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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

2011

For calendar year 2011 or tax year beginning , and ending

Name of foundation: McFarlan Home

A Employer identification number: 38-1390531

Number and street (or P O box number if mail is not delivered to street address): 700 E Kearsley

Room/suite

B Telephone number (see instructions): 810-235-3077

City or town state and ZIP code: Flint MI 48503

C If exemption application is pending check here ▶

D 1 Foreign organizations check here ▶

2 Foreign organizations meeting the 85% test check here and attach computation ▶

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

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

G Check all that apply [ ] Initial return [ ] Initial return of a former public charity [ ] Final return [ ] Amended return [ ] Address change [ ] Name change

H Check type of organization [X] 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) ▶ $ 21,452,792

J Accounting method [X] Cash [ ] Accrual [ ] Other (specify) (Part I column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b) (c) and (d) may not necessarily equal the amounts in column (a) (see 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)	138,732			
	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	571,429	571,429	571,429	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	5,435,732			
	b	Gross sales price for all assets on line 6a 12,527,864				
	7	Capital gain net income (from Part IV line 2)		1,685		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns & allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) Stmt 2	1,650,726	26,789	1,650,726	
	12	Total Add lines 1 through 11	7,796,619	599,903	2,222,155	
Operating and Administrative Expenses	13	Compensation of officers directors trustees etc	67,821			
	14	Other employee salaries and wages	672,917			672,917
	15	Pension plans employee benefits	168,441			168,441
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) Stmt 3	3,388			3,388
	c	Other professional fees (attach schedule) Stmt 4	220,413	116,137	116,137	104,276
	17	Interest				
	18	Taxes (attach schedule) (see instructions) Stmt 5	51,730	2,509		49,221
	19	Depreciation (attach schedule) and depletion Stmt 6	210,462			
	20	Occupancy	334,126			334,126
	21	Travel conferences and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 7	471,985			489,375
	24	Total operating and administrative expenses Add lines 13 through 23	2,201,283	118,646	116,137	1,821,744
	25	Contributions gifts grants paid	132,000			132,000
	26	Total expenses and disbursements Add lines 24 and 25	2,333,283	118,646	116,137	1,953,744
	27	Subtract line 26 from line 12				
	a	Excess of revenue over expenses and disbursements	5,463,336			
	b	Net investment income (if negative enter -0-)		481,257		
	c	Adjusted net income (if negative, enter -0-)			2,106,018	

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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)

	Line	Description		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		39,973	159,911	159,911
	2	Savings and temporary cash investments		6,542,075	437,333	437,333
	3	Accounts receivable ▶	15,009			
		Less allowance for doubtful accounts ▶			15,009	15,009
	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 instructions)				
	7	Other notes and loans receivable (att schedule) ▶ See Wrk	362,321			
		Less allowance for doubtful accounts ▶	0	362,321	362,321	362,321
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments—U S and state government obligations (attach schedule)				
	b	Investments—corporate stock (attach schedule)	See Stmt 8	6,420,526	9,262,211	12,678,922
	c	Investments—corporate bonds (attach schedule)				
	11	Investments—land buildings and equipment basis ▶				
		Less accumulated depreciation (attach sch) ▶				
	12	Investments—mortgage loans				
	13	Investments—other (attach schedule)	See Statement 9	1,842,855	7,207,935	7,741,674
	14	Land buildings and equipment basis ▶	7,761,462			
		Less accumulated depreciation (attach sch) ▶ Stmt 10	2,414,333	2,124,135	5,347,129	
	15	Other assets (describe ▶ See Statement 11)			57,622	57,622
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1 item I)		17,331,885	22,849,471	21,452,792
Liabilities	17	Accounts payable and accrued expenses		1,716	55,966	
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers directors trustees and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	**Total liabilities** (add lines 17 through 22)		1,716	55,966	
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 ▶ [X] and complete lines 27 through 31				
	27	Capital stock trust principal or current funds		15,407,249	15,407,249	
	28	Paid-in or capital surplus or land bldg and equipment fund				
	29	Retained earnings accumulated income endowment or other funds		1,922,920	7,386,256	
	30	**Total net assets or fund balances** (see instructions)		17,330,169	22,793,505	
	31	**Total liabilities and net assets/fund balances** (see instructions)		17,331,885	22,849,471	

Part III Analysis of Changes in Net Assets or Fund Balances

	Description	Line	Amount
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	17,330,169
2	Enter amount from Part I line 27a	2	5,463,336
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1 2 and 3	4	22,793,505
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II column (b), line 30	6	22,793,505

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	Summit			
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	1,685			1,685
b				
c				
d				
e				

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				1,685
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	1,685
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 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

N/A

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 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))
2010			
2009			
2008			
2007			
2006			

2	Total of line 1 column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2011 from Part X line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I line 27b)	6	
7	Add lines 5 and 6	7	
8	Enter qualifying distributions from Part XII line 4	8	

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 ▶ X and enter N/A on line 1 Date of ruling or determination letter 12/18/86 (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 N/A			1	
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	
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	0
6	Credits/Payments				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a			
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c			
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	
8	Enter any **penalty** for underpayment of estimated tax Check here if Form 2220 is attached			8	
9	**Tax due** If the total of lines 5 and 8 is more than line 7 enter **amount owed** ▶			9	
10	**Overpayment** If line 7 is more than the total of lines 5 and 8 enter the **amount overpaid** ▶			10	
11	Enter the amount of line 10 to be **Credited to 2012 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		X
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		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 ▶ $ **(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?	2	X	
	If Yes attach a detailed description of the activities See Statement 12			
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?	5		X
	If Yes attach the statement required by General Instruction T			
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) ▶ MI			
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 2011 or the taxable year beginning in 2011 (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

Part VII-A Statements Regarding Activities (continued)

			Yes	No
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 make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If Yes attach statement (see instructions)	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 ▶ U S BANK INSTITUTIONAL CUSTODY Telephone no ▶ 513-632-4234
425 EAST WALNUT ST
Located at ▶ CINCINNATI OH ZIP+4 ▶ 45202

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 2011 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 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 X No			
	(2) Borrow money from lend money to or otherwise extend credit to (or accept it from) a disqualified person?	Yes X No			
	(3) Furnish goods services or facilities to (or accept them from) a disqualified person?	Yes X No			
	(4) Pay compensation to or pay or reimburse the expenses of a disqualified person?	Yes X 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 X 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 X 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 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 2011?	N/A	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 2011 did the foundation have any undistributed income (lines 6d and 6e Part XIII) for tax year(s) beginning before 2011?	Yes X No			
	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 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 ▶ 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?	X Yes No			
b	If Yes did it have excess business holdings in 2011 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 2011)		3b		X
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 2011?		4b		X

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

				Yes	No
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 X 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 X No			
	(3) Provide a grant to an individual for travel study or other similar purposes?	Yes X 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 instructions)	Yes X 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 X 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 X 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 X 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 (see 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 Statement 13				

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

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 OPERATION OF HOME FOR WOMEN	2,201,279
2 WHALEY HOUSE	42,000
3 VALLEY AREA AGENCY ON AGING	40,000
4 COURT STREET VILLAGE	25,000

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program related investments See instructions 3	
Total Add lines 1 through 3 ▶	

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	19,684,933
b	Average of monthly cash balances	1b	919,157
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a b and c)	1d	20,604,090
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	20,604,090
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount see instructions)	4	309,061
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3 Enter here and on Part V line 4	5	20,295,029
6	**Minimum investment return** Enter 5% of line 5	6	1,014,751

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ [X] and do not complete this part)

1	Minimum investment return from Part X line 6	1	
2a	Tax on investment income for 2011 from Part VI line 5 2a		
b	Income tax for 2011 (This does not include the tax from Part VI) 2b		
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see instructions)	6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII line 1	7	

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	1,953,744
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	3,433,458
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	5,387,202
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 instructions)	5	0
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	5,387,202

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 2010	(c) 2010	(d) 2011
1	Distributable amount for 2011 from Part XI line 7				
2	Undistributed income if any as of the end of 2011				
a	Enter amount for 2010 only				
b	Total for prior years 20____ 20____ 20____				
3	Excess distributions carryover if any to 2011				
a	From 2006				
b	From 2007				
c	From 2008				
d	From 2009				
e	From 2010				
f	Total of lines 3a through e				
4	Qualifying distributions for 2011 from Part XII line 4 ▶ $ 5,387,202				
a	Applied to 2010 but not more than line 2a				
b	Applied to undistributed income of prior years (Election required—see instructions)				
c	Treated as distributions out of corpus (Election required—see instructions)				
d	Applied to 2011 distributable amount				
e	Remaining amount distributed out of corpus	5,387,202			
5	Excess distributions carryover applied to 2011 (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	5,387,202			
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 instructions				
e	Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see instructions				
f	Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8	Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9	**Excess distributions carryover to 2012** Subtract lines 7 and 8 from line 6a				
10	Analysis of line 9				
a	Excess from 2007				
b	Excess from 2008				
c	Excess from 2009				
d	Excess from 2010				
e	Excess from 2011				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation and the ruling is effective for 2011 enter the date of the ruling ▶ 12/18/86

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

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	1,014,751	1,002,245	934,343	1,038,060	3,989,399
b 85% of line 2a	862,538	851,908	794,192	882,351	3,390,989
c Qualifying distributions from Part XII line 4 for each year listed	5,387,202	1,046,087	1,010,402	1,076,343	8,520,034
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	5,387,202	1,046,087	1,010,402	1,076,343	8,520,034
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	676,501	710,757	722,952	791,261	2,901,471
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 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))

N/A

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

N/A

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

Check here ▶ X 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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

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				
Valley Area Agency on Agı 711 N Saginaw St Flint MI 48503		501(C)(3)	Genl oper	40,000
Center of Gerontology 3919 Beecher Rd Flint MI 48532		501(c)(3)	Genl oper	10,000
Court Street Village 727 East St Flint MI 48503		501(c)(3)	Genl oper	25,000
Genesys Health Foundation One Genesys Parkway Grand Blanc MI 48439		501(c)(3)	Genl oper	5,000
Whaley Historical House 624 E Kearsley Flint MI 48503		501(c)(3)	Genl oper	42,000
Flint Cultural Center 1178 Longway Blvd Flint MI 48503		501(c)(3)	Genl oper	10,000
Total			▶ 3a	132,000
b Approved for future payment N/A				
Total			▶ 3b	

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 instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	571,429	
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			14	26,789	
8 Gain or (loss) from sales of assets other than inventory					5,435,732
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b Rent					1,604,966
c Laundry income					12,711
d Miscellaneous					6,260
e					
12 Subtotal Add columns (b) (d) and (e)		0		598,218	7,059,669

13 Total Add line 12 columns (b) (d) and (e) 13 7,657,887

(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) (See instructions)
11a	Rent from women in home
11b	Miscellaneous reimbursement for expenses

DAA

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 [X] 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) is based on all information of which preparer has any knowledge

May the IRS discuss this return with the preparer shown below (see instructions)? [ ] Yes No

Signature of officer or trustee: [signature] Date: 11-5-12 Title: Treasurer ~~President~~

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self employed
Jane M Johnson	[signature]	11/05/12	
Firm's name ▶ Yeo & Yeo, P C		PTIN	P00229032
Firm's address ▶ 4468 Oak Bridge Dr Flint, MI 48532-5422		Firm's EIN ▶	38-2706146
		Phone no	810-732-3000

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

Schedule of Contributors

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

OMB No 1545 0047

2011

Name of the organization	Employer identification number
McFarlan Home	38-1390531

Organization type (check one)

Filers of	Section
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**
Note Only a section 501(c)(7) (8) or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule

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

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor during the year a contribution of the greater of **(1)** $5 000 or **(2)** 2% of the amount on (i) Form 990 Part VIII line 1h or (ii) Form 990-EZ line 1 Complete Parts I and II

☐ For a section 501(c)(7) (8) or (10) organization filing Form 990 or 990 EZ that received from any one contributor during the year total contributions of more than $1 000 for use exclusively for religious charitable scientific literary or educational purposes or the prevention of cruelty to children or animals Complete Parts I II and III

☐ For a section 501(c)(7) (8) or (10) organization filing Form 990 or 990-EZ that received from any one contributor during the year contributions for use exclusively for religious charitable etc purposes but these contributions did not total to more than $1 000 If this box is checked enter here the total contributions that were received during the year for an exclusively religious charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious charitable, etc contributions of $5 000 or more during the year ▶ $

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

Name of organization	Employer identification number
McFarlan Home	38-1390531

Part I **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Court Street Village Non-Profit Hous 727 East St Flint MI 48503	$ 138,732	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description			How Received					
Whom Sold	Date Acquired	Date Sold		Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
See attached Summit statement	Various	Various	Purchase	$ 9,756,919	$ 4,354,317	$	$	$ 5,402,602
See attached Summit statement	Various	Various	Purchase	2,769,260	2,737,815			31,445
Total				$ 12,526,179	$ 7,092,132	$ 0	$ 0	$ 5,434,047

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Trust income	$ 26,789	$ 26,789	$ 26,789
Rent	1,604,966		1,604,966
Laundry income	12,711		12,711
Miscellaneous	6,260		6,260
Total	$ 1,650,726	$ 26,789	$ 1,650,726

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 3,388	$	$	$ 3,388
Total	$ 3,388	$ 0	$ 0	$ 3,388

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Investment management fees	$ 116,137	$ 116,137	$ 116,137	$
Payroll services	45,397			45,397
Consulting	7,500			7,500
Management fees	51,379			51,379
Total	$ 220,413	$ 116,137	$ 116,137	$ 104,276

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Real estate taxes	$ 48,944	$	$	$ 48,944
Licenses and permits	277			277
Foreign taxes	2,509	2,509		
Total	$ 51,730	$ 2,509	$ 0	$ 49,221

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation

Description							
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
BUILDING							
6/30/74	$ 664,376	$ 606,243	S/L	40	$ 16,610	$	$
ARCHITECT FEES							
6/30/75	2,760	2,512	S/L	39	71		
ELECTRICAL							
6/30/75	905	824	S/L	39	24		
SOUTH WING							
6/30/76	68,710	62,381	S/L	38	1,808		
SOUTH WING							
12/31/77	8,025	7,377	S/L	37	216		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
KITCHEN COOLING 12/19/80	$ 1,066	$ 1,066	S/L	10	$	$	$
KITCHEN AIR CONDITIONING 8/28/81	11,996	11,996	S/L	15			
WINDOW REPLACEMENT 10/02/89	5,781	5,781	S/L	10			
EXPANSION 7/01/91	544,929	265,653	S/L	40	13,623		
PORCH ENCLOSURE 1/23/90	3,800	3,800	S/L	10			
LANDSCAPING 7/27/92	3,512	3,512	S/L	5			
29 GFIC 12/24/93	843	843	S/L	5			
CHILLED WATER COIL 5/03/93	5,500	5,500	S/L	10			
FIRE ALARM/SMOKE DETECTOR 6/30/94	12,575	12,575	S/L	10			
REMODEL 2 ROOMS 10/01/94	2,597	2,597	S/L	10			
SANITARY DRAIN 12/14/94	2,232	2,232	S/L	10			
WROUGHT IRON RAIL 7/26/94	675	675	S/L	10			
REMODEL 2 ROOMS 4/11/95	11,029	11,029	S/L	10			
REMODEL SUITE 207 10/30/95	9,146	9,146	S/L	10			
BASEMENT PARTITION 6/27/95	928	928	S/L	10			
PORCH ENCLOSURE 11/27/95	1,500	1,500	S/L	10			
PORCH ENCLOSURE 1/08/96	3,960	3,960	S/L	10			

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
REMODELING 4 ROOMS T SUITES							
7/17/96	$ 18,756	$ 18,756	S/L	10	$	$	$
LANDSCAPING							
8/20/96	3,930	3,930	S/L	5			
ROOM 219 REMODELING							
10/20/97	11,229	11,229	S/L	10			
HANDRAIL							
1/05/98	570	570	S/L	10			
KITCHEN EXHAUST SYSTEM							
5/04/98	4,200	4,200	S/L	10			
AIR CONDITIONING UNIT							
6/29/98	2,950	2,950	S/L	10			
3 CEILING FANS							
8/03/98	1,025	1,025	S/L	10			
STAIRTREADS							
10/05/98	1,714	1,714	S/L	7			
LIGHT FIXTURES							
11/16/98	3,339	3,339	S/L	10			
REMODEL KITCHEN CABINET							
12/22/98	5,119	5,119	S/L	10			
CONVERT SUITES #202 7 #204							
12/22/98	11,941	11,941	S/L	10			
NEW ROOF OVER BOILER ROOM							
12/30/98	1,850	1,850	S/L	10			
CIRCUITS							
12/30/98	2,000	2,000	S/L	10			
HUMIDIFICATION SYSTEM							
1/11/99	11,687	11,687	S/L	10			
CONVERT SUITES #100 & #102							
12/13/99	13,256	13,256	S/L	10			
CONVERT SUTIES #103 & #105							
12/13/99	12,469	12,469	S/L	10			
ELEVATOR MODERATIONS							
7/20/99	9,985	9,985	S/L	10			

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
CARPET							
3/24/00	$ 468	$ 468	S/L	7	$	$	$
SLIPCOVERS							
3/28/00	2,700	2,700	S/L	5			
CARPET							
4/25/00	706	706	S/L	7			
LIMESTONE BASE							
6/05/00	2,190	2,190	S/L	7			
REMODEL ROOMS 215 & 217							
6/05/00	12,584	12,584	S/L	10			
LIMESTONE BASE							
6/12/00	864	864	S/L	7			
ARCHITECT FEES							
12/13/99	2,072	2,072	S/L	10			
PARK WHITING-ADDITIONS							
4/18/01	8,500	2,107	S/L	39	218		
RANDOLPH PIPER-ADDITION							
4/23/01	500	124	S/L	39	13		
GOULD ENGINEERING-ADDITION							
6/18/01	7,000	1,705	S/L	39	180		
PARK WHITING-ADDITIONS							
7/18/01	56,626	13,672	S/L	39	1,452		
PARK WHITING-ADDITIONS							
8/22/01	20,935	5,010	S/L	39	537		
STATE OF MICHIGAN-ADDITIONS							
8/28/01	10,950	2,621	S/L	39	280		
PARK WHITING-ADDITIONS							
10/30/01	21,222	4,988	S/L	39	544		
PARK WHITING-ADDITIONS							
10/31/01	20,308	4,773	S/L	39	521		
PARK WHITING-ADDITIONS							
12/05/01	18,000	4,192	S/L	39	462		
PARK WHITING-ADDITIONS							
12/11/01	82,860	19,299	S/L	39	2,124		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
PARK WHITING-ADDITIONS 1/14/02	$ 126,740	$ 29,248	S/L	39	$ 3,249	$	$
PARK WHITING-ADDITIONS 2/08/02	77,433	17,704	S/L	39	1,985		
PARK WHITING-ADDITIONS 3/05/02	95,480	21,626	S/L	39	2,448		
PARK WHITING-ADDITIONS 4/04/02	108,416	24,324	S/L	39	2,780		
PARK WHITING-ADDITIONS 5/10/02	103,718	23,048	S/L	39	2,660		
PARK WHITING-ADDITIONS 6/06/02	211,435	46,534	S/L	39	5,421		
PARK WHITING-ADDITIONS 7/11/02	319,646	69,667	S/L	39	8,196		
PARK WHITING-ADDITIONS 8/08/02	218,353	47,123	S/L	39	5,599		
PARK WHITING-ADDITIONS 10/02/02	76,239	16,127	S/L	39	1,955		
PERMITS-ADDITIONS 10/08/02	13,688	2,896	S/L	39	350		
PARK WHITING-ADDITIONS 11/18/02	102,062	21,154	S/L	39	2,617		
PARK WHITING-ADDITIONS 12/09/02	66,337	13,749	S/L	39	1,701		
PROPERTY PURCHASE DEPOSIT 12/31/02	2,000	410	S/L	39	52		
PARK WHITING-ADDITIONS 9/05/02	233,180	49,825	S/L	39	5,979		
REMODEL BATHROOM 5/13/02	7,850	6,803	S/L	10	785		
BUILDING 2/01/03	134,044	27,210	S/L	39	3,437		
ROOF REPLACEMENT 11/05/03	19,030	13,638	S/L	10	1,903		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
CARPET 5/17/04 $	2,447 $	2,301	S/L	7 $	146 $	$	
ALARM SOUNDERS 6/01/04	1,489	1,489	S/L	5			
DRIVEWAY REBUILD 9/13/04	5,750	5,750	S/L	5			
FENCING 9/06/05	7,167	2,548	S/L	15	478		
FENCE-THOMPSON ST 11/15/05	1,905	656	S/L	15	127		
SHOWER REPAIR 5/01/92	2,230	2,230	S/L	7			
CARPET 1ST FLOOR 11/06/97	4,085	4,085	S/L	7			
STOVE 12/09/97	3,410	3,410	S/L	5			
FURNITURE 12/31/74	56,174	56,174	S/L	10			
AIR CONDITIONING UNIT 12/31/75	380	380	S/L	10			
APPRAISAL FURNITURE 12/31/75	7,264	7,264	S/L	10			
FURNITURE 12/31/76	17,728	17,728	S/L	10			
LOVE SEAT 3/07/79	594	594	S/L	10			
CARPET 2/18/89	6,912	6,912	S/L	7			
6 SIDE CHAIR 10/02/89	2,604	2,604	S/L	5			
4 42" ROUND TABLES 6/05/90	3,134	3,134	S/L	5			
CARPET 4/29/91	7,068	7,068	S/L	7			

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
FURNITURE							
7/01/91 $	11,901 $	11,901	S/L	5	$	$	$
PAINTING BASEMENT							
2/03/92	875	875	S/L	7			
CARPET							
2/24/92	1,926	1,926	S/L	7			
GARBAGE DISPOSAL							
5/01/92	960	960	S/L	5			
MATTRESS/SPRINGS							
7/18/92	897	897	S/L	5			
TABLE & CHAIRS							
7/14/92	492	492	S/L	5			
STORAGE LOCKERS							
7/28/92	1,971	1,971	S/L	5			
CHIPPER/SHREDDER							
4/20/93	595	595	S/L	5			
LOCKERS							
1/24/95	598	598	S/L	7			
TIME CLOCK							
3/02/95	540	540	S/L	5			
TRACK LIGHTING							
4/11/95	688	688	S/L	7			
2 REFRIGERATORS							
10/30/95	594	594	S/L	5			
COPIER							
10/30/95	1,626	1,626	S/L	5			
CABINETRY							
4/11/95	2,671	2,671	S/L	7			
LIGHT FIXTURES							
1/20/96	2,583	2,583	S/L	7			
CARPET 2ND FLOOR							
1/07/97	1,040	1,040	S/L	7			
PORCH FURNITURES							
7/10/97	2,520	2,520	S/L	5			

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
COMPUTER DESK 8/11/97	$ 422	$ 422	S/L	5	$	$	$
TV SET 1/05/98	1,295	1,295	S/L	5			
CARPETING LOUNGE 5/11/98	304	304	S/L	7			
COMPUTER PRINTER 6/15/98	300	300	S/L	5			
FREEZER 5/06/98	3,662	3,662	S/L	5			
6 LOUNGE CHAIRS 6/16/98	482	482	S/L	5			
PANELS FOR BASEMENT 7/06/98	442	442	S/L	5			
NEW FURNITURE 12/04/98	20,000	20,000	S/L	5			
KITCHEN TILE 11/10/98	950	950	S/L	7			
CARPETING #204 11/24/98	660	660	S/L	7			
FREEZER 12/15/98	3,014	3,014	S/L	5			
CARPET 1/14/99	380	380	S/L	7			
DINING ROOM CHAIRS 2/15/99	9,452	9,452	S/L	5			
2 LOVE SEATS, 1 SOFA, 2 LAMPS 3/09/99	6,691	6,691	S/L	5			
CARPET 3/24/99	835	835	S/L	7			
CHAIR PILLOWS 3/29/99	225	225	S/L	5			
4 MATTRESS/SPRINGS 5/20/99	1,245	1,245	S/L	5			

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
CARPET							
11/22/99	$ 1,363	$ 1,363	S/L	7	$	$	$
CARPET SCUBBER							
12/04/00	1,599	1,599	S/L	5			
BARBARA KOEGEL INT -FURNITURE							
10/11/01	25,000	25,000	S/L	5			
FURNITURE AT WHALEY							
12/31/01	1	1	S/L	1			
11 PASSENGER BUS							
2/11/02	36,796	36,796	S/L	5			
TELEPHONE SYSTEM							
12/05/02	27,801	27,801	S/L	5			
BARBARA KOEGEL-FURNITURE							
9/18/02	45,705	45,705	S/L	5			
SATELLITE SYSTEM							
5/14/02	22,000	22,000	S/L	5			
MAILBOXES							
6/17/02	935	935	S/L	5			
REFRIGERATORS							
9/18/02	1,791	1,791	S/L	5			
SECURITY SYSTEM							
10/03/02	27,697	27,697	S/L	5			
VACUUMS							
12/09/02	257	257	S/L	5			
FURNITURE							
1/14/03	31,106	31,106	S/L	5			
COMPUTER							
5/19/03	1,364	1,364	S/L	5			
EXERCISE							
6/09/03	355	355	S/L	5			
TABLES AND CHAIRS							
11/10/03	1,689	1,689	S/L	5			
FLAG POLE							
12/10/03	835	835	S/L	5			

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
SNOW THROWER 1/14/04	$ 699	$ 699	S/L	5	$	$	$
TABLE AND CHAIRS 2/11/04	1,800	1,800	S/L	5			
CREDENZA 2/11/04	750	750	S/L	5			
LAWN MOWER 4/28/04	377	377	S/L	5			
CREDENZA 6/24/04	785	785	S/L	5			
CHAIRS 5/10/04	280	280	S/L	5			
DIRECT TV 7/19/04	7,702	7,702	S/L	5			
REFRIGERATORS 8/09/04	2,800	2,800	S/L	5			
DIRECT TV 8/16/04	979	979	S/L	5			
CURBING 10/08/04	1,042	1,042	S/L	5			
COPY MACHINE 11/17/04	3,395	3,395	S/L	3			
12 CHANNEL DIGITAL SYSTEM 1/24/05	4,000	4,000	S/L	5			
CHAIN SAW 2/07/05	59	59	S/L	3			
GENERATOR 3/09/05	75,802	44,218	S/L	10	7,580		
BIRD AVIARY 5/09/05	5,159	5,159	S/L	5			
AIR CONDITIONING UNIT 5/11/05	1,009	1,009	S/L	5			
6 REFRIGERATOR 8/15/05	1,194	1,194	S/L	5			

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
3 BATTERY BACK UP UNITS							
8/29/05	$ 378	$ 378	S/L	3	$	$	$
COMPUTERS							
1/15/05	2,063	2,063	S/L	5			
COMPUTER							
11/01/05	1,687	1,687	S/L	5			
GENERATOR							
6/05/06	4,114	1,886	S/L	10	411		
REPAIR SIDEWALK							
6/19/06	500	225	S/L	10	50		
COVER FACIA & TECTUM rEPAIR							
10/16/06	19,360	8,067	S/L	10	1,936		
REROUT UNDERGROUND WIRING							
11/07/06	6,551	2,730	S/L	10	655		
2 PICTURES							
7/07/93	925			0			
5 PICTURES							
10/07/93	800			0			
LAUNDRY MACHINE							
2/26/07	11,433	6,261	S/L	7	1,633		
WATER HEATER							
3/26/07	8,850	4,741	S/L	7	1,264		
GAS DRYER							
6/11/07	652	334	S/L	7	93		
GAZEBO/PLANTERS							
6/18/07	3,876	1,357	S/L	10	387		
DISHWASHER							
9/03/07	2,995	1,426	S/L	7	428		
ARMCHAIRS							
4/07/08	1,600	1,250	200DB	7	100		
LAWN MOWER							
5/15/08	1,258	671	S/L	5	252		
SECURITY SYSTEM							
9/15/08	13,637	3,182	S/L	10	1,364		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description							
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
FENCE							
10/15/08	$ 8,265	$ 1,240	S/L	15	$ 551	$	$
SIGN - Received in trade for asset # 154							
10/15/08	4,450	2,003	S/L	5	890		
WASHER - Received in trade for asset # 99							
5/12/08	550	293	S/L	5	110		
Storm drain repair							
8/17/09	6,585	878	S/L	10	659		
LANDSCAPING - received in trade for asset # 6							
11/01/10	9,300	310	S/L	5	1,860		
Turbo Air 2 door refridgerator (basement)							
8/24/11	3,145		S/L	5	210		
2006 John Deer LX178 Riding Lawnmower							
10/17/11	1,000		S/L	5	33		
Landscaping							
6/15/11	5,827		S/L	5	680		
Bldg - CSV West							
2/10/11	1,226,903		S/L	27 5	39,038		
Land - CSV West							
2/10/11	136,322			0			
Carpeting - CSV West							
12/01/11	40,710		200DB	5	2,035		
Bldg - CSV East							
2/10/11	1,642,000		S/L	27 5	52,245		
Land - CSV East							
2/10/11	182,445			0			
Roof repair - CSV East							
6/22/11	96,500		150DB	20	4,523		
Roof repair - CSV East							
10/13/11	98,607		150DB	20	924		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description							
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
Total	$ 7,757,592	$ 2,199,998			$ 210,462	$ 0	$ 0

Form 990-PF, Part I, Line 23 - Amortization

Description	Date Acquired	Cost Basis	Prior Year Amortization	Life	Current Year Amortization	Net Investment Income	Adjusted Net Income	COGS
WEBSITE								
	9/07/04	$ 3,880	$ 3,880	3	$	$	$	
Total		$ 3,880	$ 3,880		$ 0	$ 0	$ 0	

Statement 7 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
Insurance	134,277			134,277
Food & supplies	44,439			44,439
Maintenance	182,510			199,900
Mileage/travel reimbursement	3,448			3,448
Advertising	17,178			17,178
Miscellaneous	4,953			4,953
Dues, fees, & subscriptions	3,628			3,628
Computer	7,583			7,583
Transportation	7,496			7,496
Resident activities	36,332			36,332
Supplies	14,990			14,990
Court Street Expenses	1,173			1,173
Small equipment	451			451

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 23 - Other Expenses (continued)

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Training	$ 6,734	$	$	$ 6,734
Credit check fees	1,120			1,120
Bank fees	212			212
Memorials	4,290			4,290
Thompson St expenses	1,171			1,171
Total	$ 471,985	$ 0	$ 0	$ 489,375

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See attached schedule	$ 6,420,526	$ 9,262,211	Cost	$ 12,678,922
Total	$ 6,420,526	$ 9,262,211		$ 12,678,922

Statement 9 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See attached schedule - mutual funds	$ 74,979	$	Cost	$
See attached schedule - bonds	1,767,876	7,207,935	Cost	7,741,674
Total	$ 1,842,855	$ 7,207,935		$ 7,741,674

Federal Statements

Statement 10 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
Land, buildings, equipment	$ 2,124,135	$ 7,761,462	$ 2,414,333	$
Total	$ 2,124,135	$ 7,761,462	$ 2,414,333	$ 0

Statement 11 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
Replacement reserve	$	$ 57,622	$ 57,622
Total	$ 0	$ 57,622	$ 57,622

Statement 12 - Form 990-PF, Part VII-A, Line 2 - Previously Unreported Activities

Description
See attached explanation

Federal Statements

Statement 13 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
Robert Bessert 700 E Kearsley Flint MI 48503	President/Di	0 50	0	0	0
Charlene Farella 700 E Kearsley Flint MI 48503	Director	0 50	0	0	0
Louise McAra 700 E Kearsley Flint MI 48503	Vice Pres/Di	0 50	0	0	0
David Millhouse 700 E Kearsley Flint MI 48503	Treasurer/Di	0 50	0	0	0
E J Rundles 700 E Kearsley Flint MI 48503	Secretary/Di	0 50	0	0	0
Mary Snell 700 E Kearsley Flint MI 48503	Director	0 50	0	0	0
Kathleen Kelly 700 E Kearsley Flint MI 48503	Director	0 50	0	0	0
Eleanor Brownell 700 E Kearsley Flint MI 48503	Director	0 50	0	0	0
John McIntosh 700 E Kearsley Flint MI 48503	Director	0 50	0	0	0

Federal Statements

Statement 13 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc (continued)

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
Lauretta Montini 700 E Kearsley Flint MI 48503	Director	0 50	0	0	0
Shirley Fowler 700 E Kearsley Flint MI 48503	Executive Di	40 00	67,821	0	0
Mike Siwek 700 E Kearsley Flint MI 48503	Director	0 50	0	0	0

McFarlan Home
700 E Kearsley
Flint, MI 48503

Electing out of the 50% Bonus Depreciation Allowance for 5-Year Property

The taxpayer elects out of the 50% first-year bonus depreciation allowance under IRC Section 168(k) for 5-year depreciable property acquired after December 31, 2007 This election applies to all such qualified 50% bonus depreciation property placed in service after December 31, 2007

McFarlan Home
700 E Kearsley
Flint, MI 48503

Electing out of the 50% Bonus Depreciation Allowance for 20-Year Property

The taxpayer elects out of the 50% first-year bonus depreciation allowance under IRC Section 168(k) for 20-year depreciable property acquired after December 31, 2007 This election applies to all such qualified 50% bonus depreciation property placed in service after December 31, 2007

Part VII-A, Question 2, Activities not Previously Reported to IRS

On February 10, 2011, McFarlan Home, Inc ("Taxpayer"), through newly formed single member limited liability companies, acquired two low income housing projects for seniors from the Michigan State Housing Development Authority ("MSHDA") subject to the assignment and assumption of certain mortgage notes and subject to an amended and restated regulatory agreement as described below

Prior to the purchase of the two low income housing projects, such projects were effectively owned and controlled by Court Street Village Non-Profit Housing Corporation (CSVNP), a 501(c)(3) organization (EIN #38-2724400) formed in 1986 to provide quality and affordable housing with low or moderate income and to promote healthy neighborhoods via a neighborhood support program for four neighborhood associations surrounding the Flint, Michigan downtown area McFarlan Home, Inc , as part of its tax-exempt purpose, operates a residence for elderly women ("McFarlan Home") in the Central Park Neighborhood, one of the four neighborhood associations which CSVNP supports Central Park Neighborhood is situated on a thirteen block square area (5 square mile)

Just south of Central Park Neighborhood is Fairfield Village, also one of the four neighborhood associations which CSVNP supports The two low income housing projects for seniors acquired by Taxpayer are on the northern border of Fairfield Village, less than 5 miles from McFarlan Home Fairfield Village is situated on a sixteen block square area (5 square mile) and is smaller than Central Park Neighborhood in terms of dwelling units Both of these neighborhoods comprise census tract #29 within the City of Flint and census tract #29 has been designated by the U S Department of Housing and Urban Development as a high need/high risk area for purposes of the Neighborhood Stabilization Program

Taxpayer has maintained a "close relationship" with CSVNP since CSVNP's inception For example, over the past 5 years, Taxpayer has given $145,000 in grant monies to CSVNP Because of this close relationship, a couple of years ago, Taxpayer became aware that CSVNP was not meeting its debt service requirements to the MSHDA which Taxpayer knew would lead to foreclosure by MSHDA and eventual sale to the highest bidder Taxpayer was concerned that the two senior projects would be purchased by out-of-town organizations with a profit motives resulting in "sub-standard" living accommodations and deterioration of the buildings in the projects which would negatively affect the "attractiveness" of Fairfield Village and Central Park Neighborhood – already identified as a high need/high risk area as discussed above Or, that the two projects would become like a 195 unit high-rise public housing development project just east of the two projects that, in Taxpayer's view, is not well maintained and is a crime magnet For example, in 2008, the high-rise public housing development received a HUD inspection score of 45% versus an average inspection score in Flint of 58%, an average inspection score in Michigan of 82%, and average inspection score of all public housing of 84%) Since the Taxpayer's mission is to provide safe and affordable housing for older adults and since Taxpayer is proactive in creating additional opportunities for quality senior living and desires to combat potential community deterioration, Taxpayer entered into negotiations with MSHDA to acquire the two low income housing projects for seniors

Taxpayer has formed two single member limited liabilities companies – one for each project being acquired McFarlan/Court Street Village East Limited Dividend Housing Association, LLC (EIN #27-4978864) and McFarlan/Court Street Village West Limited Dividend Housing Association, LLC (EIN #27-4978594) These limited liability companies have been organized exclusively to provide housing facilities for persons of low and moderate income, or for persons whose income does not exceed limits established in Act No 346 of the Public Acts of 1966 of the State of Michigan, as amended (the "Housing Act") and for social, recreational, commercial, and communal facilities as may be necessary to serve and improve a residential area in which MSHDA-aided or federally-aided housing is located or is planned to be located, thereby enhancing the viability of the housing, including the following

(i) to build, develop, construct, finance, own and operate housing not otherwise affordable to low income families,

(ii) to eliminate prejudice and discrimination and lessen neighborhood tensions by offering affordable housing to minority families of low income who are unable to obtain adequate housing because of discrimination,

(iii) to combat community deterioration by offering affordable housing to low income residents of a deteriorated city undergoing redevelopment where the median income level is lower than other areas and the residents undertake an initiative to ensure themselves decent housing without undergoing relocation, and

(iv) to perform all acts incidental, conductive or necessary to the attainment of the foregoing objectives, and for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended, or corresponding section of any future federal tax law

As part of the acquisition of the two low income housing projects for seniors, Taxpayer has agreed to be subject to the assignment and assumption of certain mortgage notes and to an amended and restated regulatory agreement This regulatory agreement is similar to the agreement CSVNP was subject to as it relates to Occupancy Qualifications 40% of the unit types will be income restricted to serve households having incomes no greater than 60% of area median income, adjusted for family size, income is to be determined in a manner consistent with determinations of low income families and area median gross income under Section 8 of the U S Housing Act of 1937, as amended, and income of individuals shall be determined in accordance with the Section 8 regulations The amended and restated regulatory agreement gives MSHDA authority to monitor the Taxpayer's compliance with the use and occupancy restrictions, Taxpayer must complete and send to MHSDA reports which demonstrate ongoing compliance with the use and occupancy restrictions Furthermore, under the regulatory agreement, to the extent there is any income over and above the amount necessary to operate and maintain the low income project, such funds may only be disbursed for charitable purposes of Taxpayer in furtherance of its tax-exempt purposes, Taxpayer must report annually to MHHDA on the charitable uses of such funds

During 2011, for both low income projects for seniors, 100% of the units are rented at rates less than the maximum allowed by the State of Michigan for those households with income less than 60% of area median income Because the regulatory agreement requires only 40% of the units types to be income restricted as discussed above, facility management does not certify the income of all households renting units in the two low income projects, however, facility management estimates that well over 75% of the units in the two low income projects are rented to households having income less than 60% of area median income, adjusted for family size Taxpayer does not expect this to change in the future due to i) the Flint economy, ii) the location of the facilities in the City of Flint, and iii) the fact that Taxpayer does not intend to change the rent structure – i e , Taxpayer will continue to set all rental rates below the maximum allowed by the State of Michigan for those households with income less than 60% of area median income

Since Taxpayer has acquired the two projects without incurring debt, it is Taxpayer's goal to take monies previously expended by CSVNP for debt service payments and to instead invest such monies i) in capital improvements to combat community deterioration and help stabilize the Fairfield Village and Central Park neighborhoods and ii) to improve existing, and create new, social programs for seniors living in the Fairfield Village and Central Park neighborhoods

Based upon a capital needs assessment prepared for the two low income projects on behalf of MSHDA in 2008, over $2 4 million will be needed in capital expenditures through 2023 which will be funded in part from i) excess revenues over expenses, and ii) grants from Taxpayer Of the $5,463,336 excess of revenues over expenses, as reported on page 1 of Taxpayer's 2011 Form 990-PF, $114,420 is attributable to the two projects During 2011, Taxpayer has set aside $57,622 for reserve for replacement and spent $235,817 on capital improvements It is anticipated that capital expenditures in 2012 will be in excess of $367,000 Taxpayer is currently investigating what social programs for seniors are in place at the two projects to determine what programs curent exist and how they can be improved, Taxpayer is also investigating what new social programs could be created for seniors living in the Fairfield Village and Central Park neighborhoods Taxpayer also hopes to fund additional grants to CSVNP from the excess revenues over expenses which will enable CSVNP to promote healthy neighborhoods via their neighborhood support program for the four neighborhood associations surrounding the Flint, Michigan downtown area

2011 Sale Information

Description	Date	Shares	Sale Price	Cost Basis	Gain (Loss)
Vanguard Intermediate Term Bd	2/15/2011	500 000	40 755 56	40 082 75	672 81
Vanguard Total Bond Market	1/10/2011	440 000	35 335 80	34 895 96	439 84
Garmin Ltd	1/12/2011	500 000	15 434 53	10 957 00	4 477 53
Alberto Culver Co	1/10/2011	900 000	33 347 67	26 146 86	7 200 81
Cognizant Tech Solutions Cl A	1/10/2011	640 000	47 986 38	23 920 40	24 065 98
Danaher Corp	1/10/2011	800 000	37 188 69	14 962 00	22 226 69
Dell Inc	1/10/2011	450 000	6 369 10	15 138 00	(8 768 90)
Fed Ex Corp	1/10/2011	245 000	22 854 09	12 493 55	10 360 54
Fifth Third Bancorp	1/10/2011	300 000	4 368 23	15 992 00	(11 623 77)
Fortune Brand Inc	1/10/2011	260 000	15 961 88	14 908 40	1 053 48
General Dynamics Corp	1/12/2011	400 000	28 712 07	24 915 80	3 796 27
Hudson City Bancorp	1/24/2011	1 900 000	21 379 90	24 945 10	(3 565 20)
Patterson Companies Inc	1/18/2011	865 000	27 195 25	32 544 54	(5 349 29)
Paychex Inc	1/10/2011	795 000	25 164 34	25 038 60	125 74
Prologis	1/10/2011	320 000	4 515 88	10 131 20	(5 615 32)
Stryker Corp	5/27/2011	650 000	40 489 22	17 644 25	22 844 97
II VI Inc	1/12/2011	740 000	34 279 92	24 208 38	10 071 54
Morgan Stanley 7 000 5/2/2028	5/2/2011	25 000 000	25 000 00	25 000 00	
ATT Inc	1/12/2011	5 812 000	163 148 22	38 192 16	124 956 06
Abbott Laboratories	Various	3 700 000	175 367 69	8 254 97	167 112 72
American Campus Cmntys Inc	1/10/2011	7 500 000	233 121 11	195 999 75	37 121 36
Bre Properties Inc	10/26/2011	3 150 000	149 947 20	118 149 30	31 797 90
Citizens Republic Bancorp	9/1/2011	2 700 000	21 668 43	3 750 06	17 918 37
Coca Co	Various	4 300 000	270 588 07	12 775 48	257 812 59
Colgate Palmolive Co	Various	6 150 000	481 872 67	31 288 12	450 584 55
Donaldson Co	Various	5 600 000	332 888 49	175 616 00	157 272 49
Expeditors Intl Wash	Various	13 000 000	697 534 64	248 086 00	449 448 64
Frontier Communications	1/10/2011	3 085 000	29 352 16	12 473 19	16 878 97
General Electric	1/12/2011	5 000 000	93 306 42	193 779 77	(100 473 35)
Hewlett Packard	Various	7 147 000	292 837 69	50 876 66	241 961 03
Intel Corp	1/24/2011	4 000 000	84 446 37	35 498 83	48 947 54
International Business Machines Corp	2/15/2011	750 000	122 499 34	22 916 59	99 582 75
Jacobs Engr Group	Various	8 600 000	401 727 26	201 911 01	199 816 25
Johnson Johnson	1/24/2011	2 700 000	168 425 87	36 770 95	131 654 92
Kellogg Co	1/10/2011	5 984 000	305 273 39	21 033 94	284 239 45
Kimco Realty Corp	10/26/2011	3 440 000	57 151 75	86 176 65	(29 024 90)
L3 Communications	Various	3 100 000	226 102 82	168 102 22	58 000 60
Microsoft Corp	2/1/2011	4 000 000	111 363 06	90 440 00	20 923 06
Nestle	Various	5 350 000	294 014 77	32 898 30	261 116 47
Patterson Companies	1/18/2011	9 000 000	282 956 26	253 215 00	29 741 26
Philip Morris	2/1/2011	2 300 000	133 584 42	2 617 06	130 967 36
Praxair Inc	Various	7 000 000	655 482 76	200 974 83	454 507 93
Procter & Gamble	1/24/2011	2 770 000	184 483 99	98 100 07	86 383 92
Prologis	1/10/2011	5 600 000	79 027 87	200 265 00	(121 237 13)
JM Smucker	2/1/2011	2 200 000	137 287 49	84 068 84	53 218 65
Stericycle Inc	Various	8 750 000	680 832 08	206 329 63	474 502 45
Stryker Corp	Various	11 000 000	624 904 61	47 536 51	577 368 10
Sysco Corp	Various	9 175 000	269 938 91	299 196 01	(29 257 10)
Target Corp	Various	3 900 000	208 897 20	14 634 75	194 262 45
Teleflex Inc	Various	4 000 000	230 117 32	180 118 40	49 998 92
Tractor Supply	Various	12 500 000	682 951 53	242 606 88	440 344 66
Walgreen	1/24/2011	1 785 000	74 368 45	26 758 18	47 610 27
Zimmer Holdings	1/24/2011	1 500 000	83 109 95	68 981 23	14 128 72
Morgan Stanley 7 000 5/2/2028	5/2/2011	250 000 000	250 000 00	250 000 00	

Description	Date	Shares	Sale Price	Cost	Gain (Loss)
US Treasury Notes CPN 1 375% due 2/15/12	Various	1,000,000 000	1,006,772 46	1,016,701 77	(9,929 31)
US Treasury Notes CPN 2 25% due 1/31/15	11/28/2011	500 000 000	528,496 10	519,222 15	9 273 96
Rowan Companies	6/17/2011	6,000 000	218,640 00	197 282 40	21,357 60
Ishares Barclays 1-3 yr Credit Bond Fund	7/25/2011	2 000 000	209,732 57	208,617 40	1,115 17
Spdr Barclays Capital Intl Treasury Bond	10/26/2011	2,500 000	122,537 64	146,362 00	(23,824 36)
Spdr Barclays Cap ETF Short Term Credit Bond	7/25/2011	4 000 000	157,704 17	151,365 60	6,338 57
Ishares Barclays Short Treasury Bond Fd	7/14/2011	2,500 000	275,629 70	275 523 00	106 70
Ishares Barclays 0-5 yr Tips Bond Fund	7/14/2011	1,000 000	102,614 52	100,300 00	2,314 52
Spdr Barclays Capital Intl Treasury Bond	12/23/2011	2,000 000	147,132 42	122,441 00	24,691 42

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions ▶ Attach to your tax return

OMB No 1545 0172
2011
Attachment Sequence No 179

Name(s) shown on return: McFarlan Home

Identifying number: 38-1390531

Business or activity to which this form relates: Indirect Depreciation

Part I Election To Expense Certain Property Under Section 179

Note If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less enter 0 If married filing separately see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c) lines 6 and 7	8	
9	Tentative deduction Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2010 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10 but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2012 Add lines 9 and 10 less line 12 ▶	13	

Note Do not use Part II or Part III below for listed property Instead use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	111,597

Part III MACRS Depreciation (Do not include listed property) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2011	17	100
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts check here ▶ ☐		

Section B—Assets Placed in Service During 2011 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only–see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		40,710	5 0	MQ	200DB	2,035
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property		195,107	20 0	MQ	150DB	5,447
g 25-year property			25 yrs		S/L	
h Residential rental property	02/10/11	1,226,903	27 5 yrs	MM	S/L	39,038
	02/10/11	1,642,000	27 5 yrs	MM	S/L	52,245
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions)

21	Listed property Enter amount from line 28	21	
22	**Total** Add amounts from line 12 lines 14 through 17 lines 19 and 20 in column (g) and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	210,462
23	For assets shown above and placed in service during the current year enter the portion of the basis attributable to section 263A costs	23	

There are no amounts for Page 2