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Change of Accounting Period

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2014 calendar year, or tax year beginning 04/01 , 2014, and ending 12/31 , 20 14																								
B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Final return/terminated ☐ Amended return ☐ Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">C Name of organization KENDAL AT HANOVER I</td> <td>D Employer identification number 02-0519490</td> </tr> <tr> <td colspan="2">Doing business as</td> <td rowspan="2">E Telephone number 603-643-8900</td> </tr> <tr> <td colspan="2">Number and street (or P.O. box if mail is not delivered to street address) Room/suite 80 Lyme Road</td> </tr> <tr> <td colspan="3">City or town, state or province, country, and ZIP or foreign postal code Hanover, NH, 03755</td> </tr> <tr> <td colspan="2">F Name and address of principal officer: Rebecca A Smith Kendal at Hanover, 80 Lyme Road, Hanover, NH 03755</td> <td> G Gross receipts \$ 55,494,924 H(a) Is this a group return for subordinates? ☐ Yes ☒ No H(b) Are all subordinates included? ☐ Yes ☐ No If "No," attach a list (see instructions) </td> </tr> <tr> <td colspan="2">I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () ◀ (insert no) ☐ 4947(a)(1) or ☐ 527</td> <td>H(c) Group exemption number ▶</td> </tr> <tr> <td colspan="2">J Website: ▶ www.kah.kendal.org</td> <td></td> </tr> <tr> <td colspan="2">K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶</td> <td>L Year of formation 1988 M State of legal domicile NH</td> </tr> </table>	C Name of organization KENDAL AT HANOVER I		D Employer identification number 02-0519490	Doing business as		E Telephone number 603-643-8900	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 80 Lyme Road		City or town, state or province, country, and ZIP or foreign postal code Hanover, NH, 03755			F Name and address of principal officer: Rebecca A Smith Kendal at Hanover, 80 Lyme Road, Hanover, NH 03755		G Gross receipts \$ 55,494,924 H(a) Is this a group return for subordinates? ☐ Yes ☒ No H(b) Are all subordinates included? ☐ Yes ☐ No If "No," attach a list (see instructions)	I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () ◀ (insert no) ☐ 4947(a)(1) or ☐ 527		H(c) Group exemption number ▶	J Website: ▶ www.kah.kendal.org			K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶		L Year of formation 1988 M State of legal domicile NH
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Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>We offer services that are needed to ensure a vigorous independence. We conduct our business in a manner that includes all residents and respects all opinions. We provide</u> <u>(Continued on Schedule O, Statement 1)</u>		
	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)	3	17
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	17
	5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	425
	6	Total number of volunteers (estimate if necessary)	6	70
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	0
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	484,010	394,239
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	23,458,343	18,666,806
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,007,681	3,323,442
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	736,844	498,801
	12		25,686,878	22,883,288
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	75,876	87,296
	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)	11,014,519	8,451,447
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶	0	0
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	12,904,946	9,500,831
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	23,995,341	18,039,574
	19	Revenue less expenses. Subtract line 18 from line 12	1,691,537	4,843,714
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	133,072,917	133,048,043
	22	Net assets or fund balances. Subtract line 21 from line 20	101,135,364	98,919,401
			31,937,553	34,128,642

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		5/13/2015		
	Signature of officer	Date		
	Brent B Edgerton, Associate Executive Director			
	Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no		
	May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No			

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form **990** (2014)

SCANNED JUN 19 2015

90-21 4

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐

- 1** Briefly describe the organization's mission:
Kendal at Hanover is a not-for-profit continuing care retirement community characterized by mutual respect, integrity and a
concern for each other's welfare that fosters the independence, vitality, health and security of older persons and in which residents
and staff may exercise their talents in a supportive environment.
- 2** Did the organization undertake any significant program services during the year which were not listed on the
 prior Form 990 or 990-EZ? ☐ Yes ☒ No
 If "Yes," describe these new services on Schedule O.
- 3** Did the organization cease conducting, or make significant changes in how it conducts, any program
 services? ☐ Yes ☒ No
 If "Yes," describe these changes on Schedule O.
- 4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by
 expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others,
 the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 14,973,846 including grants of \$ 26,198) (Revenue \$ 18,791,372)
Operation of Continuing Care Retirement Community for the elderly consisting of 250 independent living apartments, a community
center, 5 licensed skilled beds and 107 licensed assisted living bed serving 397 residents.

4b (Code:) (Expenses \$ 0 including grants of \$ 61,098) (Revenue \$ 0)
Education reimbursement given to 31 employees over the year for continuing education.

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)
 (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses **14,973,846**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 ✓	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2 ✓	
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	3	✓
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	4	✓
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	5	✓
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	6	✓
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	7	✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	✓
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	9	✓
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	10 ✓	
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	11a ✓	
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	11b	✓
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	11c	✓
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	11d	✓
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e ✓	
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 X	11f ✓	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a ✓	
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	12b	✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	✓
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	✓
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.	14b	✓
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV.	16	✓
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)	17	✓
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	18	✓
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	19	✓
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	✓
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		✓
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	✓	
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? <i>If "Yes," complete Schedule J</i>	✓	
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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	✓	
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		✓
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		✓
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		✓
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		✓
25b 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? <i>If "Yes," complete Schedule L, Part I</i>		✓
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		✓
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? <i>If "Yes," complete Schedule L, Part III</i>		✓
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):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
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? <i>If "Yes," complete Schedule L, Part IV</i>		✓
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		✓
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		✓
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		✓
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? <i>If "Yes," complete Schedule R, Part I</i>		✓
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	✓	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		✓
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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
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? <i>If "Yes," complete Schedule R, Part VI</i>		✓
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 ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 44		
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 ✓		
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 425		
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 ✓		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		✓
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, 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		✓
b If "Yes," enter the name of the foreign country: ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		✓
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		✓
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		✓
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).			
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?	7a		
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
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.			
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.	13a		
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	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		✓
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 line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line 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 17		
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 17		
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		☒
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		☒
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		☒
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		☒
6 Did the organization have members or stockholders?	6		☒
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		☒
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	☒	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	☒	
b Each committee with authority to act on behalf of the governing body?	8b	☒	
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	9		☒

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	☒
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	☒
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	☒
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	☒
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	☒
13 Did the organization have a written whistleblower policy?	13	☒
14 Did the organization have a written document retention and destruction policy?	14	☒
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?		
a The organization's CEO, Executive Director, or top management official	15a	☒
b Other officers or key employees of the organization	15b	☒
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	☒
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	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► **None**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 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, address, and telephone number of the person who possesses the organization's books and records: ►

Kendal at Hanover I, (603)643-7004

80 Lyme Road, Hanover, NH 03755

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**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, and 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.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Virginia Allison	1									
Board Secretary	0	✓						0	0	0
Roberta J Berner	1									
Board Member	0	✓						0	0	0
Frances C Brokaw	1									
Board Member	0	✓						0	0	0
Joan Burchenal	1									
Board Member	0	✓						0	0	0
Arthur Z Gardiner Jr	1									
Board Treasurer	0	✓						0	0	0
John A Hochreiter	1									
Board Vice Chair	0	✓						0	0	0
John W Kirk	1									
Board Member	0	✓						0	0	0
Lawrence A Kelly	1									
Board Member	0	✓						0	0	0
Frank M Leshner	1									
Board Member	0	✓						0	0	0
Stephen R Marion	1									
Board Member	0	✓						0	0	0
Timothy J McNamara	1									
Board Member	0	✓						0	0	0
Anne Page	1									
Board Member	0	✓						0	0	0
Stanley A Pelli	1									
Board Chair	0	✓						0	0	0
Ellis Rolett	1									
Board Member	0	✓						0	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Kathryn G Underwood	1									
Board Member	0	✓						0	0	0
Linda J von Reyn	1									
Board Member	0	✓						0	0	0
Michael F Wagner	1									
Board Member	0	✓						0	0	0
Brent B Edgerton	50									
Assoc Exec Director, CFO	0			✓				121,301	0	16,013
Diana M Cox	45									
Director of Resident Health Care Services	0				✓			102,880	0	20,419
Rebecca A Smith	50									
Executive Director, CEO	0					✓		172,461	0	6,959
1b Sub-total								396,642	0	43,391
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								396,642	0	43,391

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶ 3**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	☐	☒
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	☒	☐
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	☐	☒

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
Engelberth Construction Inc, 463 Mountain View Drive, Colchester, VT 05446	Construction	2,411,580
ARC Mechanical Contractor, PO Box 724, 299 Depot Street, Bradford, VT 05033-0724	HVAC Construction	167,421
Genesis Eldercare Rehabilitation Services, PO Box 7247-6524, Philadelphia, PA 1917	Rehab Therapy	213,530
RLPS Architects, 250 Valleybrook Drive, Lancaster, PA 17601	Architect	112,819

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 **▶ 4**

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a 0				
	b	Membership dues	1b 0				
	c	Fundraising events	1c 0				
	d	Related organizations	1d 0				
	e	Government grants (contributions)	1e 0				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 394,239				
	g	Noncash contributions included in lines 1a-1f: \$	0				
	h	Total. Add lines 1a-1f ▶		394,239			
Program Service Revenue				Business Code			
	2a	Resident Fees - Apartment	623311	10,637,965	10,637,965	0	0
	b	Resident Fees - Healthcare	623311	3,057,177	3,057,177	0	0
	c	Amortization Entry Fees	623311	4,971,664	4,971,664	0	0
	d						
	e						
	f	All other program service revenue		0	0	0	0
	g	Total. Add lines 2a-2f ▶		18,666,806			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		857,128	0	0	857,128
	4	Income from investment of tax-exempt bond proceeds ▶		0	0	0	0
	5	Royalties ▶		0	0	0	0
			(i) Real (ii) Personal				
	6a	Gross rents	36,600 0				
	b	Less: rental expenses	0 0				
	c	Rental income or (loss)	36,600 0				
	d	Net rental income or (loss) ▶		36,600	0	0	36,600
	7a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
			35,077,950 0				
	b	Less: cost or other basis and sales expenses	32,602,298 9,338				
	c	Gain or (loss)	2,475,652 -9,338				
	d	Net gain or (loss) ▶		2,466,314	0	0	2,466,314
	8a	Gross income from fundraising events (not including \$ 0 of contributions reported on line 1c). See Part IV, line 18	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from fundraising events ▶					
	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	Child Day Care	624410	223,721	0	0	223,721	
b	Net Assets Released from Restriction	900099	113,914	0	0	113,914	
c	Food Service	722210	79,198	79,198	0	0	
d	All other revenue		45,368	45,368	0	0	
e	Total. Add lines 11a-11d ▶		462,201				
12	Total revenue. See instructions. ▶		22,883,288	18,791,372	0	3,697,677	

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 or note to any line 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 domestic organizations and domestic governments. See Part IV, line 21	0	0		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	87,296	87,296		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	0	0		
4 Benefits paid to or for members	0	0		
5 Compensation of current officers, directors, trustees, and key employees	303,618	0	303,618	0
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
7 Other salaries and wages	5,830,358	4,955,044	875,314	0
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	681,817	0	681,817	0
9 Other employee benefits	1,218,991	1,218,741	250	0
10 Payroll taxes	416,663	344,272	72,391	0
11 Fees for services (non-employees):				
a Management	252,350	191,818	60,532	0
b Legal	16,120	0	16,120	0
c Accounting	36,500	0	36,500	0
d Lobbying	0	0	0	0
e Professional fundraising services. See Part IV, line 17	0			0
f Investment management fees	0	0	0	0
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	0	0	0	0
12 Advertising and promotion	19,860	0	19,860	0
13 Office expenses	235,194	46,604	188,590	0
14 Information technology	159,328	0	159,328	0
15 Royalties	0	0	0	0
16 Occupancy	2,591,534	2,591,534	0	0
17 Travel	138,480	63,675	74,805	0
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19 Conferences, conventions, and meetings	42,908	10,951	31,957	0
20 Interest	0	0	0	0
21 Payments to affiliates	530,847	0	530,847	0
22 Depreciation, depletion, and amortization	2,973,690	2,973,690	0	0
23 Insurance	108,191	108,191	0	0
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 Equipment & Repair	398,848	385,049	13,799	0
b Food Costs	868,527	868,527	0	0
c Staff Recruitment	20,253	20,253	0	0
d Health Center Related Costs	837,218	837,218	0	0
e All other expenses	270,983	270,983	0	0
25 Total functional expenses. Add lines 1 through 24e	18,039,574	14,973,846	3,065,728	0
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 or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	639	1	639
	2 Savings and temporary cash investments	5,879,928	2	5,715,604
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	1,693,448	4	1,559,253
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	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	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	285,959	8	309,407
	9 Prepaid expenses and deferred charges	371,318	9	676,985
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 129,579,335		
	b Less: accumulated depreciation	10b 49,092,131	10c	80,487,204
	11 Investments—publicly traded securities	44,734,384	11	43,647,951
	12 Investments—other securities. See Part IV, line 11	0	12	0
	13 Investments—program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	619,000	15	651,000
16 Total assets. Add lines 1 through 15 (must equal line 34)	133,072,917	16	133,048,043	
Liabilities	17 Accounts payable and accrued expenses	3,429,300	17	3,087,829
	18 Grants payable	0	18	0
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	36,352,210	20	35,216,696
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	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	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	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	61,353,854	25	60,614,876
	26 Total liabilities. Add lines 17 through 25	101,135,364	26	98,919,401
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	24,145,905	27	26,141,836
	28 Temporarily restricted net assets	6,449,596	28	6,618,842
	29 Permanently restricted net assets	1,342,052	29	1,367,964
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ 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	31,937,553	33	34,128,642
34 Total liabilities and net assets/fund balances	133,072,917	34	133,048,043	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	22,883,288
2	Total expenses (must equal Part IX, column (A), line 25)	2	18,039,574
3	Revenue less expenses. Subtract line 2 from line 1	3	4,843,714
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	31,937,553
5	Net unrealized gains (losses) on investments	5	-2,652,625
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	34,128,642

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 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:
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b** 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:
☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- c** 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.
- 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?
- b** 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.

	Yes	No
2a		✓
2b	✓	
2c	✓	
3a		✓
3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

**Open to Public
Inspection**

Name of the organization

KENDAL AT HANOVER I

Employer identification number

02-0519490

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 in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
 - a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations _____
 - g Provide the following information about the supported organization(s).

(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 listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						0

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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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 VI.)						
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 section 501(c)(3) organization, check this box and stop here						☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2013 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test—2014. 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—2013. 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—2014. 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 VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		☐
b 10%-facts-and-circumstances test—2013. 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 VI 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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	219,754	176,825	569,901	484,010	394,239	1,844,729
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	22,990,268	23,202,305	25,775,198	28,246,242	18,492,831	118,706,844
3 Gross receipts from activities that are not an unrelated trade or business under section 513	0	0	0	0	0	0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
5 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0	0	0	0
6 Total. Add lines 1 through 5	23,210,022	23,379,130	26,345,099	28,730,252	18,887,070	120,551,573
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	0	0	0	0	0	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	0	0	0	0	0
c Add lines 7a and 7b	0	0	0	0	0	0
8 Public support. (Subtract line 7c from line 6.)						120,551,573

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
9 Amounts from line 6	23,210,022	23,379,130	26,345,099	28,730,252	18,887,070	120,551,573
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,179,750	814,486	902,918	703,655	868,656	4,469,465
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975	0	0	0	0	0	0
c Add lines 10a and 10b	1,179,750	814,486	902,918	703,655	868,656	4,469,465
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on	0	0	0	0	0	0
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)	0	0	0	0	0	0
13 Total support. (Add lines 9, 10c, 11, and 12.)	24,389,772	24,193,616	27,248,017	29,433,907	19,755,726	125,021,038
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f))	15	96.42 %
16 Public support percentage from 2013 Schedule A, Part III, line 15	16	96.3 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	3.58 %
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	3.7 %
19a 33 1/3% support tests—2014. 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—2013. 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 Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990).		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer (b) below.		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

Part IV Supporting Organizations (continued)**11** Has the organization accepted a gift or contribution from any of the following persons?

- a** A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?
- b** A family member of a person described in (a) above?
- c** A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in **Part VI**.

	Yes	No
11a		
11b		
11c		

Section B. Type I Supporting Organizations

- 1** Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in **Part VI** how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.
- 2** Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in **Part VI** how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.

	Yes	No
1		
2		

Section C. Type II Supporting Organizations

- 1** Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in **Part VI** how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).

	Yes	No
1		

Section D. All Type III Supporting Organizations

- 1** Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?
- 2** Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in **Part VI** how the organization maintained a close and continuous working relationship with the supported organization(s).
- 3** By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in **Part VI** the role the organization's supported organizations played in this regard.

	Yes	No
1		
2		
3		

Section E. Type III Functionally-Integrated Supporting Organizations

- 1** Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):
- a** ☐ The organization satisfied the Activities Test. Complete **line 2** below.
- b** ☐ The organization is the parent of each of its supported organizations. Complete **line 3** below.
- c** ☐ The organization supported a governmental entity. Describe in **Part VI** how you supported a government entity (see instructions).

2 Activities Test. Answer (a) and (b) below.

- a** Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in **Part VI** identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.
- b** Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in **Part VI** the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.
- 3** Parent of Supported Organizations. Answer (a) and (b) below.
- a** Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in **Part VI**.
- b** Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in **Part VI** the role played by the organization in this regard.

	Yes	No
2a		
2b		
3a		
3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		
7 ☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	
4	Amounts paid to acquire exempt-use assets	
5	Qualified set-aside amounts (prior IRS approval required)	
6	Other distributions (describe in Part VI). See instructions.	
7	Total annual distributions. Add lines 1 through 6.	
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9	Distributable amount for 2014 from Section C, line 6	
10	Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1	Distributable amount for 2014 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
3	Excess distributions carryover, if any, to 2014:			
a				
b				
c				
d				
e	From 2013			
f	Total of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2014 distributable amount			
i	Carryover from 2009 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2014 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2014 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6	Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7	Excess distributions carryover to 2015. Add lines 3j and 4c.			
8	Breakdown of line 7:			
a				
b				
c				
d	Excess from 2013			
e	Excess from 2014			

Part VI **Supplemental Information.** 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.)

Schedule A, Part III, 1 - Effective for the calendar year beginning January 1, 2015, the organization has adopted a fiscal year ending December 31. A nine-month fiscal transition period from April 1, 2014 through December 31, 2015 precedes the start of the new calendar year cycle.

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

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.

► Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Name of the organization

KENDAL AT HANOVER I

Employer identification number

02-0519490

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 value of contributions to (during year)		
3 Aggregate value of 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 a 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 Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	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) Revenue 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 Revenue 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 ☐ Public exhibition

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other _____

c ☐ 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
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ 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	1,342,052	1,281,202	1,263,987	1,246,213	1,206,113
b Contributions	25,912	60,850	17,215	17,774	40,100
c Net investment earnings, gains, and losses	0	0	0	0	0
d Grants or scholarships	0	0	0	0	0
e Other expenditures for facilities and programs	0	0	0	0	0
f Administrative expenses	0	0	0	0	0
g End of year balance	1,367,964	1,342,052	1,281,202	1,263,987	1,246,213

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

a Board designated or quasi-endowment ☐ 0 %

b Permanent endowment ☒ 100 %

c Temporarily restricted endowment ☐ 0 %

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

	Yes	No
3a(i)		☒
3a(ii)		☒
3b		

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

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

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. 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	0	3,573,704		3,573,704
b Buildings	0	106,488,745	41,859,195	64,629,550
c Leasehold improvements	0	0	0	0
d Equipment	0	16,044,287	7,232,936	8,811,351
e Other	0	3,472,599	0	3,472,599
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				80,487,204

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. 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		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	0
(2) Deferred Resident Entry Fees	60,427,306
(3) Gift Annuities Payable	187,570
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	60,614,876

2. Liability for uncertain tax positions. 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.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	19,918,258
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	0
b	Donated services and use of facilities	2b	0
c	Recoveries of prior year grants	2c	0
d	Other (Describe in Part XIII.)	2d	0
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	19,918,258
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	104,477
b	Other (Describe in Part XIII.)	4b	2,860,553
c	Add lines 4a and 4b	4c	2,965,030
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	22,883,288

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	17,925,660
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	0
b	Prior year adjustments	2b	0
c	Other losses	2c	0
d	Other (Describe in Part XIII.)	2d	0
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	17,925,660
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	0
b	Other (Describe in Part XIII.)	4b	113,914
c	Add lines 4a and 4b	4c	113,914
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	18,039,574

Part XIII Supplemental Information.

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.

Schedule D, Part V, Line 4 - Resident Assistance, employee education, music performances, child care assistance: all endowment funds are for the support of Kendal at Hanover's mission.

Schedule D, Part X, Line 2 - Kendal at Hanover follows the guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The guidance clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. The guidance further prescribes recognition and measurement of tax provisions taken or expected to be taken on a tax return that are not certain to be realized. The application of this standard has no impact on the Kendal at Hanover financial statements.

Schedule D, Part XI, Line 4b - Contributions \$394,239 and realized gains on Investments \$2,466,314

Schedule D, Part XII, Line 4b - Temporary restricted funds transferred to operations \$113,914

SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Department of the Treasury
Internal Revenue Service

Name of the organization

KENDAL AT HANOVER I

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

Employer identification number

02-0519490

OMB No. 1545-0047

2014

Open to Public
Inspection

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ☐
- 3 Enter total number of other organizations listed in the line 1 table ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 50055P

Schedule I (Form 990) (2014)

Part III **Grants and Other Assistance to Domestic Individuals.** 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 Tuition assistance for employees	31	61,098	0	cost	
2 Donations to charitable institutions	10	16,860	3,479	cost	Donated Food
3					
4					
5					
6					
7					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Schedule I, Part I, Line 2 - Human Resources receives requests for tuition reimbursement from employees. These requests must be approved by the employee's supervisor, department director and the Executive Director. Policies are in place that dictate how much assistance is available per employee per year based on full or part-time status. An agreement is signed between Kendal at Hanover and the employee that the employee must receive a C or B+ (for graduate work) to keep their reimbursement. Human Resources tracks this.

Department of the Treasury
Internal Revenue Service
Name of the organization

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

► **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**
► **Attach to Form 990.**

▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

2014

Open to Public Inspection

KENDAL AT HANOVER I

Employer identification number

02-0519490

Part I Questions Regarding Compensation

- | | |
|--|--|
| ☐ First-class or charter travel | ☐ Housing allowance or residence for personal use |
| ☐ Travel for companions | ☐ Payments for business use of personal residence |
| ☐ Tax indemnification and gross-up payments | ☐ Health or social club dues or initiation fees |
| ☐ Discretionary spending account | ☐ Personal services (e.g., maid, chauffeur, chef) |

- b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.

- 2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

- 3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- ☐ Compensation committee
☐ Independent compensation consultant
☐ Form 990 of other organizations
☐ Written employment contract
☐ Compensation survey or study
☒ Approval by the board or compensation committee

- 4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5–9.

- 5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a The organization?
- b Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

- 6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

- 7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

- 8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

- 9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 Rebecca A Smith, Executive Director, CEO	(i) 172,461 (ii) 0	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 6,959 (ii) 0	(i) 179,420 (ii) 0	(i) 0 (ii) 0
2 Brent B Edgerton, Assoc Exec Director, CFO	(i) 121,301 (ii) 0	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 16,013 (ii) 0	(i) 137,314 (ii) 0	(i) 0 (ii) 0
3 Diana M Cox, Director of Resident Health Care Services	(i) 102,880 (ii) 0	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 20,419 (ii) 0	(i) 123,299 (ii) 0	(i) 0 (ii) 0
4	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
5	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
6	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
7	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
8	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
9	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
10	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
11	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
12	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
13	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
14	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
15	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)
16	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)	(i) (ii)

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Area with horizontal dashed lines for supplemental information.

SCHEDULE K
(Form 990)

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2014

Open to Public Inspection

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.

▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

Name of the organization

KENDAL AT HANOVER I

Employer identification number

02-0519490

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) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	NH Health & Education Facilities Authority	02-0279866	644614KJ7	10/13/2004	13,725,000	Secure lower cost of debt		✓		✓		✓
B	NH Health & Education Facilities Authority	02-0279866	644614KN8	10/13/2004	15,545,000	Secure lower cost of debt		✓		✓		✓
C	NH Health & Education Facilities Authority	02-0279866	644614WP0	01/03/2011	16,365,000	converted to bank qualified loan		✓		✓		✓
D	NH Health & Education Facilities Authority	02-0279866		08/04/2013	6,310,492	Routine budgeted capital expenditures		✓		✓		✓

Part II Proceeds

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Amount of bonds retired		8,850,000		6,130,000		1,490,000		0
2 Amount of bonds legally defeased		0		0		0		0
3 Total proceeds of issue		13,725,000		15,545,000		16,365,000		6,310,492
4 Gross proceeds in reserve funds		13,725,000		0		0		0
5 Capitalized interest from proceeds		0		0		0		0
6 Proceeds in refunding escrows		0		0		0		0
7 Issuance costs from proceeds		254,901		287,441		108,485		257,010
8 Credit enhancement from proceeds		0		0		0		0
9 Working capital expenditures from proceeds		0		0		0		0
10 Capital expenditures from proceeds		0		0		0		0
11 Other spent proceeds		0		0		0		0
12 Other unspent proceeds		0		0		0		0
13 Year of substantial completion	2004		2004		2011			
	Yes	No	Yes	No	Yes	No	Yes	No

14 Were the bonds issued as part of a current refunding issue?		✓		✓		✓		✓
15 Were the bonds issued as part of an advance refunding issue?		✓		✓		✓		✓
16 Has the final allocation of proceeds been made?	✓		✓		✓		✓	
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	✓		✓		✓		✓	

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?		✓		✓		✓		✓
2 Are there any lease arrangements that may result in private business use of bond-financed property?	✓		✓		✓		✓	

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Cat. No. 50193E

Schedule K (Form 990) 2014

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?	✓		✓		✓		✓	
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?		✓		✓		✓		✓
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		0.07 %		0.07 %		0.07 %		0.07 %
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		0.21 %		0.21 %		0.21 %		0.21 %
6 Total of lines 4 and 5		0.28 %		0.28 %		0.28 %		0.28 %
7 Does the bond issue meet the private security or payment test?		✓		✓		✓		✓
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?		✓		✓		✓		✓
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?	✓		✓		✓		✓	

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		✓		✓		✓		✓
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		✓		✓		✓		✓
b Exception to rebate?		✓		✓		✓		✓
c No rebate due?	✓		✓		✓		✓	
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		✓		✓		✓		✓
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		✓		✓		✓		✓
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the 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)?								
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?		✓		✓		✓		✓
7 Has the organization established written procedures to monitor the requirements of section 148?	✓		✓		✓		✓	

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
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?	✓		✓		✓		✓	

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions).

Schedule K, Part IV, Line 2c-10/13/2004 13,725,000 NH Health & Education - For the interim period 10/13/04 through 10/13/14 rebate payment due is \$0.00. As no payment is due to the

IRS, no Internal Revenue Service Form 8038T need be filed.

Schedule K, Part IV, Line 2c-10/13/2004 15,545,000 NH Health & Education - For the interim period 8/7/2013 through 8/7/2014 rebate payment due is \$0.00. As no payment is due to the

IRS, no Internal Revenue Service form 8038T need be filed.

Schedule K, Part IV, Line 2c-01/03/2011 16,365,000 NH Health & Education - For the interim period 8/7/13 through 8/7/14, rebate payment due is \$0.00. As no payment is due to the IRS,

no Internal Revenue Service form 8038T need be filed.

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 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Name of the organization

KENDAL AT HANOVER I

Employer identification number

02-0519490

Form 990, Part VI, Section A, Line 7b - The Kendal Corporation has to approve any changes in Kendal at Hanover's by-laws, additional debt and any resident contract changes.

Form 990, Part VI, Section B, Line 11b - The 990 is prepared by the Controller and then reviewed by the Associate Executive Director/CFO. It is then shared with the Executive Director/CEO and the Board of Directors for any feedback and/or comments prior to submission.

Form 990, Part VI, Section B, Line 12c - Our conflict of interest policy states: "Individuals shall not use their positions, or knowledge gained therefrom, in such a way that a conflict would arise between the interest of Kendal at Hanover and that of the individual or entity in which that individual has an interest. Any individual covered by this policy having a potential conflict of interest on any matter should disclose the conflict of interest, abstain from discussion and not use personal influence on the matter. The minutes of the meeting should reflect that a disclosure was made and any abstention from discussion. A full disclosure of all facts pertaining to any transaction that is subject to any doubt concerning the possible existence of a conflict of interest shall be made before consummating the transaction. A full disclosure shall be made annually, or when a potential for a conflict of interest presents itself, concerning the relevant interests, activities, services, investments, and information. An annual disclosure shall be made by survey at the direction of the Board Development Committee of the Board of Directors of Kendal at Hanover, or during the year as potential conflicts of interest or perceived conflicts of interest may occur. Relevant and material disclosures on conflicts of interest shall be appropriately noted in the audited financial statement of Kendal at Hanover on an annual basis."

Form 990, Part VI, Section B, Line 15 - It is Kendal at Hanover's Board of Director's charge to evaluate the Executive Director on an annual basis and approve the compensation for that position. The Executive Director evaluates top management and their compensation is adjusted annually. All other positions are evaluated annually based on Human Resource's compensation policies and procedures. A market analysis is done annually for all positions; the last one done in October 2014.

Form 990, Part VI, Section C, Line 19 - The annual Disclosure Statement is made available to all current residents and to interested parties on our website. This statement includes the conflict of interest disclosure. The 990 is available on the website, at our reception desk and in our library. The audited financial statements as well as interim financials are available in our library. The audited financial statements are also available on our website.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

KENDAL AT HANOVER I

Related Organizations and Unrelated Partnerships

► Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

► Attach to Form 990.

► Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Employer identification number

02-0519490

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on 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)					
(2)					
(3)					
(4)					
(5)					
(6)					

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on 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	No
(1) Kendal at Oberlin (34-1567246) 600 Kendal Drive, Oberlin, OH 44074-1900	Operate CCRC	OH	501(c)(3)	9	N/A		✓
(2) Kendal at Ithaca (52-1787487) 2230 North Triphammer Road, Ithaca, NY 14850	Operate CCRC	NY	501(c)(3)	9	N/A		✓
(3) Barclay Friends (23-2088476) 700 N Franklin St, West Chester, PA 19380	Operate CCRC	PA	501(c)(3)	7	N/A		✓
(4) The Kendal Corporation (23-2688382) 1107 East Baltimore Pike, Kennett Square, PA 19348	Develop & provide administration for	PA	501(c)(3)	11 Type III	N/A		✓
(5) Kendal Charitable Funds (23-2626425) 1107 East Baltimore Pike, Kennett Square, PA 19348	Manage charitable contributions to	PA	501(c)(3)	7	N/A		✓
(6) Kendal-Crosslands Communities (23-1906212) PO Box 100, Kennett Square, PA 19348	Operate CCRC	PA	501(c)(3)	9	N/A		✓
(7) (Continued on Schedule R, Part VII, Statement 1)							

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Cat. No. 50135Y

Schedule R (Form 990) 2014

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on 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?

	Yes	No
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)	☐	☒

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 related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
Kendal Charitable Funds				
(1)		c	5,000	
The Kendal Corporation		p	2,150,755	Cost
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on 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.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Part VII • Supplemental Information

Supplemental information
Provide additional information for responses to questions on Schedule R (see instructions).

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Description of Identification of Related Tax-Exempt Organizations

Name and EIN Kendal on Hudson (13-3971396)
Address 1010 Kendal Way
 Sleepy Hollow, NY 10591
Primary activities Operate CCRC
State or foreign country NY
Exempt code section 501(c)(3)
Public charity status 9
Direct controlling entity N/A
512(b)(13) controlled organization? No

Name and EIN Kendal at Granville (31-1657346)
Address 2158 Columbus Road
 Granville, OH 43023
Primary activities Operate CCRC
State or foreign country OH
Exempt code section 501(c)(3)
Public charity status 9
Direct controlling entity N/A
512(b)(13) controlled organization? No

Name and EIN Kendal at Home (20-0548053)
Address 27519 Detroit Road
 Westlake, OH 44145
Primary activities Operate Home Care
State or foreign country OH
Exempt code section 501(c)(3)
Public charity status 9
Direct controlling entity N/A
512(b)(13) controlled organization? No

Name and EIN The Lathrop Communities (04-2996627)
Address 100 Bassett Brook Drive
 Easthampton, MA 01027
Primary activities Operate over 55 community
State or foreign country MA
Exempt code section 501(c)(3)
Public charity status 9
Direct controlling entity N/A
512(b)(13) controlled organization? No

Name and EIN Lexington Retirement Community Inc dba Kendal at Lexington (54-1795871)
Address 160 Kendal Drive
 Lexington, VA 24450
Primary activities Operate CCRC
State or foreign country VA
Exempt code section 501(c)(3)
Public charity status 9
Direct controlling entity N/A
512(b)(13) controlled organization? No

Name and EIN Kendal New York (06-1656576)
Address 1010 Kendal Way
 Sleepy Hollow, NY 10591
Primary activities Provide support services in operation of Kendal on Hudson & Kendal at Ithaca
State or foreign country NY
Exempt code section 501(c)(3)
Public charity status 11 Type I
Direct controlling entity N/A

512(b)(13) controlled organization? No

Name and EIN Collington Episcopal Lifecare Community Inc (52-1281156)
Address 10450 Lottsford Road
 Mitchellville, MD 20721
Primary activities Operate CCRC
State or foreign country MD
Exempt code section 501(c)(3)
Public charity status 9
Direct controlling entity N/A
512(b)(13) controlled organization? No

Name and EIN Admiral on the Lake (36-2171730)
Address 929 West Foster Ave
 Chicago, IL 60640
Primary activities Operate CCRC
State or foreign country IL
Exempt code section 501(c)(3)
Public charity status 9
Direct controlling entity N/A
512(b)(13) controlled organization? No

Name and EIN Chandler Hall Health Services Inc (23-2365124)
Address 90 Barclay Street
 Newton, PA 18940
Primary activities Operate CCRC
State or foreign country PA
Exempt code section 501(c)(3)
Public charity status 9
Direct controlling entity N/A
512(b)(13) controlled organization? No

Name and EIN Kendal Northern Ohio & KNO Community Outreach LLC dba Senior Independence (20-0547957)
Address 600 Kendal Drive
 Oberlin, OH 44074
Primary activities Supporting Organization for Kendal at Oberlin etal
State or foreign country OH
Exempt code section 501(c)(3)
Public charity status 9
Direct controlling entity N/A
512(b)(13) controlled organization? No

Activity Or Mission Description

Description

for supportive services, health care, leadership in issues dealing with end-of-life, and activities to meet recreational needs, both as a way to preserve wellness and as a symbol of life at Kendal.