



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**

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

Esper A Petersen Foundation
1 E. Belvidere Road
Grayslake, IL 60030**A** Employer identification number
36-6125570**B** Telephone number (see the instructions)
847-336-0900**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☐ Final return☐ Address change☐ Initial return of a former public charity☐ Amended return☐ 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)

▶ \$ 9,087,322.

J Accounting method: ☒ 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 (att sch)**2** Ck ☒ if the foundn is not req to att Sch B**3** Interest on savings and temporary cash investments

16,499.

16,499.

16,499.

4 Dividends and interest from securities

144,188.

144,188.

144,188.

5 a Gross rents

414,399.

414,399.

414,399.

b Net rental income or (loss) 178,576.**6 a** Net gain/(loss) from sale of assets not on line 10

-9,317.

b Gross sales price for all assets on line 6a 136,737.**7** Capital gain net income (from Part IV, line 2)

0.

8 Net short-term capital gain

61.

9 Income modifications**10 a** 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

565,769.

575,086.

575,147.

13 Compensation of officers, directors, trustees, etc

3,000.

3,000.

3,000.

14 Other employee salaries and wages**15** Pension plans, employee benefits**16 a** Legal fees (attach schedule)**b** Accounting fees (attach sch) See St 1

6,950.

6,950.

6,950.

c Other prof fees (attach sch) See St 2

19,013.

19,013.

19,013.

17 Interest**18** Taxes (attach schedule)(see instrs) See Stm 3

2,825.

2,825.

2,825.

19 Depreciation (attach sch) and depletion

44,947.

44,947.

44,947.

20 Occupancy**21** Travel, conferences, and meetings

519.

519.

519.

22 Printing and publications**23** Other expenses (attach schedule)

See Statement 4

192,399.

192,399.

192,399.

24 Total operating and administrative expenses. Add lines 13 through 23

269,653.

269,653.

269,653.

25 Contributions, gifts, grants paid Part XV

227,508.

227,508.

26 Total expenses and disbursements. Add lines 24 and 25

497,161.

269,653.

269,653.

227,508.

27 Subtract line 26 from line 12**a** Excess of revenue over expenses and disbursements

68,608.

b Net investment income (if negative, enter -0-)

305,433.

c Adjusted net income (if negative, enter -0-)

305,494.

SCANNED MAY 15 2013
DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE

25

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
ASSETS	1	Cash — non-interest-bearing		322,990.	41,355.	41,355.
	2	Savings and temporary cash investments				
	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		12,006.	7,746.	
	10a	Investments — U.S. and state government obligations (attach schedule)				
	b	Investments — corporate stock (attach schedule)				
	c	Investments — corporate bonds (attach schedule)				
LIABILITIES	11	Investments — land, buildings, and equipment basis	3,146,997.			
		Less: accumulated depreciation (attach schedule) See Stmt 5	1,910,891.	1,044,740.	1,236,106.	3,656,799.
	12	Investments — mortgage loans				
	13	Investments — other (attach schedule)		4,018,326.	3,999,625.	4,788,552.
	14	Land, buildings, and equipment: basis				
		Less: accumulated depreciation (attach schedule)				
	15	Other assets (describe See Statement 6)		400,000.	600,616.	600,616.
	16	Total assets (to be completed by all filers — see the instructions. Also, see page 1, item I)		5,798,062.	5,885,448.	9,087,322.
	17	Accounts payable and accrued expenses				
	18	Grants payable				
FUND ASSETS OR BALANCES	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe See Statement 7)		30,880.	49,658.	
	23	Total liabilities (add lines 17 through 22)		30,880.	49,658.	
		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted		5,767,182.	5,835,790.	
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.				
NET ASSETS OR FUND BALANCES	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)		5,767,182.	5,835,790.	
	31	Total liabilities and net assets/fund balances (see instructions)		5,798,062.	5,885,448.	

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	5,767,182.
2	Enter amount from Part I, line 27a	2	68,608.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	5,835,790.
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	5,835,790.

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 See Statement 8				
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(j) Fair Market Value as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of column (i) over column (j), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss).	<div style="border: 1px solid black; padding: 2px; display: inline-block;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>		2	-9,317.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	<div style="border: 1px solid black; padding: 2px; display: inline-block;"> If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 </div>		3	61.

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	411,687.	8,342,670.	0.049347
2010	426,769.	8,611,245.	0.049560
2009	440,518.	9,194,380.	0.047912
2008	461,941.	9,598,477.	0.048126
2007	302,901.	9,570,793.	0.031648

2 Total of line 1, column (d)	2	0.226593
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	0.045319
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	8,427,720.
5 Multiply line 4 by line 3	5	381,936.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,054.
7 Add lines 5 and 6	7	384,990.
8 Enter qualifying distributions from Part XII, line 4	8	427,508.

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 _____ (attach copy of letter if necessary— see instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	3,054.
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	3,054.
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	3,054.
6 Credits/Payments:			
a 2012 estimated tax pmts and 2011 overpayment credited to 2012	6 a	2,800.	
b Exempt foreign organizations— tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	2,800.	
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	254.	
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 2013 estimated tax	11		
	Refunded		

Part VII Statements Regarding Activities

	Yes	No
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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>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</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>IL CA</u>		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

BAA

Form 990-PF (2012)

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? Website address _____ ▶ N/A	13	X	
14	The books are in care of ▶ Esper A Petersen Telephone no. ▶ 847-336-0900 Located at ▶ 1 E. Belvidere Road Grayslake IL ZIP + 4 ▶ 60030			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A ▶ <input type="checkbox"/> 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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ▶	16		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.**

	Yes	No
1 a 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	
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)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1 b	N/A
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 2012?	1 c	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? If 'Yes,' list the years ▶ 20 __, 20 __, 20 __, 20 __	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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.)	2 b	N/A
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 __		
3 a 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.)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	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 2012?	4 b	X

BAA

Form 990-PF (2012)

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)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

N/A

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? ☐ Yes ☒ No

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? ☐ Yes ☒ No

N/A

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
Esper A Petersen 1 E. Belivere Road Grayslake, IL 60030	Dir, Pres/Tr 5.00	1,000.	0.	0.
Ann Petersen 9185 Thrasher Los Angeles, CA	Dir, VP/Secy 5.00	1,000.	0.	0.
Leslie Pam 9185 Thrasher Los Angeles, CA	Asst Secreta 2.00	1,000.	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

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 <u>N/A</u>	
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>Non interest bearing loan to FOOD Share, a 501(c)(3) public charity for purposes of FOOD Share's operating needs in feeding and educating</u>	200,000.
2 <u>the hungry of Ventura County.</u>	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	200,000.

BAA

Form 990-PF (2012)

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	1 a	4,889,437.
b Average of monthly cash balances	1 b	176,492.
c Fair market value of all other assets (see instructions)	1 c	3,490,132.
d Total (add lines 1a, b, and c)	1 d	8,556,061.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	8,556,061.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	128,341.
5 Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,427,720.
6 Minimum investment return Enter 5% of line 5	6	421,386.

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	421,386.
2 a Tax on investment income for 2012 from Part VI, line 5	2 a	3,054.
b Income tax for 2012. (This does not include the tax from Part VI.)	2 b	
c Add lines 2a and 2b	2 c	3,054.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	418,332.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	418,332.
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	418,332.

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	1 a	227,508.
b Program-related investments — total from Part IX-B	1 b	200,000.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3 a	
b Cash distribution test (attach the required schedule)	3 b	
4 Qualifying distributions Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	427,508.
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	3,054.
6 Adjusted qualifying distributions Subtract line 5 from line 4	6	424,454.

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				418,332.
2 Undistributed income, if any, as of the end of 2012.				
a Enter amount for 2011 only			385,908.	
b Total for prior years. 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2012.				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 427,508.				
a Applied to 2011, but not more than line 2a			385,908.	
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				41,600.
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))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount — see instructions		0.		
e Undistributed income for 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				376,732.
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				

BAA

Form 990-PF (2012)

N/A

- (4) Gross investment income**

[illegible]

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year See Statement 10				
Total			3 a	227,508.
b Approved for future payment				
Total			3 b	

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

2012Attachment
Sequence No **179**

Name(s) shown on return

Esper A Petersen Foundation

Identifying number

36-6125570

Business or activity to which this form relates

Rental activity - Commercial real estate**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	
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	
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 2011 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	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 2013. 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	37,699.

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 2012	17	7,248.
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 <input type="checkbox"/>		

Section B - Assets Placed in Service During 2012 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						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

Section C - Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

(a) Class life	(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
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	44,947.
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	

Esper A Petersen Foundation

36-6125570

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
Dam, Snell & Taveirne, Ltd.	\$ 6,950.	\$ 6,950.	\$ 6,950.	
Total	<u>\$ 6,950.</u>	<u>\$ 6,950.</u>	<u>\$ 6,950.</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
Investment fees-Union Bank	\$ 19,013.	\$ 19,013.	\$ 19,013.	
Total	<u>\$ 19,013.</u>	<u>\$ 19,013.</u>	<u>\$ 19,013.</u>	<u>\$ 0.</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
California FTB	\$ 10.	\$ 10.	\$ 10.	
Excise tax based on investment income	2,800.	2,800.	2,800.	
Illinois Attorney General	15.	15.	15.	
Total	<u>\$ 2,825.</u>	<u>\$ 2,825.</u>	<u>\$ 2,825.</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
Office and insurance	\$ 1,523.	\$ 1,523.	\$ 1,523.	
Rental Expenses	190,876.	190,876.	190,876.	
Total	<u>\$ 192,399.</u>	<u>\$ 192,399.</u>	<u>\$ 192,399.</u>	<u>\$ 0.</u>

Esper A Petersen Foundation

36-6125570

Statement 5
Form 990-PF, Part II, Line 11
Investments - Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Buildings	\$ 2,728,426.	\$ 1,910,891.	\$ 817,535.	\$ 3,656,799.
Land	418,571.		418,571.	0.
Total	<u>\$ 3,146,997.</u>	<u>\$ 1,910,891.</u>	<u>\$ 1,236,106.</u>	<u>\$ 3,656,799.</u>

Statement 6
Form 990-PF, Part II, Line 15
Other Assets

	Book Value	Fair Market Value
Program related loans	\$ 600,000.	\$ 600,000.
Utility deposit	616.	616.
Total	<u>\$ 600,616.</u>	<u>\$ 600,616.</u>

Statement 7
Form 990-PF, Part II, Line 22
Other Liabilities

Tenant's deposits	\$ 39,980.
Real estate tax credit	9,678.
Total	<u>\$ 49,658.</u>

Statement 8
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	200sh Hewlett Packard Co	Purchased	1/11/2011	8/07/2012
2	35.285sh Royce Total Return Fund #267	Purchased	12/08/2011	11/01/2012
3	800sh Hewlett Packard Co	Purchased	1/11/2011	8/07/2012
4	2991.371sh Royce Total Return Fund #267	Purchased	9/23/2009	1/11/2012
5	Silicon Vy Bk Calif Sr Nt 5.7%	Purchased	10/07/2009	6/01/2012
6	423.585sh T Rowe Price Mid-Cap Growth Fund #64	Purchased	9/23/2009	11/01/2012
6	Capital Gain Dividends			

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i) - (j)	(l) Gain (Loss)
1	3,782.		9,194.	-5,412.				\$ -5,412.
2	499.		438.	61.				61.
3	15,128.		35,957.	-20,829.				-20,829.
4	42,328.		31,200.	11,128.				11,128.
5	50,000.		50,000.	0.				0.

Esper A Petersen Foundation

36-6125570

Statement 8 (continued)
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i) - (j)	(l) Gain (Loss)
6	25,000.		19,265.	5,735.				\$ 5,735.
							Total	\$ -9,317.

Statement 9
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program: Any program
Name: Esper A Petersen Foundation
Care Of: Esper A Petersen
Street Address: 1 E. Belvidere Road
City, State, Zip Code: Grayslake, IL 60030
Telephone: 847-336-0900
E-Mail Address:
Form and Content: No required form - Solicitations should include specific plans for the use of grants received, proof of 501(c)(3) status, and financial information regarding the organization.
Submission Deadlines: No specific deadlines
Restrictions on Awards: Any restrictions are determined during the evaluation process.

Statement 10
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
Health Reach 1800 Grand Avenue Waukegan, IL 60085			Assist in the health care of the poor and needy	\$ 29,508.
Villa Esperanza 2060 E Villa Street Pasadena, CA 91107			Provide for special needs children, adults and their families	1,000.

Statement 10 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Los Angeles Opera 135 North Grand Ave. Los Angeles, CA 90012			Support the opera's educational and community programs	\$ 28,500.
C.L.A.R.E. Foundation 909 Pico Blvd Santa Monica, CA 90405			Support recovery programs for those afflicted with addiction	12,500.
Planned Parenthood 1920 Marengo St. Los Angeles, CA 90033,			Provide affordable access to a full range of reproductive health care	12,500.
Cedar Sinai Medical Center 8700 Beverly Blvd Los Angeles, CA 90048			Provide affordable health care	20,000.
Muscular Dystrophy Association 402 E Carrillo St. #C Santa Barbara, CA 93101			Research for the prevention and cure of Muscular Dystrophy	10,000.
Salvation Army PO Box 5365 Oxnard, CA 93031			Support the adult rehabilitation center	1,000.
Los Angeles Chamber Orchestra 707 Wilshire Blvd Suite 1850 Los Angeles, CA 90017			Support orchestra's education and outreach programs	10,000.
West Los Angeles Symphony Inc PO Box 25115 Los Angeles, CA 90028			To help bring world-class musical experiences to the greater Los Angeles area.	1,000.
Beverly Hills Women's Club 1700 Chevy Chase Drive Beverly Hills, CA 90210			Community resources for education, lectures and cultural events	400.

Statement 10 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Los Angeles Museum of Art Costume Council 5905 Wilshire Blvd. Los Angeles, CA 90036			To support the museum.	\$ 1,000.
National Rifle Foundation 2029 Verdugo Blvd. #1026 Montrose, CA 91020			To promote police training, firearm safety, marksmanship, hunting and self-defense training	9,000.
Tower Cancer Research Found 9090 Wilshire Blvd, Ste 200 Beverly Hills, CA 90211			To pursue exciting and novel treatments that are undergoing experimental evaluation and then offer these options to those patients whose medical condition may not have benefited from standard interventions	5,000.
Autry National Center 4700 Western Heritage Way Los Angeles, CA 90027			Support educational programs at the museum	15,000.
Friends of Robinson Gardens 1008 Elden Way Beverly Hills, CA 90210			To preserve and restore the Virginia Robinson gardens and estate	18,600.
Pleasant Valley Christian School 1101 Ponderosa Drive Camarillo, CA 93010			Support the school	22,850.
Hilltop Nursery School 3625 Marathon St Los Angeles, CA 90026			To support the school's activities	1,000.

Statement 10 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
Los Angeles Regional Food Bank 1934 E 41st St Los Angeles, CA 90058			To support charitable distribution of food	\$ 5,000.
Ganna Walska Lotusland 695 Ashley Rd Santa Barbara, CA 93108			To help provide the gardens and home of Lotusland as a place for the public to enjoy as a botanical destination and a learning experience	1,600.
American Cancer Society 100 Tri-State Int'l, Suite 12 Lincolnshire, IL 60069			To raise awareness about cancer-related issues while helping fight the disease through research, education, advocacy and services	7,500.
Lions Club of Grayslake PO Box 201 Grayslake, IL 60030			To support Shop with a Cop during the holiday season	500.
Hope in Christ Outreach Church 7217 Wallaby St Ventura, CA 93003			To support the church with general operating needs	7,000.
NOMAD Foundation 307 E Ojai Avenue, #103 Ojai, CA 93023			To build a boarding school for nomadic children in Nigeria	6,050.
Wolf Mountain Sanctuary PO Box 385 Lucerne Valley, CA 92356			For the preservation, protection and proper management of wolves in the wild and in captivity	1,000.
Total				\$ 227,508.

SCHEDULE OF OTHER ASSETS, Form 990-PF, Part II, Line 13

The following represents the market value of investments held by the Foundation at Santa Barbara Bank and Trust and First Allied as of December 31, 2012. Detailed account statements are available at the Foundations office.

Money Market	\$ 7,393
Equity securities	2,632,195
Equity mutual funds	643,973
Equity REIT	55,151
Fixed income securities	398,946
Fixed income mutual funds	1,050,894

Total	\$4,788,552
	=====