and Other Notes Payable". (Continued)

Note payable #14 exists with the Industrial Development Authority of the City of Phoenix, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying leases with Arizona State University students and retailers, as well as the buildings and improvements and an interest in the ground lease for the real estate property acquired with the proceeds from this note payable This loan originated on September 19, 2007 with a final maturity of July 2042 The interest rate ranges from 4 00% to 5 00%, depending on the maturity dates of various issues/installments associated with the note payable ranging from July 2012 to July 2042 Semi-annual payments range from $995,619 to $23,768,013 The original loan balance was $77,415,000, which is also the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to acquire, develop, construct, and operate facilities to be utilized by Arizona State University students and retailers and to be managed by Capstone On-Campus Management LLC, when construction is completed This note payable has no relationship with disqualified persons.

Note payable #15 exists with the Industrial Development Authority of the City of Phoenix, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying leases with Arizona State University students and retailers, as well as the buildings and improvements and an interest in the ground lease for the real estate property acquired with the proceeds from this note payable This loan originated on September 19, 2007 with a final maturity of July 2012. The interest rate is 5.25%, with a final maturity of July 2012. Semi-annual payments range from $11,677 to $805,606. The original loan balance was $785,000, with $185,000 being the outstanding balance at September 30, 2011. The purpose of the note payable was to have the necessary resources to acquire, develop, construct, and operate facilities to be utilized by Arizona State University students and retailers and to be managed by Capstone On-Campus Management LLC, when construction is completed. This note payable has no relationship with disqualified persons

Note payable #16 exists with the Industrial Development Authority of the City of Phoenix, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying leases with Arizona State University students and retailers, as well as the buildings and improvements and an interest in the ground lease for the real estate property acquired with the proceeds from this note payable This loan originated on September 19, 2007 with a final maturity of July 2042 The interest rate ranges from 4 00% to 5 00%, depending on the maturity dates of various issues/installments associated with the note payable ranging from July 2012 to July 2042. Semi-annual payments range from $540,871 to $12,937,125. The original loan balance was $41,625,000, which is also the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to acquire, develop, construct, and operate facilities to be utilized by Arizona State University students and retailers and to be managed by Capstone On-Campus Management LLC, when construction is completed. This note payable has no relationship with disqualified persons

Schedule #8, Page 2, Part II, Line 21, "Mortgages and Other Notes Payable" (Continued)

Note payable #17 exists with the Industrial Development Authority of the City of Phoenix, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying leases with Arizona State University students and retailers, as well as the buildings and improvements and an interest in the ground lease for the real estate property acquired with the proceeds from this note payable. This loan originated on October, 2008 with a final maturity of July 2042 The interest rate is 7 95%, with a final maturity of July 2042. Annual payments range from $540,578 to $1,990,252. The total loan balance is $22,700,000, which is also the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to acquire, develop, construct, and operate facilities to be utilized by Arizona State University students and retailers and to be managed by Capstone On-Campus Management LLC, when construction is completed. This note payable has no relationship with disqualified persons This note payable is subordinate to Note payables #14, #15, and #16 and was issued in favor of the developer to pay a portion of the development fee.

Note payable #18 exists with the Industrial Development Authority of the County of Pima, Arizona. It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying lease with Clark County, Nevada for the real estate property constructed with the proceeds from this note payable. This loan originated on February 7, 2008 with a final maturity of September 2039. The interest rate ranges from 4 00% to 5.125%, depending on the maturity dates of various issues/installments associated with the note payable ranging from September 2010 to September 2039. Semi-annual payments range from $322,625 to $15,682,250 The original loan balance was $195,000,000, with $193,995,000 being the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to construct/develop a real estate project known as the Clark County Detention Facility to be utilized by the local government Clark County, Nevada. This note payable has no relationship with disqualified persons

Note payable #19 exists with the Industrial Development Authority of the County of Mohave, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying contract with the State of Arizona /Management & Training Corporation for the real estate property acquired with the proceeds from this note payable This loan originated on November 14, 2008 with a final maturity of May 2025. The interest rate ranges from 6 75% to 8.0%, depending on the maturity dates of various issues/ installments associated with the note payable ranging from May 2011 to May 2025. Semi-annual payments range from $1,771,400 to $46,056,400 The original loan balance was $218,425,000, with $210,855,000 being the outstanding balance at September 30, 2011. The purpose of the note payable was to have the necessary resources to construct a secure private prison to be utilized by the local government the State of Arizona and to be managed by the non-publicly traded corporation Management & Training Corporation This note payable has no relationship with disqualified persons

Schedule #8, Page 2, Part II, Line 21, "Mortgages and Other Notes Payable". (Continued)

Note payable #20 exists with the Industrial Development Authority of the County of Pima, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying lease with Clark County, Nevada and sublease with the Las Vegas Metropolitan Police Department for the real estate property constructed with the proceeds from this note payable This loan originated on September 2, 2009 with a final maturity of July 2041 The interest rate ranges from 3.0% to 6.0%, depending on the maturity dates of various issues/installments associated with the note payable ranging from July 2012 to September 2041. Semi-annual payments range from $312,938 to $11,550,875 The original loan balance was $176,260,000, which is also the outstanding balance at September 30, 2011. The purpose of the note payable was to have the necessary resources to construct/develop a real estate project known as the headquarters and administrative offices of the Las Vegas Metropolitan Police Department to be utilized by the local government Clark County, Nevada and the Las Vegas Metropolitan Police Department This note payable has no relationship with disqualified persons

Note payable #21 exists with the Industrial Development Authority of the County of Pima, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying lease with Clark County, Nevada and sublease with the Las Vegas Metropolitan Police Department for the real estate property constructed with the proceeds from this note payable This loan originated on September 2, 2009 with a final maturity of July 2041. The interest rate is fixed at 4 5%, with annual payments beginning July 2019 and ending July 2041 Annual payments range from $2,740,000 to $17,050,000. The total loan balance will increase to $88,146,642 as accrued interest is added to the note payable with a fixed interest rate at 4 5%, with $35,518,235 the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to construct/develop a real estate project known as the headquarters and administrative offices of the Las Vegas Metropolitan Police Department to be utilized by the local government Clark County, Nevada and the Las Vegas Metropolitan Police Department This note payable has no relationship with disqualified persons. This note payable is subordinate to Note payable #20 and was issued in favor of the developer to pay a portion of the development fee

Note payable #22 exists with the Industrial Development Authority of the County of Pima, Arizona It is a non-recourse loan that is secured by available investments from the proceeds of the note payable and the underlying lease with Clark County, Nevada and sublease with the Las Vegas Metropolitan Police Department for the real estate property constructed with the proceeds from this note payable This loan originated on September 2, 2009 with a final maturity of July 2041. The interest rate is fixed at 6.0%, with annual payments beginning July 2019 and ending July 2041 Annual payments range from $390,000 to $24,365,000 The total loan balance will increase to $88,423,450 as accrued interest is added to the note payable with a fixed interest rate at 6 0%, with $16,626,977 the outstanding balance at September 30, 2011 The purpose of the note payable was to have the necessary resources to construct/develop a real estate project known as the headquarters and administrative offices of the Las Vegas Metropolitan Police Department to be utilized by the local government Clark County, Nevada and the Las Vegas Metropolitan Police Department This note payable has no relationship with disqualified persons This note payable is subordinate to Note payable #20 and was issued in favor of the developer to pay a portion of the development fee.

**Community Finance Corporation**
**Form 990-PF, Year End September 30, 2011**
**EI #86-0683138**

Schedule #9, Page 6, Part VIII, Line 1, "Information about Directors, etc ":

| (a) Name and Address | (b) | (c) | (d) | (e) |
|---|---|---|---|---|
| Michael Hammond<br>335 N Wilmot Rd Ste #420 Tucson, AZ 85711 | President<br>6 hr per month | 0 | 0 | 0 |
| David Foust<br>335 N Wilmot Rd. Ste #420 Tucson, AZ 85711 | Vice-President<br>2 hr per month | 0 | 0 | 0 |
| Kendall Bert<br>335 N Wilmot Rd. Ste. #420 Tucson, AZ 85711 | Secretary<br>2 hr per month | 0 | 0 | 0 |
| Michael Arnold<br>335 N Wilmot Rd Ste #420 Tucson, AZ 85711 | Treasurer<br>2 hr per month | 0 | 0 | 0 |
| Kenneth Abrahams<br>335 N Wilmot Rd Ste #420 Tucson, AZ 85711 | Trustee-Director<br>2 hr per month | 0 | 0 | 0 |
| David Wohl<br>335 N. Wilmot Rd Ste #420 Tucson, AZ 85711 | Trustee-Director<br>2 hr per month | 0 | 0 | 0 |

(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

Schedule #10, Page 8, Part X, " Minimum Investment Return "

In performing the calculations required for Part X, the only assets available to make charitable distributions is the cash available in a checking accounts in the name of Community Finance Corporation or its underlying disregarded tax entities This represents the calculated average of monthly cash balances of $762,705 used in Part X (which also includes $794,379 in cash-non – interest bearing as of the end of year book value on Page 2, Part II line 1 on the Balance Sheet) All other assets on the balance sheet are not included in the calculations in Part X because they represent assets on deposit with trustee/fiscal agents that are permanently restricted and cannot be accessed by Community Finance Corporation based on the provisions of legal documents such as trust indentures, loan agreements, promissory notes, and management agreements These assets are on deposit with trustee/ fiscal agents and are the result of the issuance of publicly financed bond issues. The acceptance of notes payable proceeds from publicly financed bond issues results in the availability of assets on deposit with trustee/fiscal agents for the purpose of lessening the burdens of government and to erect, finance the erection of, or maintain public buildings, monuments, or works, which is the purpose of Community Finance Corporation's tax exempt status Finally, these assets are not included in the calculations in Part X because they meet the definition of "assets that are actually used or held for use by the organization for a charitable, educational, or other similar function that contributed to the charitable status of the foundation". By definition, the only assets included in Part X calculations are "only those assets that are not actually used or held for use by the organization for a charitable, educational, or other similar function that contributed to the charitable status of the foundation".

Schedule #11, Page 11, Part XV, " Supplementary Information", Question 3 "Grants and Contributions Paid During the Year":

It is the policy of the Community Finance Corporation to make charitable contributions to existing 501(c)(3) public entities that provide programs or services that have the primary purpose of the lessening of the burdens of government. More specifically, Community Finance Corporation will consider programs that will provide community social service or community economic development.

In fiscal 2011, Community Finance Corporation made a $50,000 donation to the United Way of Tucson and Southern Arizona for the purpose of funding an early childhood education program, which met the criteria of community social service.

In addition, in fiscal 2011, Community Finance Corporation made a $60,000 donation to the Microbusiness Advancement Center for the purpose of an unrestricted donation for economic development, which met the criteria of community economic development.

Also, in fiscal 2011, Community Finance Corporation made a $25,000 donation to the University of Arizona Foundation/DAVINCHI Scholarship Fund for the purpose of a scholarship program for engineering students, which met the criteria of community social service.

Also, in fiscal 2011, Community Finance Corporation made $75,000 in donations to the Community Foundation for Southern Arizona for the support of the Foundation's collaberation grants, which met the criteria of community social service.

Schedule #11, Page 11, Part XV, " Supplementary Information"; Question 3 "Grants and Contributions Paid During the Year" (Continued)

Also, in fiscal 2011, Community Finance Corporation made $75,000 in donations to the University of Arizona Foundation/Arizona Assurance for the purpose of funding an endowment scholarship fund to benefit low to moderate income students, which met the criteria of community social service

Also, in fiscal 2011, Community Finance Corporation made a $26,000 donation to the Pima Community College for the purchase of equipment for Pima Community College's occupational programs, which met the criteria of community social service

Also, in fiscal 2011, Community Finance Corporation made $26,000 in donations to Tucson Values Teachers Fund for the purpose of purchasing classroom supplies, which met the criteria of community social service

Also, in fiscal 2011, Community Finance Corporation made a $25,000 donation to Literacy Connects for the purpose of supporting literacy efforts of awareness building, advocacy and coordination, which met the criteria of community social service.

Also, in fiscal 2011, Community Finance Corporation made a $1,250 donation to the University of Arizona Medical Center-Foundation for the purpose of sponsoring the Diamond Childrens Gala, which met the criteria of community social service

All nine of these donations are intended to lessen/reduce the burdens of government

| (a) Name and Address | (b) | (c) | (d) | (e) |
|---|---|---|---|---|
| Pima Community College<br>District Finance Office<br>4905 E. Broadway Blvd<br>Tucson, AZ 85709-1265 | N/A | 501(c)3 | See above | 26,000 |
| Tucson Values Teachers<br>3497 N Campbell, Suite 703<br>Tucson, AZ 85719 | N/A | 501(c)3 | See above | 26,000 |
| Literacy Connects<br>2850 E Speedway Blvd.<br>Tucson, AZ 85716 | N/A | 501(c)3 | See above | 25,000 |
| University of Arizona Medical Center-Foundation<br>P O Box 245128<br>Tucson, AZ 85724-5128 | N/A | 501(c)3 | See above | 1,250 |
| | | | | 78,250 |

(b) - If recipeinet is an individual, show any relationship to any foundation manager or substantial contributor
(c) - Foundation status of recipient
(d) - Purpose of grant or contribution
(e) - Amount

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

# Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ **File a separate application for each return.**

- 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**<br>File by the due date for filing your return See instructions | Name of exempt organization<br>**Community Finance Corporation** | **Employer identification number**<br>**86-0683138** |
| | Number, street, and room or suite no If a P O. box, see instructions.<br>**C/O Ronald D. Kovar Jr. CPA 7838 E. Linden Ct.** | |
| | City, town or post office, state, and ZIP code. For a foreign address, see instructions<br>**Tucson, Arizona 85715** | |

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 ▶ **Ronald D. Kovar Jr. CPA**

Telephone No. ▶ **520-722-3643** 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 **May 15** , 20 **12** , to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ ☐ calendar year 20 ____ or
▶ ☑ tax year beginning **October 1** , 20 **10** , and ending **September 30** , 20 **11** .

**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** | $ 3,549 |
| **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** | $ 3,248 |
| **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** | $ 301 |

**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.

- 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: Community Finance Corporation

**Employer identification number**: 86-0683138

Number, street, and room or suite no If a P O box, see instructions.: C/O Ronald D. Kovar Jr. CPA 7838 E. Linden Ct.

City, town or post office, state, and ZIP code For a foreign address, see instructions: Tucson, Arizona 85715

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 ▶ Ronald D. Kovar Jr. CPA
  Telephone No. ▶ 520-722-3643 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 August 15 , 20 12 .

5 For calendar year ______ , or other tax year beginning October 1 , 20 10 , and ending September 30 , 20 11

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 All information to file a complete and accurate return is not available at this time. The taxpayer is in the process of obtaining the necessary information.

| | | | |
|---|---|---|---|
| 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 | $ 3,549 |
| 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 | $ 3,549 |
| 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 ▶ Ronald D. Kovar Jr. Title ▶ CPA Date ▶ 5/9/12