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Form 990

Return of Organization Exempt From Income Tax

2012

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 01-01-2012, 2012, and ending 12-31-2012

B Check if applicable	C Name of organization SENIOR CARE COMMUNITIES INC		D Employer identification number 65-0639567
<input type="checkbox"/> Address change	Doing Business As		
<input type="checkbox"/> Name change			
<input type="checkbox"/> Initial return	Number and street (or P O box if mail is not delivered to street address)	Room/suite	E Telephone number (651) 287-6408
<input type="checkbox"/> Terminated			
<input type="checkbox"/> Amended return	City or town, state or country, and ZIP + 4 ST PAUL, MN 55103		
<input type="checkbox"/> Application pending			G Gross receipts \$ 50,839,941

F Name and address of principal officer SUSAN LANDWEHR 161 ST ANTHONY AVENUE NO 825 ST PAUL, MN 55103	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)
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H(c) Group exemption number ►

I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527

J Website: ► WWW SENIORCARECOMMUNITIES ORG
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K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►	L Year of formation 1995	M State of legal domicile DC
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Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO DEVELOP AND MAINTAIN QUALITY AGED, HANDICAPPED, AND LOW AND MODERATE INCOME HOUSING AND SERVICES

2 Check this box ► if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a)	4	5
4 Number of independent voting members of the governing body (Part VI, line 1b)	5	3
5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	6	1,126
6 Total number of volunteers (estimate if necessary)	7a	387
7a Total unrelated business revenue from Part VIII, column (C), line 12	7b	0
b Net unrelated business taxable income from Form 990-T, line 34		0

Activities & Governance	Revenue	Prior Year		Current Year											
		8 Contributions and grants (Part VIII, line 1h)	46,942	9 Program service revenue (Part VIII, line 2g)	46,141,576	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	283,644	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	417,273	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	46,889,435	55,126	49,845,517	256,985	637,317
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	35,663		29,354											
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0		0											
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	23,507,718		24,349,371											
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0		0											
	b Total fundraising expenses (Part IX, column (D), line 25) ► 41,541														
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	23,498,820		25,945,985											
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	47,042,201		50,324,710											
	19 Revenue less expenses Subtract line 18 from line 12	-152,766		470,235											

Net Assets or Fund Balances	Beginning of Current Year		End of Year	
	20 Total assets (Part X, line 16)	67,066,878	21 Total liabilities (Part X, line 26)	66,786,408
	22 Net assets or fund balances Subtract line 21 from line 20	280,470		785,590

Part II Signature Block

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 officer) is based on all information of which preparer has any knowledge

Sign Here	***** Signature of officer SUSAN LANDWEHR CHAIRPERSON Type or print name and title	2013-08-05 Date
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Paid Preparer Use Only	Print/Type preparer's name MIKE PRIGGE	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00749265
	Firm's name ► CLIFTONLARSONALLEN LLP			Firm's EIN ► 41-0746749	
	Firm's address ► 220 SOUTH SIXTH STREET SUITE 300 MINNEAPOLIS, MN 55402			Phone no (612) 376-4500	

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

Statement of Program Service Accomplishments

Statement of Program Service Accomplishments

to describe the organization's mission

THE PRIMARY MISSION OF SENIOR CARE COMMUNITIES, INC IS TO HOUSE AND CARE FOR SENIOR RESIDENTS IN A VARIETY OF SETTINGS INCLUDING RENTAL APARTMENTS, ASSISTED LIVING, LONG TERM NURSING, REHABILITATION FACILITIES AND MEMORY CARE UNITS. WE ARE ALSO COMMITTED TO SERVING OUR RESIDENTS, THEIR FAMILIES, AND THE BROADER COMMUNITY THROUGH PROGRAMMING, PARTNERSHIPS AND FUNDING OF CHARITABLE ENDEAVORS.

Did the organization undertake any significant program services during the year which were not listed on Part V of Form 990 or 990-EZ?

Yes No

If "Yes," describe these new services on Schedule O

the organization cease conducting, or make significant changes in how it conducts, any program or activity? If so, what?

Yes No

If "Yes," describe these changes on Schedule O

Describe the organization's program service accomplishments for each of its three largest program services, as measured by the following metrics. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, capital expenses, and revenue, if any, for each program service reported.

) (Expenses \$ 43,854,472 including grants of \$ 29,354) (Revenue \$ 49,845,517

IN KEEPING WITH THAT MISSION, SENIOR CARE COMMUNITIES HAS MADE A SIGNIFICANT INVESTMENT IN REAL ESTATE WITH THE CAPACITY TO HOUSE THE ELDERLY INCLUDING THE WOODBURY SENIOR LIVING CAMPUS, WOODBURY, MINNESOTA WHICH INCLUDES WOODBURY VILLA, A 75 UNIT INDEPENDENT AND ASSISTED LIVING FACILITY, WOODBURY ESTATES, A 64 UNIT ASSISTED LIVING FACILITY, AND WOODBURY HEALTH CARE CENTER, A 190 BED LICENSED SKILLED NURSING FACILITY IN 2012, WOODBURY HEALTHCARE CENTER PROVIDED CARE FOR AN AVERAGE OF 171 RESIDENTS PER DAY WITH APPROXIMATELY 57% OF THE POPULATION BEING LOW INCOME AS DEFINED BY THEIR ENROLLMENT IN THE MINNESOTA MEDICAL ASSISTANCE PROGRAM. THE 32 BED TRANSITIONAL CARE UNIT (TCU) WHICH FOCUSES ON HIGHER ACUTY RESIDENTS REQUIRING INTENSIVE REHABILITATION SERVICES AVERAGED 28 8 RESIDENTS PER DAY THE SERVICES THAT RESIDENTS RECEIVE IN THE TCU HELP THEM TO RETURN TO HOME OR TO AS INDEPENDENT OF A SETTING AS POSSIBLE. THE PROPERTY ALSO HAS APPROXIMATELY ONE THIRD OF THEIR BEDS DEDICATED TO A MEMORY CARE UNIT WOODBURY VILLA HOUSED AND PROVIDED SERVICES TO APPROXIMATELY 73 RESIDENTS PER DAY IN 2012 WITH AN ESTIMATED 49% OF THE TENANTS BEING LOW INCOME WOODBURY ESTATES HOUSED AND PROVIDED SERVICES TO APPROXIMATELY 62 TENANTS A DAY BIRCHWOOD SENIOR LIVING CAMPUS, FOREST LAKE, MINNESOTA, WHICH INCLUDES BIRCHWOOD ARBORS, A 46 UNIT ASSISTED LIVING FACILITY AND BIRCHWOOD HEALTH CARE CENTER, A 120 BED SKILLED NURSING FACILITY IN 2012, BIRCHWOOD HEALTHCARE CENTER CARED FOR AN AVERAGE OF 104 RESIDENTS PER DAY WITH OVER 63 5% OF THAT POPULATION BEING LOW INCOME. THE PROPERTY HAS A 20 BED REHABILITATION UNIT AND A 32 BED MEMORY CARE UNIT BIRCHWOOD ARBORS HOUSED AND PROVIDED SERVICES TO APPROXIMATELY 45 RESIDENTS PER DAY WITH AN ESTIMATED 65% BEING LOW INCOME PROVIDENCE PLACE, MINNEAPOLIS, MINNESOTA IS A 204 BED SKILLED NURSING FACILITY IN 2012 PROVIDENCE PLACE PROVIDED CARE FOR AN AVERAGE OF 183 RESIDENTS PER DAY WITH APPROXIMATELY 72% OF THE POPULATION BEING LOW INCOME. THE 35 BED TRANSITIONAL CARE UNIT (TCU) WHICH FOCUSES ON HIGHER ACUTY RESIDENTS REQUIRING INTENSIVE REHABILITATION SERVICES AVERAGED 27 RESIDENTS PER DAY THE SERVICES THAT RESIDENTS RECEIVE IN THE TCU HELP THEM TO RETURN TO HOME OR TO AS INDEPENDENT OF A SETTING AS POSSIBLE. THE PROPERTY ALSO HAS TWO UNITS DEDICATED TO MEMORY CARE, WITH ONE OF THE UNITS BEING AN ALL FEMALE UNIT SE ROLLING HILLS, IS A 144 UNIT INDEPENDENT AND ASSISTED LIVING FACILITY WITH A 25 BED TRANSITIONAL CARE UNIT FACILITY, WHICH IS JOINTLY OWNED WITH EBENEZER SOCIETY, A MINNESOTA NONPROFIT CORPORATION AND 501(C)(3) TAX-EXEMPT ORGANIZATION FOLLOWING THE REFINANCING OF THE PROPERTY THE OPERATIONS OF BOTH THE ASSISTED LIVING AND TRANSITIONAL CARE UNIT BECAME A WHOLLY OWNED LLC OF SENIOR CARE COMMUNITIES, INC, THE COLONY OF EDEN PRAIRIE, LLC IN 2012, THE ASSISTED AND INDEPENDENT LIVING FACILITY HOUSED AND PROVIDED SERVICES TO AN AVERAGE OF 142 RESIDENTS WHILE THE TRANSITIONAL CARE UNIT CARED FOR AN AVERAGE OF 21 RESIDENTS PER DAY SENIOR CARE COMMUNITIES, INC HAS VERY ACTIVE AND SUCCESSFUL VOLUNTEER PROGRAMS AT EACH OF THEIR PROPERTIES OVER 387 INDIVIDUALS DONATED APPROXIMATELY 10,921 HOURS OF SERVICE ON AN ANNUAL BASIS VOLUNTEERS PERFORM MANY VALUABLE SERVICES FOR THE RESIDENTS WHO HAVE ENTRUSTED THEIR CARE TO SENIOR CARE COMMUNITIES, INC THESE INDIVIDUALS LEAD OR ASSIST IN MANY DAY AND EVENING ENTERTAINMENT ACTIVITIES FOR THE RESIDENTS WE ARE COMMITTED TO WELLNESS BOTH PHYSICAL AS WELL AS SPIRITUAL WE HAVE FUNDED NEW PROGRAM INITIATIVES THAT INCLUDE EQUIPMENT, STAFFING AND NEW PROGRAMS (E G ARTHRITIC YOGA, INTEGRATIVE THERAPIES AS WELL AS A CREATIVE ARTS PROGRAM THAT INCLUDES PAINTING, POETRY AND DANCE) WELLNESS COMMITTEES HAVE BEEN ESTABLISHED AT EACH OF OUR COMMUNITIES TO MONITOR AND RECOMMEND PROGRAMS AND DIRECTION WHEN YOU VISIT A PROPERTY, YOU WILL SEE VOLUNTEERS PLAYING GAMES WITH RESIDENTS, READING TO RESIDENTS, HOSTING ICE CREAM SOCIALS, WORKING IN THE CAFE, SINGING OR PLAYING MUSICAL INSTRUMENTS, TAKING RESIDENTS ON OUTINGS AND A HOST OF OTHER FUN ACTIVITIES VOLUNTEERS WILL OFTEN ESCORT NEW RESIDENTS TO THE DINING ROOM FOR THEIR FIRST MEAL IN A NEW SETTING AND TO HELP THEM BECOME ACQUAINTED WITH OTHER RESIDENTS SENIOR CARE COMMUNITIES, INC IS VERY APPRECIATIVE OF ALL THE SERVICES THAT VOLUNTEERS PROVIDE THESE DONATED SERVICES HELP TO PROVIDE RESIDENTS WITH A HIGHER LEVEL OF PERSONALIZED ATTENTION SENIOR CARE COMMUNITIES HAS A COMMITMENT TO SPIRITUAL PROGRAMMING AND SEES IT AS AN ESSENTIAL ELEMENT IN THE OVERALL WELLNESS OF THE INDIVIDUALS THAT ARE CARED FOR IN THEIR PROPERTIES SENIOR CARE COMMUNITIES FUNDS CHAPLAINS AT EACH OF OUR PROPERTIES AND PROVIDES STIPENDS TO LOCAL CATHOLIC PARISHES TO ENSURE ALL RESIDENTS ARE BEING SERVED BY THE LOCAL PARISH EACH PROPERTY HAS NON-DENOMINATIONAL SERVICES ON A WEEKLY BASIS FOR THE RESIDENTS SEVERAL CHURCHES SUPPORT THE PROPERTIES WITH VOLUNTEERS AND PROGRAMMING THAT HELP TO MEET THE SPIRITUAL NEEDS OF THE RESIDENTS THEY HELP ESCORT RESIDENTS TO WORSHIP SERVICES, LEAD BIBLE STUDIES, LEAD REMINISCING GROUPS AND ASSIST THE CHAPLAINS IN MINISTERING TO THE UNIQUE INDIVIDUAL NEEDS OF THE RESIDENTS.

) (Expenses \$ **1,000**) including grants of \$ **1,000**) (Revenue \$ **1,000**)

(Code) **Y** (Expenses \$) **including grants of \$** **Z** (Revenue \$)

or program services (Describe in Schedule O)

(Expenses \$

including grants of \$

) (Revenue S

1

► program service expenses ►

43,854,472

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, *Schedule of Contributors* (see instructions)?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI

b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII

c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII

d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X

f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part XI

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII

b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV

17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

	Yes	No
1	Yes	
2	Yes	
3		No
4		No
5		No
6		No
7		No
8		No
9	Yes	
10		No
11a	Yes	
11b		No
11c		No
11d	Yes	
11e	Yes	
11f	Yes	
12a		No
12b	Yes	
13		No
14a		No
14b		No
15		No
16		No
17		No
18	Yes	
19		No
20a		No
20b		

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23		No
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a		No
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	33	Yes	
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	34	Yes	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	35a	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35b	Yes	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	36		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	37		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	38	Yes	
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O			

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1a Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	144	
b Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	1,126	
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	Yes	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	No	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No	
b If "Yes," enter the name of the foreign country See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No	
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No	
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).	7a	Yes	
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7b	Yes	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	No	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d		
d If "Yes," indicate the number of Forms 8282 filed during the year	7e	No	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	No	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9a		
9 Sponsoring organizations maintaining donor advised funds.	9b		
a Did the organization make any taxable distributions under section 4966?			
b Did the organization make a distribution to a donor, donor advisor, or related person?			
10 Section 501(c)(7) organizations. Enter	10a		
a Initiation fees and capital contributions included on Part VIII, line 12	10b		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
11 Section 501(c)(12) organizations. Enter	11a		
a Gross income from members or shareholders	11b		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.	13a		
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13b		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a	No	
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

			Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a	5		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b Enter the number of voting members included in line 1a, above, who are independent	1b	3		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	Yes		
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No	
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No	
6 Did the organization have members or stockholders?	6		No	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		No	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		No	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following	8a	Yes		
a The governing body?	8b	Yes		
b Each committee with authority to act on behalf of the governing body?	9		No	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O				

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	No	
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13 Did the organization have a written whistleblower policy?	13	Yes	
14 Did the organization have a written document retention and destruction policy?	14	Yes	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?	15a	Yes	
a The organization's CEO, Executive Director, or top management official	15b	Yes	
b Other officers or key employees of the organization			
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	No	

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed MN
- 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply
 Own website Another's website Upon request Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization
 TWSL LLC 7400 WEST 109TH STREET BLOOMINGTON, MN (952) 888-1974

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VI

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

113 114 115 116 117 118 119 120 121 122 123 124 125 126 127

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NEW HORIZON FOODS 211 2ND ST NW ST MICHAEL MN 55376	DIETARY SERVICES	3,140,526
AEGIS THERAPIES 1000 BEVERLY WAY FORT SMITH AZ 72919	THERAPY SERVICES	2,854,328
TWSL 7400 WEST 109TH STREET BLOOMINGTON MN 55438	PERSONNEL/MANAGEMENT SERVICES	2,674,661
HDC DEVELOPMENT CO LLC 703 19TH AVE NE ST JOSEPH MN 56374	CONSTRUCTION	379,502
TEXTILE CARE SERVICES 225 WOODLAKE DRIVE SE ROCHESTER MN 55904	LAUNDRY SERVICES	347,938
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization <u>16</u>		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **►6**

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a			
	b Membership dues	1b			
	c Fundraising events	1c	55,126		
	d Related organizations	1d			
	e Government grants (contributions)	1e			
	f All other contributions, gifts, grants, and similar amounts not included above	1f			
	g Noncash contributions included in lines 1a-1f \$				
	h Total. Add lines 1a-1f		55,126		
Program Service Revenue	2a RESIDENT SERVICES	Business Code 623000	49,845,517	49,845,517	
	b				
	c				
	d				
	e				
	f All other program service revenue				
	g Total. Add lines 2a-2f		49,845,517		
	3 Investment income (including dividends, interest, and other similar amounts)		256,985		256,985
4 Income from investment of tax-exempt bond proceeds					
5 Royalties					
6a Gross rents	(i) Real	(ii) Personal			
b Less rental expenses					
c Rental income or (loss)					
d Net rental income or (loss)					
7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
b Less cost or other basis and sales expenses					
c Gain or (loss)					
d Net gain or (loss)					
8a Gross income from fundraising events (not including \$ 55,126 of contributions reported on line 1c) See Part IV, line 18					
a	8,339				
b Less direct expenses	b	44,996			
c Net income or (loss) from fundraising events			-36,657		-36,657
9a Gross income from gaming activities See Part IV, line 19	a				
b Less direct expenses	b				
c Net income or (loss) from gaming activities					
10a Gross sales of inventory, less returns and allowances	a				
b Less cost of goods sold	b				
c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code			
11a MISCELLANEOUS REVENUE		623000	673,974		673,974
b					
c					
d All other revenue					
e Total. Add lines 11a-11d		673,974			
12 Total revenue. See Instructions		50,794,945	49,845,517	0	894,302

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States See Part IV, line 22	29,354	29,354		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	53,000		53,000	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	21,215,622	19,504,482	1,711,140	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	1,273,381	1,141,683	131,698	
10 Payroll taxes	1,807,368	1,658,778	148,590	
11 Fees for services (non-employees)				
a Management	2,674,661		2,674,661	
b Legal	224,042		224,042	
c Accounting	129,589		129,589	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	8,615,852	8,615,852		
12 Advertising and promotion	154,159	48,627	105,532	
13 Office expenses	2,710,291	2,660,740	49,551	
14 Information technology	158,021		158,021	
15 Royalties				
16 Occupancy	2,003,160	1,859,156	144,004	
17 Travel	28,385	18,492	9,893	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	33,614		33,614	
20 Interest	3,540,167	3,236,014	304,153	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,589,927	2,357,712	232,215	
23 Insurance	451,606	451,606		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a MEDICAL SURCHARGE	1,470,368	1,470,368		
b PROVISION FOR BAD DEBTS	356,158	356,158		
c MISCELLANEOUS	240,165		240,165	
d REPAIRS & MAINTENANCNE	142,328	142,328		
e All other expenses	423,492	303,122	78,829	41,541
25 Total functional expenses. Add lines 1 through 24e	50,324,710	43,854,472	6,428,697	41,541
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ► if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response to any question in this Part X

		(A) Beginning of year	(B) End of year
Assets	1 Cash—non-interest-bearing	1,320,333	1 2,324,654
	2 Savings and temporary cash investments	1,127,176	2 880,902
	3 Pledges and grants receivable, net	3	
	4 Accounts receivable, net	4,852,818	4 5,841,383
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L	6	
	7 Notes and loans receivable, net	1,388,400	7 1,388,400
	8 Inventories for sale or use	8	
	9 Prepaid expenses and deferred charges	62,342	9 37,967
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 63,307,891	
	b Less accumulated depreciation	10b 18,198,338	10c 46,276,599 45,109,553
	11 Investments—publicly traded securities	11	
	12 Investments—other securities See Part IV, line 11	12	
	13 Investments—program-related See Part IV, line 11	13	
	14 Intangible assets	1,645,040	14 1,580,450
	15 Other assets See Part IV, line 11	10,394,170	15 10,858,165
	16 Total assets. Add lines 1 through 15 (must equal line 34)	67,066,878	16 68,021,474
Liabilities	17 Accounts payable and accrued expenses	4,749,450	17 6,815,366
	18 Grants payable	18	
	19 Deferred revenue	19	
	20 Tax-exempt bond liabilities	61,079,839	20 60,072,785
	21 Escrow or custodial account liability Complete Part IV of Schedule D	203,829	21 194,801
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	22	
	23 Secured mortgages and notes payable to unrelated third parties	288,226	23 0
	24 Unsecured notes and loans payable to unrelated third parties	24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	465,064	25 152,932
	26 Total liabilities. Add lines 17 through 25	66,786,408	26 67,235,884
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	280,470	27 750,705
	28 Temporarily restricted net assets	28	34,885
	29 Permanently restricted net assets	29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds	30	
	31 Paid-in or capital surplus, or land, building or equipment fund	31	
	32 Retained earnings, endowment, accumulated income, or other funds	32	
	33 Total net assets or fund balances	280,470	33 785,590
	34 Total liabilities and net assets/fund balances	67,066,878	34 68,021,474

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	50,794,945
2	Total expenses (must equal Part IX, column (A), line 25)	2	50,324,710
3	Revenue less expenses Subtract line 2 from line 1	3	470,235
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	280,470
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	34,885
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	785,590

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O	<input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____	
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both	<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both	<input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	<input type="checkbox"/> <input checked="" type="checkbox"/> Yes	2c <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	<input type="checkbox"/>	3a <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	<input type="checkbox"/>	3b <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

SCHEDULE A
(Form 990 or 990EZ)**Public Charity Status and Public Support****2012****Open to Public
Inspection**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

Department of the Treasury
Internal Revenue Service**Name of the organization**
SENIOR CARE COMMUNITIES INC**Employer identification number**

65-0639567

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.

2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E)

3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.

4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state _____

5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II)

6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.

7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II)

8 A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III)

10 An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.

11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h

e a Type I b Type II c Type III - Functionally integrated d Type III - Non-functionally integrated

f By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

g If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box

h Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii) A family member of a person described in (i) above?

(iii) A 35% controlled entity of a person described in (i) or (ii) above?

i Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1 - 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?	(v) Did you notify the organization in col (i) of your support?	(vi) Is the organization in col (i) organized in the U S ?	(vii) Amount of monetary support
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	
15 Public support percentage for 2011 Schedule A, Part II, line 14	15	
16a 33 1/3% support test—2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization		►
b 33 1/3% support test—2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here . The organization qualifies as a publicly supported organization		►
17a 10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		►
b 10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		►
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		►

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	19,808	34,950	145,801	46,942	55,126	302,627
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	46,864,611	47,733,224	46,205,955	46,141,576	49,845,517	236,790,883
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	46,884,419	47,768,174	46,351,756	46,188,518	49,900,643	237,093,510
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b						0
8 Public support (Subtract line 7c from line 6)						237,093,510

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6	46,884,419	47,768,174	46,351,756	46,188,518	49,900,643	237,093,510
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	404,784	162,152	167,554	283,644	256,985	1,275,119
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	404,784	162,152	167,554	283,644	256,985	1,275,119
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	219,653	257,713	1,157,267	438,698	673,974	2,747,305
13 Total support. (Add lines 9, 10c, 11, and 12)	47,508,856	48,188,039	47,676,577	46,910,860	50,831,602	241,115,934
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	98 330 %
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	98 330 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	0 530 %
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18	0 680 %
19a 33 1/3% support tests—2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization		
b 33 1/3% support tests—2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions		

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

SCHEDULE A, PART II, LINE 12, EXPLANATION OF OTHER INCOME MISCELLANEOUS REVENUE

SCHEDULE D

(Form 990)

OMB No 1545-0047

2012**Open to Public
Inspection****Supplemental Financial Statements**

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
 ► Attach to Form 990. ► See separate instructions.

 Department of the Treasury
 Internal Revenue Service

Name of the organization
 SENIOR CARE COMMUNITIES INC
Employer identification number

65-0639567

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
2a	
2b	
2c	
2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year
 ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year
 ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange programs
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other
c <input type="checkbox"/> Preservation for future generations	

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment

b Permanent endowment

c Temporarily restricted endowment

The percentages in lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

	Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		2,123,780			2,123,780
b Buildings		56,133,007	15,202,210		40,930,797
c Leasehold improvements					
d Equipment		4,816,996	2,996,128		1,820,868
e Other		234,108			234,108
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)					45,109,553

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12) ►		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) must equal Form 990, Part X, col (B) line 13) ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) BOND FUNDS	10,591,632
(2) RESIDENT TRUST FUND	131,846
(3) SECURITY DEPOSITS	94,687
(4) OTHER ASSETS	40,000
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ►	10,858,165

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
Federal income taxes	
CHECKS WRITTEN IN EXCESS OF CASH	152,932
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ►	152,932

2. Fin 48 (ASC 740) Footnote In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments	2a
b	Donated services and use of facilities	2b
c	Recoveries of prior year grants	2c
d	Other (Describe in Part XIII)	2d
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	3
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIII)	4b
c	Add lines 4a and 4b	4c
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities	2a
b	Prior year adjustments	2b
c	Other losses	2c
d	Other (Describe in Part XIII)	2d
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	3
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIII)	4b
c	Add lines 4a and 4b	4c
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
	PART IV, LINE 2B	THE RESIDENT TRUST FUNDS ARE PATIENT PERSONAL FUNDS THAT ARE HELD BY THE FACILITY. THE FUNDS BELONG TO THE RESIDENTS AND FACILITY MAINTAINS DETAIL ON DEPOSITS/WITHDRAWALS PER MN DHS GUIDELINES. THE SECURITY DEPOSITS ARE HELD AS DEPOSITS BY SCC WHILE THEY ARE HOLDING THEM.
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X, LINE 2	SENIOR CARE COMMUNITIES, INC. AND ITS WHOLLY OWNED LLCS HAVE BEEN GRANTED EXEMPT STATUS RELATIVE TO FEDERAL AND STATE CORPORATE INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND APPLICABLE STATE STATUTES. THE ORGANIZATION FOLLOWS GUIDANCE REGARDING THE RECOGNITION AND MEASUREMENT OF UNCERTAIN TAX POSITIONS. THE ORGANIZATION'S INCOME TAX RETURNS ARE SUBJECT TO REVIEW AND EXAMINATION BY FEDERAL, STATE, AND LOCAL AUTHORITIES. THE ORGANIZATION IS NOT AWARE OF ANY ACTIVITIES THAT WOULD JEOPARDIZE ITS TAX-EXEMPT STATUS. THE ORGANIZATION IS NOT AWARE OF ANY ACTIVITIES THAT ARE SUBJECT TO TAX ON UNRELATED BUSINESS INCOME OR EXERCISE OR OTHER TAXES. THE TAX RETURNS FOR THE YEARS BEGINNING BEFORE 2009 ARE NO LONGER OPEN TO EXAMINATION BY FEDERAL, LOCAL, AND STATE TAXING AUTHORITIES.

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a. Form 990-EZ filers are not required to complete this part.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

2012

Open to Public Inspection

Employer identification number

65-0639567

Name of the organization

SENIOR CARE COMMUNITIES INC

Name of the organization SENIOR CARE COMMUNITIES INC	Employer identification number 65-0639567
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Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a Mail solicitations **e** Solicitation of non-government grants
b Internet and email solicitations **f** Solicitation of government grants
c Phone solicitations **g** Special fundraising events
d In-person solicitations

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? Yes No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col (a) through col (c))
		GOLF TOURNAMENT (event type)	(event type)	(total number)	
1	Gross receipts . . .	63,465			63,465
2	Less Contributions . . .	55,126			55,126
3	Gross income (line 1 minus line 2) . . .	8,339			8,339
4	Cash prizes . . .				
5	Noncash prizes . . .	12,770			12,770
6	Rent/facility costs . . .	12,188			12,188
7	Food and beverages . . .	15,553			15,553
8	Entertainment . . .	2,556			2,556
9	Other direct expenses . . .	1,929			1,929
10	Direct expense summary Add lines 4 through 9 in column (d)				► (44,996)
11	Net income summary Combine line 3, column (d), and line 10				► -36,657

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
1	Gross revenue				
2	Cash prizes				
3	Non-cash prizes				
4	Rent/facility costs				
5	Other direct expenses				
6	Volunteer labor	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
7	Direct expense summary Add lines 2 through 5 in column (d)				►
8	Net gaming income summary Combine lines 1 and 7 in column (d)				►

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? Yes No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No

b If "Yes," explain _____

Does the organization operate gaming activities with nonmembers? Yes No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No

13 Indicate the percentage of gaming activity operated in

a The organization's facility	13a
b An outside facility	13b

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ► _____

Address ► _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No

b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____

c If "Yes," enter name and address of the third party

Name ► _____

Address ► _____

16 Gaming manager information

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

Director/officer

Employee

Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation
	FUNDRAISING EVENT	SENIOR CARE COMMUNITIES, INC ANNUAL GOLF TOURNAMENT INCLUDES A SILENT AUCTION THE 2012 SILENT AUCTION INCLUDED 10 ITEMS WITH A TOTAL FAIR MARKET VALUE OF APPROXIMATELY \$2,258

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) SCHOLARSHIPS	18	29,354			

Part IV Supplemental Information.

Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 EMPLOYEE SCHOLARSHIPS AND GRANTS ARE PAID DIRECTLY TO THE EDUCATIONAL INSTITUTION UPON RECEIPT OF A LETTER OF ACCEPTANCE OR AN INVOICE

**Schedule K
(Form 990)**

OMB No 1545-0047

Supplemental Information on Tax Exempt Bonds**2012**

► Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
 ► Attach to Form 990. ► See separate instructions.

**Open to Public
Inspection**Department of the Treasury
Internal Revenue Service

Name of the organization

SENIOR CARE COMMUNITIES INC

Employer identification number

65-0639567

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	CITY OF MINNEAPOLIS	41-6005375	60374EAU5	08-08-2007	23,845,000	ACQUISITION OF PROPERTY		X		X		X
B	WASHINGTON COUNTY HRA	41-1408079	93779TAK6	04-30-2007	40,055,000	ACQUISITION OF PROPERTY		X		X		X

Part II Proceeds

						A		B		C		D	
						Yes	No	Yes	No	Yes	No	Yes	No
1	Amount of bonds retired					2,120,000		10,000					
2	Amount of bonds legally defeased												
3	Total proceeds of issue					23,780,620		40,030,978					
4	Gross proceeds in reserve funds					1,648,916		2,606,151					
5	Capitalized interest from proceeds												
6	Proceeds in refunding escrows												
7	Issuance costs from proceeds					450,613		801,100					
8	Credit enhancement from proceeds												
9	Working capital expenditures from proceeds					589,047							
10	Capital expenditures from proceeds					36,623,727		36,623,727					
11	Other spent proceeds												
12	Other unspent proceeds												
13	Year of substantial completion					2008		2009					
14	Were the bonds issued as part of a current refunding issue?					Yes	No	Yes	No	Yes	No	Yes	No
15	Were the bonds issued as part of an advance refunding issue?												
16	Has the final allocation of proceeds been made?					X		X					
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?					X		X					

Part III Private Business Use

			A		B		C		D	
			Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X					
2	Are there any lease arrangements that may result in private business use of bond-financed property?			X		X				

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X		X				
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?		X		X				
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ►	0 00000%		0 00000%		%		%	
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ►	0 00000%		0 00000%		%		%	
6 Total of lines 4 and 5	0 00000%		0 00000%		%		%	
7 Does the bond issue meet the private security or payment test?		X		X				
8a Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X				
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of	%		%		%		%	
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?	X		X					

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T?		X		X				
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X		X				
b Exception to rebate?		X		X				
c No rebate due?		X	X					
If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X		X				
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X				
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was a hedge terminated?								

Part IV Arbitrage (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X				
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X		X				
7 Has the organization established written procedures to monitor the requirements of section 148?		X		X				

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?		X		X				

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Identifier	Return Reference	Explanation
SCHEDULE K PART IV, ARBITRAGE, LINE 2C	DATE REBATE COMPUTATION PERFORMED	ISSUER NAME WASHINGTON COUNTY HRA DATE THE REBATE COMPUTATION WAS PERFORMED 11/30/2011

Schedule L

Transactions with Interested Persons

► Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545-0047

2012

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization
SENIOR CARE COMMUNITIES INC

Employer identification number

65-0639567

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction		(d) Corrected?	
			Yes	No	Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958. _____ \$ _____

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) TWSL LLC	DAUGHTER OF FORMER BOARD MEMBER OWNS 50% OF TWSL, LLC	694,200	LOAN TO CONSTRUCT THE WATERS OF MINNEHAHA TO SHELTER CORP		No
(2) TWSL LLC	DAUGHTER OF FORMER BOARD MEMBER OWNS 50% OF TWSL, LLC	40,000	SCC 10% OWNERSHIP IN WATERS OF PLYMOUTH		No
(3) TWSL LLC	DAUGHTER OF FORMER BOARD MEMBER OWNS 50% OF TWSL, LLC	2,674,661	PERSONNEL/MANAGEMENT SERVICES		No
(4) GREGORY H BROWN	PRESIDENT OF TWSL, LLC, MANAGEMENT AGENT FOR SCC	694,200	LENT FUNDS TO TWO COMPANIES WHICH ARE RELATED TO THE CONTRACTED MANAGEMENT COMPANY, TWSL, LLC THE RELATED COMPANIES ARE BSHG HOLDINGS, LLC AND SHELTER HOLDINGS, LLC THE LOAN FUNDS WERE USED TO CREATE AND CONSTRUCT A NEW SENIOR LIVING CAMPUS NEXT TO A FACILITY OWNED BY SENIOR CARE COMMUNITIES AS PART OF THE LOAN AGREEMENT, SENIOR CARE COMMUNITIES HAS AN OPTION TO ACQUIRE PARTIAL OWNERSHIP IN THE NEW SENIOR LIVING CAMPUS AT A FUTURE DATE		No

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
► Attach to Form 990 or 990-EZ.

2012**Open to Public
Inspection**Name of the organization
SENIOR CARE COMMUNITIES INC**Employer identification number**

65-0639567

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 3	SENIOR CARE COMMUNITIES DELEGATED CONTROL OVER MANAGEMENT DUTIES TO TWSL, LLC
	FORM 990, PART VI, SECTION B, LINE 11	THE FORM WILL BE SENT OUT ELECTRONICALLY TO ALL BOARD MEMBERS WHO WILL REVIEW AND APPROVE THE FORM VIA ELECTRONIC VOTING PROCESS
	FORM 990, PART VI, SECTION B, LINE 12C	SR CARE COMMUNITIES APPROVED THE FOLLOWING CONFLICT OF INTEREST POLICY ON 5/7/2009 THE FOLLOWING PERSONS ARE "KEY PERSONS" FOR PURPOSES OF THE CONFLICT OF INTEREST POLICY A MEMBER OF THE BOARD OF DIRECTORS, A MEMBER OF A COMMITTEE WITH POWERS DELEGATED BY THE BOARD OF DIRECTORS, AN OFFICER OF THE CORPORATION, A FAMILY MEMBER DEFINED AS A SPOUSE, PARENT, CHILD, SIBLING, OR SPOUSE OF A SIBLING PROCEDURES FOR ADDRESSING THE CONFLICT OF INTEREST ONCE A POTENTIAL CONFLICT OF INTEREST HAS BEEN DISCLOSED THE KEY PERSON MAY MAKE A PRESENTATION AT THE BOARD OR COMMITTEE MEETING AT WHICH THE TRANSACTION WILL BE DISCUSSED, BUT AFTER SUCH PRESENTATION, HE OR SHE SHALL LEAVE THE MEETING DURING THE DISCUSSION OF, AND THE VOTE ON, THE TRANSACTION OR ARRANGEMENT THAT RESULTS IN THE CONFLICT OF INTEREST THE BOARD OR COMMITTEE SHALL, IF APPROPRIATE, OBTAIN AND RELY ON APPROPRIATE DATA AS TO COMPARABILITY PRIOR TO MAKING ITS DECISION WHETHER OR NOT TO PARTICIPATE IN THE PROPOSED TRANSACTION OR ARRANGEMENT THE CHAIR OF THE BOARD OR COMMITTEE SHALL, IF APPROPRIATE, APPOINT A DISINTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT THE BOARD OR COMMITTEE SHALL USE DUE DILIGENCE TO DETERMINE WHETHER THE CORPORATION CAN OBTAIN A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT WITH REASONABLE EFFORTS FROM A PERSON OR ENTITY THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST AFTER CONSIDERATION, THE BOARD OR COMMITTEE MAY DETERMINE THAT A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT IS NOT REASONABLY ATTAINABLE UNDER CIRCUMSTANCES THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST IF SO, THE BOARD OR COMMITTEE MAY DECIDE, BY A MAJORITY VOTE, TO ENTER INTO A TRANSACTION INVOLVING A CONFLICT OF INTEREST
	FORM 990, PART VI, SECTION B, LINE 15	THE OFFICERS RECEIVE MINIMAL COMPENSATION FOR THEIR SERVICES TO SENIOR CARE COMMUNITIES, INC DETERMINATION OF THEIR COMPENSATION IS BASED ON THE AMOUNT OF TIME DEDICATED TO THE ORGANIZATION IN THE PRIOR YEAR AND INCLUDES REVIEW AND APPROVAL BY INDEPENDENT PERSONS, COMPARABILITY DATA AND CONTEMPORANEOUS SUBSTANTIATION THIS PROCESS WAS LAST UNDERTAKEN FOR ALL OFFICERS IN 2012
	FORM 990, PART VI, SECTION C, LINE 18	THE 990 IS AVAILABLE UPON REQUEST OR AT WWW2.GUIDESTAR.ORG WHILE OTHER DOCUMENTS ARE ONLY AVAILABLE UPON REQUEST
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE MADE AVAILABLE UPON REQUEST
OTHER FEES	FORM 990, PART IX, LINE 11G	PROFESSIONAL SERVICES PROGRAM SERVICE EXPENSES 8,375,106 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 8,375,106 REGISTRY PROGRAM SERVICE EXPENSES 25,748 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 25,748 LAUNDRY PROGRAM SERVICE EXPENSES 214,998 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 214,998
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 9	TEMPORARILY RESTRICTED NET ASSETS 34,885

SCHEDULE R
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2012

Department of the Treasury
Internal Revenue ServiceOpen to Public
InspectionName of the organization
SENIOR CARE COMMUNITIES INC

Employer identification number

65-0639567

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) SENIOR CARE PROVIDENCE LLC 3720 23RD AVENUE SOUTH MINNEAPOLIS, MN 55407 26-0429826	SKILLED NURSING	DE	16,709,099	20,965,105	SENIOR CARE COMMUNITIES INC
(2) SENIOR CARE FOREST LAKE LLC 604 NE FIRST STREET FOREST LAKE, MN 55025 20-8316264	SKILLED NURSING AND ASSISTED LIVING	DE	9,727,597	11,868,063	SENIOR CARE COMMUNITIES INC
(3) SENIOR CARE WOODBURY LLC 7012 LAKE DRIVE WOODBURY, MN 55125 20-8316216	SKILLED NURSING AND ASSISTED LIVING	DE	20,289,077	30,019,222	SENIOR CARE COMMUNITIES INC
(4) COLONY AT EDEN PRAIRIE 431 PRAIRIE CENTER DRIVE EDEN PRAIRIE, MN 55344 45-3994926	SKILLED NURSING AND ASSISTED LIVING	DE	3,540,173	1,206,570	SENIOR CARE COMMUNITIES INC

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
						Yes

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		No
1b		No
1c		No
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l		No
1m		No
1n		No
1o		No
1p		No
1q		No
1r		No
1s	Yes	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) SE ROLLING HILLS LLC	S	337,762	COST
(2) SE ROLLING HILLS LLC	J	468,808	COST

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
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Software ID:

Software Version:

EIN: 65-0639567

Name: SENIOR CARE COMMUNITIES INC

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