



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



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

2012

Department of the Treasury
Internal Revenue Service

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

For calendar year 2012, or tax year beginning , 2012, and ending ,

STRATTON FOUNDATION
PO BOX 100
BLUE BELL, PA 19422

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. 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, column (c), line 16) **J** Accounting method Cash Accrual
 \$ 10,338,358. (Part I, column (d) must be on cash basis.)

A Employer identification number 23-2508658
B Telephone number (see the instructions)

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 ... ►

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)
1	Contributions, gifts, grants, etc, received (att sch)	1,919,380.			
2	Ck ► <input type="checkbox"/> if the foundn is not req to att Sch B				
3	Interest on savings and temporary cash investments	214.	214.	214.	
4	Dividends and interest from securities	90,959.	90,959.	90,959.	
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain/(loss) from sale of assets not on line 10	100,091.			
b	Gross sales price for all assets on line 6a	100,091.			
7	Capital gain net income (from Part IV, line 2)		100,091.		
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/(loss) (att sch)				
11	Other income (attach schedule)				
12	Total. Add lines 1 through 11.	23,110,644.	191,264.	91,173.	
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 sch) SEE ST 1	1,850.		1,850.	
c	Other prof fees (attach sch) SEE ST 2	5,417.	5,417.	5,417.	
17	Interest				
18	Taxes (attach schedule)(see instrs) SEE STM. 3	238.	238.	238.	
19	Depreciation (attach sch) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) SEE STATEMENT 4	776.	51.	776.	
24	Total operating and administrative expenses. Add lines 13 through 23	8,281.	5,706.	8,281.	
25	Contributions, gifts, grants paid PART. XV	379,304.			379,304.
26	Total expenses and disbursements. Add lines 24 and 25	387,585.	5,706.	8,281.	379,304.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	1,723,059.			
b	Net investment income (if negative, enter -0-)		185,558.		
c	Adjusted net income (if negative, enter -0-)			82,892.	

P R

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	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
A S S E T S	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	948,332.	752,011.	752,011.
	3	Accounts receivable			
		Less allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U.S. and state government obligations (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)	STATEMENT 5	6,194,091.	8,113,471.
	14	Land, buildings, and equipment: basis			
		Less, accumulated depreciation (attach schedule)			
	15	Other assets (describe)			
	16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item 1)		7,142,423.	8,865,482.
					10,338,358.
L I A B L I T I E S	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)			
	23	Total liabilities (add lines 17 through 22)		0.	0.
N F U N D A S B A S T A S C O R S		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.	<input checked="" type="checkbox"/>		
	24	Unrestricted		7,142,423.	8,865,482.
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.	<input type="checkbox"/>		
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see instructions)		7,142,423.	8,865,482.
	31	Total liabilities and net assets/fund balances (see instructions)		7,142,423.	8,865,482.

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	7,142,423.
2	Enter amount from Part I, line 27a	2	1,723,059.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	8,865,482.
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	8,865,482.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a L/T GAIN DIST STRATTON MONTHLY DIV REIT SHARES		P	VARIOUS	6/26/12
b L/T GAIN DIST STRATTON SMALL CAP VALUE FUND		P	VARIOUS	12/14/12
c L/T GAIN DIST STRATTON MONTHLY DIV REIT SHARES		P	VARIOUS	12/14/12
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 7,433.				7,433.
b 60,647.				60,647.
c 32,011.				32,011.
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) Fair Market Value as of 12/31/69		(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h)) gain minus column (k), but not less than -0- or Losses (from column (h))
a				7,433.
b				60,647.
c				32,011.
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]		2 100,091.
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 0.

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 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 (column (b) divided by column (c))
2011	339,268.	7,831,143.	0.043323
2010	286,604.	6,322,540.	0.045331
2009	255,975.	4,701,859.	0.054441
2008	216,368.	4,558,076.	0.047469
2007	212,268.	4,316,704.	0.049174
2 Total of line 1, column (d)			2 0.239738
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 0.047948
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 8,784,476.
5 Multiply line 4 by line 3			5 421,198.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,856.
7 Add lines 5 and 6			7 423,054.
8 Enter qualifying distributions from Part XII, line 4			8 379,304.

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)

1 a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1.	
Date of ruling or determination letter: <input type="checkbox"/> (attach copy of letter if necessary – see instrs)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1 3,711.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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 3,711.
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 3,711.
6	Credits/Payments:	
a	2012 estimated tax pmts and 2011 overpayment credited to 2012	6a 3,787.
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 3,787.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9 0.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10 76.
11	Enter the amount of line 10 to be: Credited to 2013 estimated tax	11 0.
		76. Refunded

Part VII-A Statements Regarding Activities

1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?

	Yes	No
1 a	X	
1 b	X	
1 c	X	

b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?

If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities

c Did the foundation file **Form 1120-POL** for this year?

d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:

(1) On the foundation \$ 0. (2) On foundation managers \$ 0.

e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ 0.

2 Has the foundation engaged in any activities that have not previously been reported to the IRS?

If 'Yes,' attach a detailed description of the activities.

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

4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?

b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?

If 'Yes,' attach the statement required by General Instruction T

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?

7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV

8 a Enter the states to which the foundation reports or with which it is registered (see instructions)

PA

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

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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If 'Yes,' complete Part XIV

10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses

1 a	X
1 b	X
1 c	X
2	X
3	X
4 a	X
4 b	N/A
5	X
6	X
7	X
8 b	X
9	X
10	X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule (see instructions)	11	X
12	Did the foundation 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 ► <u>N/A</u>			
14	The books are in care of ► <u>CAROL BEERS</u> Telephone no. ► <u>610-964-8766</u> Located at ► <u>PO BOX 100 BLUE BELL PA</u> ZIP + 4 ► <u>19422</u>		
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	N/A	► 15 N/A
16	At any time during calendar year 2012, 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	Yes X No
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

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
1b	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)? Organizations relying on a current notice regarding disaster assistance check here	►	N/A
1c	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 2012?		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	If 'Yes,' list the years ► <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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.)		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If 'Yes,' did it have excess business holdings in 2012 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 2012)		
3b	N/A		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
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 2012?		
4b	X		

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 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 instructions)?

5b N/A

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A Yes No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

 Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b X

If 'Yes' to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

 Yes No

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (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 6				
-----		0.	0.	0.

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

BAA

TEEA0306L 12/25/12

Form 990-PF (2012)

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

0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Expenses

1	N/A	
2		
3		
4		

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

1	<u>N/A</u>	
2		

All other program-related investments See instructions

3 _____
Total. Add lines 1 through 3 _____ 0.

Total. Add lines 1 through 3

0.

BAA

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	8,099,603.
b	Average of monthly cash balances	1b	818,647.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	8,918,250.
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	8,918,250.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	133,774.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,784,476.
6	Minimum investment return. Enter 5% of line 5	6	439,224.

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

1	Minimum investment return from Part X, line 6	1	439,224.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	3,711.
b	Income tax for 2012. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	3,711.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	435,513.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	435,513.
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	435,513.

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	379,304.
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:	3a	
a	Suitability test (prior IRS approval required)	3b	
b	Cash distribution test (attach the required schedule)	4	379,304.
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	5	
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)	6	379,304.
6	Adjusted qualifying distributions. Subtract line 5 from line 4		

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				435,513.
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only			0.	
b Total for prior years: 20 20 20		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007 204.				
b From 2008				
c From 2009 35,934.				
d From 2010				
e From 2011				
f Total of lines 3a through e 36,138.				
4 Qualifying distributions for 2012 from Part XII, line 4 ► \$ 379,304.				
a Applied to 2011, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2012 distributable amount				379,304.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))	36,138.			36,138.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount – see instructions		0.		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				20,071.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

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

N/A

1 a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling				►	
b	Check box to indicate whether the foundation is a private operating foundation described in section				<input type="checkbox"/> 4942(j)(3) or	<input type="checkbox"/> 4942(j)(5)
2 a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b	85% of line 2a					
c	Qualifying distributions from Part XII, line 4 for each year listed					
d	Amounts included in line 2c not used directly for active conduct of exempt activities					
e	Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3	Complete 3a, b, or c for the alternative test relied upon					
a	'Assets' alternative test — enter:					
(1)	Value of all assets					
(2)	Value of assets qualifying under section 4942(j)(3)(B)(i)					
b	'Endowment' alternative test — enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c	'Support' alternative test — enter					
(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3)	Largest amount of support from an exempt organization					
(4)	Gross investment income					

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

ARLENE E STRATTON

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

NONE

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

Check here ► if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

SEE STATEMENT 7

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines:

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

Part XV **Supplementary Information** (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<i>a Paid during the year</i>				
SEE ATTACHED			SEE ATTACHED	379,304.
Total				► 3a 379,304.
<i>b Approved for future payment</i>				
Total				► 3b

Part XVI-A Analysis of Income-Producing Activities

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion 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			14	214.	
4 Dividends and interest from securities ..			14	90,959.	
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 ..					
8 Gain or (loss) from sales of assets other than inventory			18	100,091.	
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)				191,264.	
13 Total. Add line 12, columns (b), (d), and (e)					13 191,264.
(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.)
N/A	

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

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

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No

b If 'Yes,' complete the following schedule.

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

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

Sign
Here

Carol Stratton Beers 5/14/13
Signature of officer or trustee Date

► TRUSTEE

May the IRS discuss
this return with the
preparer shown below
(see instructions)?

Paid Preparer Use Only	Print/Type preparer's name DOROTHY A. LACY	Preparer's signature <i>Dorothy A. Lacy</i>	Date 6/14/13	Check <input type="checkbox"/> if self-employed	PTIN P00317567
	Firm's name ► BEUCLER KELLY & IRWIN LTD.	Firm's EIN ► 23-2371615			
	Firm's address ► 125 STRAFFORD AVE STE 116 WAYNE, PA 19087-3388	Phone no (610) 688-3200			

BAA

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

OMB No 1545-0047

Schedule of Contributors

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

2012

Name of the organization

STRATTON FOUNDATION

Employer identification number

23-2508658

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- 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 (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).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

Name of organization

STRATTON FOUNDATION

Employer identification number

23-2508658

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

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	JAMES W & ARLENE E STRATTON PO BOX 100 BLUE BELL, PA 19422	\$ 277,600.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	JAMES W & ARLENE STRATTON PO BOX 100 BLUE BELL, PA 19422	\$ 391,050.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	JAMES W & ARLENE STRATTON PO BPX 100 BLUE BELL, PA 19422	\$ 263,595.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	ESTATE OF JAMES W STRATTON C/O G RITER, 400 MARYLAND DR FORT WASHINGTON, PA 19034	\$ 987,135.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

STRATTON FOUNDATION

Employer identification number

23-2508658

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	10,000 SHS UGI CORP	\$ 277,600.	4/05/12
2	5,000 SHS ANADARKO PETROLEUM CORP	\$ 391,050.	4/05/12
3	3,000 SHS AGRIMIUM INC	\$ 263,595.	4/05/12
4	STOCKS - SEE ATTACHED LISTING	\$ 987,135.	12/12/12
		\$	
		\$	
		\$	

BAA

Name of organization

STRATTON FOUNDATION

Employer identification number

23-2508658

Part III **Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8) or (10) organizations that total more than \$1,000 for the year.** Complete columns (a) through (e) and the following line entry.

For organizations completing Part III, enter total of *exclusively religious, charitable, etc, contributions of \$1,000 or less* for the year. (Enter this information once. See instructions.) .. ► \$ N/A

Use duplicate copies of Part III if additional space is needed

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

2012

FEDERAL STATEMENTS

PAGE 1

STRATTON FOUNDATION

23-2508658

STATEMENT 1
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BEUCLER KELLY & IRWIN, LTD	\$ 1,850.	\$ 0.	\$ 1,850.	\$ 0.
TOTAL	<u>\$ 1,850.</u>	<u>\$ 0.</u>	<u>\$ 1,850.</u>	<u>\$ 0.</u>

STATEMENT 2
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MELLON INVESTMENT ADVISORY FEES	\$ 5,417.	\$ 5,417.	\$ 5,417.	\$ 5,417.
TOTAL	<u>\$ 5,417.</u>	<u>\$ 5,417.</u>	<u>\$ 5,417.</u>	<u>\$ 5,417.</u>

STATEMENT 3
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX W/H	\$ 238.	\$ 238.	\$ 238.	\$ 238.
TOTAL	<u>\$ 238.</u>	<u>\$ 238.</u>	<u>\$ 238.</u>	<u>\$ 0.</u>

STATEMENT 4
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK FEES	\$ 51.	\$ 51.	\$ 51.	\$ 51.
MEMBERSHIP DUES	695.		695.	
PA REGISTRATION FEE	30.		30.	
TOTAL	<u>\$ 776.</u>	<u>\$ 51.</u>	<u>\$ 776.</u>	<u>\$ 0.</u>

2012

FEDERAL STATEMENTS

PAGE 2

STRATTON FOUNDATION

23-2508658

STATEMENT 5
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

<u>OTHER INVESTMENTS</u>	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
STOCKS AND MUTUAL FUNDS	COST	\$ 8,113,471.	\$ 9,586,347.
	TOTAL	<u>\$ 8,113,471.</u>	<u>\$ 9,586,347.</u>

STATEMENT 6
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED</u>	<u>COMPEN- SATION</u>	<u>CONTRI- BUTION TO EBP & DC</u>	<u>EXPENSE ACCOUNT/ OTHER</u>
JAMES STRATTON (UNTIL 4/18/12) PO BOX 100 BLUE BELL, PA 19422	PRESIDENT 0	\$ 0.	\$ 0.	\$ 0.
ARLENE E STRATTON PO BOX 100 BLUE BELL, PA 19422	SECRETARY/TREAS 0	0.	0.	0.
SUSAN MCGINNIS 3130 WATER STREET ROAD EAGLEVILLE, PA 19403-4532	TRUSTEE 0	0.	0.	0.
JEANNE JENKINS 200 SPRING FALLS ROAD MILTON, GA 30004-8411	TRUSTEE 0	0.	0.	0.
CAROL BEERS 270 UPPER GULPH ROAD RADNOR, PA 19087	TRUSTEE 0	0.	0.	0.
	TOTAL	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 7
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:

NAME: CAROL BEERS

CARE OF:

STREET ADDRESS:

CITY, STATE, ZIP CODE: PA

TELEPHONE:

E-MAIL ADDRESS:

FORM AND CONTENT: WRITTEN REQUEST DESCRIBING NATURE OF PROGRAM

SUBMISSION DEADLINES: NONE

RESTRICTIONS ON AWARDS: NONE

Asset detail

Cash and cash equivalents

	Description	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
655,460.86	CRA4 (BNY Mellon, N.A., Member FDIC) (Principal Holding)	\$ 655,460.86	\$ 655,460.86		\$ 65.55	0.0%	6.4%
72.25	CRA4 (BNY Mellon, N.A., Member FDIC) (Income Holding)	72.25	72.25		0.01	0.0	0.0
	Principal Cash						
	Income Cash						
	Total cash and cash equivalents	\$ 655,533.11	\$ 655,533.11	\$ 0.00	\$ 65.56	0.0%	6.4%

Equities

U.S. large cap

Shares/par value	Description	Market price	Market value	Tax cost	Estimated annual income	Current yield	Pct of holdings
1,100	Air Products & Chemicals Inc (APD)	\$ 84.0200	\$ 92,422.00	\$ 91,410.00	\$ 2,816.00	3.1%	0.9%
8,600	Anadarko Petroleum Corp (APC)	74.3100	639,066.00	672,696.00	3,096.00	0.5	6.2
1,100	Apache Corp (APA)	78.5000	86,350.00	85,404.00	748.00	0.9	0.8
100	Apple Inc (AAPL)	532.1730	53,217.30	54,213.51	1,060.00	2.0	0.5
10,000	C S X Corp (CSX)	19.7300	197,300.00	255,872.00	5,600.00	2.8	1.9.
4,100	Conocophillips (COP)	57.9900	237,759.00	237,598.09	10,824.00	4.6	2.3
5,300	Freeport McMoran Copper & Gold Inc (FCX)	34.2000	181,260.00	263,372.50	6,625.00	3.7	1.8
2,150	Halliburton Co (HAL)	34.6900	74,583.50	73,390.25	774.00	1.0	0.7
1,600	Intel Corp (INTC)	20.6200	32,982.00	33,224.00	1,440.00	4.4	0.3
4,300	The Mosaic Company (MO)	56.6300	243,509.00	223,481.95	4,300.00	1.8	2.4
300	Occidental Petroleum Corp (OXY)	76.6100	22,983.00	22,905.00	648.00	2.8	0.2
1,500	Phillips 66 (PSX)	53.1000	79,650.00	59,655.81	1,500.00	1.9	0.8
450	Union Pac Corp (UNP)	125.7200	56,574.00	56,273.25	1,242.00	2.2	0.6

Equities

U.S. large cap
continued

<u>Shares/par value</u>	<u>Description</u>	Market price	Market value	Tax cost
800	United Parcel Service Cl B (UPS)	73.7300	58,984.00	\$8,952.00
Total U.S. large cap			\$ 2,056,649.80	2,133,418.36

U.S. mid cap

<u>Shares/par value</u>	<u>Description</u>	Market price	Market value	Tax cost
2,000	Chicago Bridge & I (CBI) Nlg 0.01	\$ 46.3500	\$ 92,700.00	\$ 83,520.00
2,150	Nuance Communications Inc (NUAN)	22.3200	47,988.00	47,934.25
10,000	U G I Corp New (UGI)	32.7100	327,100.00	277,600.00
Total U.S. mid cap			\$ 369,064.25	\$ 11,200.00

U.S. small cap

<u>Shares/par value</u>	<u>Description</u>	Market price	Market value	Tax cost
1,600	Schnitzer Steel Industries Inc Cl A (SCHN)	\$ 30.3300	\$ 48,528.00	\$ 47,176.00
33,884.346	Stratton Small Cap Value Fund (STSCX)	55.3600	1,876,515.08	1,091,459.36
Total U.S. small cap			\$ 1,925,043.08	\$ 1,139,035.36

Developed international

<u>Shares/par value</u>	<u>Description</u>	Market price	Market value	Tax cost
3,000	Agrium Inc (AGU)	\$ 99.8714	\$ 299,614.20	\$ 263,595.00
550	Canadian National Railway Company (CNI)	91.0100	50,055.50	50,374.50
1,600	Teck Resources Ltd (TCK) Class B	36.3500	58,160.00	56,904.00
Total developed international			\$ 407,829.70	\$ 370,873.50

\$ 8,267.30

4.0%

<u>Shares/par value</u>	<u>Description</u>	Market price	Market value	Tax cost

\$ 6,000.00

2.0%

2.9%

830.50

17

0.5

1,436.80

2.5

0.6

Emerging markets

<u>Shares/par value</u>	<u>Description</u>	Market price	Market value	Tax cost	Estimated annual income	Current yield	Pct of holdings
15,000	ISHARES Ftsa/Xinhua China 25 (FXI) Index FD	\$ 40,4500	\$ 606,750.00	\$ 645,934.50	\$ 14,055.00	2.3%	5.9%
10,000	ISHARES MSCI Emerging Markets Index (EEM) Fund	44,3500	443,500.00	351,610.00	7,450.00	1.7	4.3
15,000	Vanguard Emerging Markets ETF (VWO)	44,5300	667,950.00	335,449.50	14,625.00	2.2	6.5
Total emerging markets			\$ 1,718,200.00	\$ 1,332,994.00	\$ 36,130.00	16.8%	
Equity reits							
<u>Shares/par value</u>	<u>Description</u>	Market price	Market value	Tax cost	Estimated annual income	Current yield	Pct of holdings
25,306.6576	Stratton Monthly Dividend Reit (STMIDX) Shares	\$ 29,9800	\$ 758,694.15	\$ 773,241.78	\$ 9,591.23	1.3%	7.4%
Total equity reits			\$ 758,694.15	\$ 773,241.78	\$ 9,591.23	7.4%	
Other equity							
<u>Shares/par value</u>	<u>Description</u>	Market price	Market value	Tax cost	Estimated annual income	Current yield	Pct of holdings
60,105.202	Stratton Multi-Cap Fund (STRGX)	\$ 37,4700	\$ 2,252,141.92	\$ 2,129,844.09	\$ 12,381.67	0.6%	22.0%
Total other equity			\$ 2,252,141.92	\$ 2,129,844.09	\$ 12,381.67	22.0%	
Total equities			\$ 10,241,879.76	\$ 124,145.16	\$ 124,079.60	93.6%	
Total assets							100.0%

STRATTON FOUNDATION
EIN: 23-2508658
Form 990-PF year-ended 12/31/2012

<u>Contribution</u>	<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
Ambler Theater, Inc. P O. Box 676 Ambler, PA 19002	9/24/2012	\$ 1,000	Cultural Arts General Program Support
American Red Cross P.O. Box 4002018 Des Moines, IA 50340-2018	11/7/2012	10,000	Social Services General Program Support
CASA of Philadelphia 1940 Brandywine Street Philadelphia, PA 19130	9/24/2012	5,000	Social Services General Program Support
Center for Loss and Bereavement 3847 Skippack Pike, PO Box 1299 Skippack, PA 19474	11/16/2012	2,500	Social Services General Program Support
Central Schwenkfelder Church 2111 Valley Forge Road Lansdale, PA 19446	5/2/2012	30,000	\$5,000: Summer Work Camp \$3,000: C Young Mission Marseilles France \$3,000: O.M.F. \$3,000: Joy Ranch \$3,000: E Winslow Mission Support \$3,000: H.D. Williams, III-Tyndale Seminary \$10,000: Organ Restoration
Central Schwenkfelder Church 2111 Valley Forge Road Lansdale, PA 19446	9/24/2012	25,000	Religious Garden of Memories Prayer Garden
Chester County SPCA 1212 Phoenixville Pike West Chester, PA 19380	9/24/2012	500	Animal Rescue Benefit Horse Show
Children's Beach House 1800 Bay Avenue Lewes, DE 19958	11/13/2012	5,000	Social Services Capital Campaign - Child Development Center
Christ's Home 800 N. York Road Warminster, PA 18974	1/22/2012	6,000	Social Services General Program Support
Community Partnership School 1936 North Judson Street Philadelphia, PA 19121	12/12/2012	5,000	Education Annual Fund
The Drake House 10500 Clara Drive Roswell, GA 30075	12/20/2012	5,000	Social Services General Program Support

STRATTON FOUNDATION
EIN: 23-2508658
Form 990-PF year-ended 12/31/2012

<u>Contribution</u>	<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
Elmwood Park Zoo (Norristown Zoological) 1661 Harding Boulevard Norristown, PA 19401	6/6/2012	3,000	Conservation Annual Fund
Episcopal Community Services 225 S. Third Street Philadelphia, PA 19106	9/24/2012	5,000	Social Services Annual Fund
European Christian Mission (NA) Inc P.O. Box 1006 Pt. Roberts, WA 98281	1/30/2012	5,000	Religious General Program Support
Friends of the Boca Grande Community Center P.O. Box 1222 Boca Grande, FL 33921	11/30/2012	2,000	Social Services General Program Support
Gasparilla Island Conservation P.O. Box 446, 131 First Street Boca Grande, FL 33921	3/5/2012	2,000	Conservation General Program Support
Germantown Academy P. O. Box 287 Fort Washington, PA 19034-0287	6/6/2012	4,000	Education Annual Fund
Germantown Academy P. O. Box 287 Fort Washington, PA 19034-0287	9/24/2012	50,000	Education Capital Campaign - Building On Tradition
Germantown Academy P. O. Box 287 Fort Washington, PA 19034-0287	11/16/2012	15,000	Education Capital Campaign - Academic Courtyard
Habitat for Humanity of Montgomery County 533 Foundry Road West Norriton, PA 19403	10/5/2012	1,000	Social Service General Program Support
Harvard University 124 Mount Auburn Street Cambridge, MA 02138-5795	1/30/2012	2,000	Education Harvard Business School Dean's Fund
Hawk Mountain Sanctuary 1700 Hawk Mountain Road Kempton, PA 19529-9379	11/16/2012	5,000	Conservation General Program Support
Inter-Faith Housing Alliance P.O. Box 141 Ambler, PA 19002	11/7/2012	4,000	Social Service General Program Support

STRATTON FOUNDATION
EIN: 23-2508658
Form 990-PF year-ended 12/31/2012

<u>Contribution</u>	<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
Kentucky Horse Park 4089 Iron Works Parkway Lexington, KY 40511	11/13/2012	1,000	Conservation Dedicated Horse Path Project
Life Abundant, Inc. P. O. Box 412 Doylestown, PA 18901	1/30/2012	1,000	Social Service General Program Support
Lyric Fest 1013 Westview Street, 3rd Floor Philadelphia, PA 19119	1/10/2012	5,000	Cultural Arts General Program Support
Manna On Main Street 514 West Main Street, PO Box 763 Lansdale, PA 19446	3/16/2012	10,000	Social Services Soup Kitchen Equipment & Office Furniture for new location
Meadowood Retirement Community 3205 Skippack Pike, P.O. Box 670 Worcester, PA 19490-0670	11/30/2012	5,000	Health Care Health Center Annual Fund
National Baseball Hall of Fame 25 Main Street Cooperstown, NY 13326-0590	5/2/2012	2,500	Educational F.&P. Steele Internship Program for Youth Leadership
North Fulton Community Charities 11270 Elkins Road Roswell, GA 30076	12/12/2012	3,000	Social Service General Program Support
Pennsylvania SPCA 350 E. Erie Avenue Philadelphia, PA 19134	3/12/2012	2,500	Animal Rescue Utley All-Star Animals
Pennsylvania State University One Old Main University Park, PA 16802-1500	1/30/2012	5,000	Education Earth & Mineral Sciences Future Fund
Pitch In For Baseball 1541 Gehman Road Harleysville, PA 19438	11/14/2012	900	Social Services General Program Support
Save the Horses 1768 Newt Green Road Cumming, GA 30028	12/20/2012	2,000	Animal Rescue General Program Support
Schwenkfelder Library & Heritage Center 105 Seminary Street Pennsburg, PA 18073-1898	1/30/2012	2,750	Education Annual Fund

STRATTON FOUNDATION
EIN: 23-2508658
Form 990-PF year-ended 12/31/2012

<u>Contribution</u>	<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
Sebastian Riding Associates, Inc. 3589 Water Street Road Collegeville, PA 19426	1/10/2012	2,000	Social Service Scholarship Program
Settlement Music School P O. Box 63966 Philadelphia, PA 19147-3966	1/30/2012	2,000	Education General Program Support
Silver Springs – Martin Luther School 512 W. Township Line Road Plymouth Meeting, PA 19462-1001	11/16/2012	5,000	Education General Program Support
Temple University Public Radio - WRTI 1509 Cecil B. Moore Avenue Philadelphia, PA 19121-3410	1/22/2012	2,750	Cultural Arts General Program Support
The Highlands 7001 Scheaff Lane Fort Washington, PA 19034	11/7/2012	1,000	Conservation General Program Support
The Jefferson Foundation 925 Chestnut Street, Suite 110 Philadelphia, PA 19107-4216	7/24/2012	76,404	Educational The Paul C. Brucker Scholarship Fund
The Jefferson Foundation 925 Chestnut Street, Suite 110 Philadelphia, PA 19107-4216	10/2/2012	15,000	Educational Clinical Skills Center - equipment purchase
The Will to Live Foundation 300 Brogdon Road, Suite 140 Suwanee, GA 30024	12/20/2012	5,000	Social Service General Program Support
Trinity Church 966 Trinity Lane King of Prussia, PA 19406	10/2/2012	2,000	Religious 100th Anniversary Celebration
Wayne Art Center 413 Maplewood Avenue Wayne, PA 19087	10/2/2012	5,000	Education General Program Support (Annual Giving Campaign)
WHYY, Inc. Independence Mall West, 150 North Sixth Street Philadelphia, PA 19106	5/2/2012	5,000	Cultural Arts Experience Campaign Support
Wissahickon Valley Public Library 650 Skippack Pike Blue Bell, PA 19422	1/30/2012	2,000	Education General Program Support (Annual Giving Campaign)

STRATTON FOUNDATION
EIN: 23-2508658
Form 990-PF year-ended 12/31/2012

<u>Contribution</u>	<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
Wissahickon Valley Watershed Association 12 Morris Road Ambler, PA 19002-5499	5/2/2012	12,500	Conservation Green Ribbon Trail Improvements
Young Life North Fulton PO Box 619 Alpharetta, GA 60009	12/20/2012	10,000	Social Service General Program Support
TOTAL CONTRIBUTIONS:		\$ <u>379,304</u>	

Stratton Foundation
 Stocks Donated to Foundation from Estate of J Stratton
 12/12/2012
23- 2508658

H:\DATA\2013\StrattonFdn\StrattonFound12.xls\Estate Stock Donation

# shs	Name	Date of Gift - 12/12/12			FMV Donation
		High	Low	Average	
1,100	Air Products	83.8000	82.4000	83.1000	91,410.00
600	Anadarko	76.9500	75.0200	75.9850	45,591.00
1,100	Apache Corp	78.5100	76.7700	77.6400	85,404.00
100	Apple	548.0000	536.2701	542.1351	54,213.51
550	Canadian National Railway	92.1000	91.0800	91.5900	50,374.50
2,000	Chicago Bridge & Iron Co	42.2200	41.3100	41.7650	83,530.00
1,100	Conocophillips	58.7500	58.0900	58.4200	64,262.00
1,300	Freeport McMoran Copper & Gold	32.7400	31.9100	32.3250	42,022.50
2,150	Halliburton Co	34.3600	33.9100	34.1350	73,390.25
1,600	Intel Corp	20.9900	20.5400	20.7650	33,224.00
1,300	Mosaic Co	57.1090	56.1200	56.6145	73,598.85
2,150	Nuance Communications	22.5000	22.0900	22.2950	47,934.25
300	Occidental Petroleum	76.9100	75.7900	76.3500	22,905.00
1,600	Schnitzer Steel Industries Inc	30.0799	28.8900	29.4850	47,176.00
1,600	Teck Resources Ltd	35.9000	35.2300	35.5650	56,904.00
450	Union Pacific Corp	126.2000	123.7700	124.9850	56,243.25
800	United Parcel Service	74.0500	73.3300	73.6900	<u>58,952.00</u>

987,135.11

Attachment to Schedule B, Part II, Line 4