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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**

or Section 4947(a)(1) Trust Treated as Private Foundation

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Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014 or tax year beginning

, and ending

Name of foundation DEMOREST FAMILY FOUNDATION		A Employer identification number 20-3399144
Number and street (or P O box number if mail is not delivered to street address) 1581 SW UPPER HALL	Room/suite	B Telephone number 503 243-2671
City or town, state or province, country, and ZIP or foreign postal code PORTLAND, OR 97201		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 7,788,288.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		910.	910.		STATEMENT 1
4 Dividends and interest from securities		107,806.	107,806.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<41,545.>			
b Gross sales price for all assets on line 6a 311,528.					
7 Capital gain net income (from Part IV, line 2)			0.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11		67,171.	108,716.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 3		2,600.	1,300.		1,300.
c Other professional fees					
17 Interest					
18 Tax STMT 4		18,691.	725.		577.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 5		191.	141.		50.
24 Total operating and administrative expenses. Add lines 13 through 23		21,482.	2,166.		1,927.
25 Contributions, gifts, grants paid		323,000.			323,000.
26 Total expenses and disbursements. Add lines 24 and 25		344,482.	2,166.		324,927.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<277,311.>			
b Net investment income (if negative, enter -0-)			106,550.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	1,296,265.	1,141,885.	1,141,885.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 6	3,469,968.	3,347,037.	6,646,403.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	4,766,233.	4,488,922.	7,788,288.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	4,766,233.	4,488,922.	
30 Total net assets or fund balances	4,766,233.	4,488,922.		
31 Total liabilities and net assets/fund balances	4,766,233.	4,488,922.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,766,233.
2 Enter amount from Part I, line 27a	2	<277,311.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	4,488,922.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,488,922.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b SEE ATTACHED STATEMENT				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 311,528.		353,073.	<41,545.>

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			<41,545.>

2 Capital gain net income or (net capital loss)	<div> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>	2	<41,545.>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2013	281,837.	6,657,630.	.042333
2012	245,848.	5,691,455.	.043196
2011	241,288.	5,387,141.	.044790
2010	252,814.	5,021,999.	.050341
2009	303,211.	4,704,694.	.064449

2 Total of line 1, column (d)	2	.245109
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.049022
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	7,469,363.
5 Multiply line 4 by line 3	5	366,163.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,066.
7 Add lines 5 and 6	7	367,229.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	324,927.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	2,131.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	2,131.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	2,131.
6 Credits/Payments:			
a 2014 estimated tax payments and 2013 overpayment credited to 2014	6a	8,680.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	8,680.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	6,549.	
11 Enter the amount of line 10 to be. Credited to 2015 estimated tax <input type="checkbox"/> 6,549. Refunded <input type="checkbox"/>	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> OR		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>HARRY L. DEMOREST</u> Located at ► <u>1581 SW UPPER HALL, PORTLAND, OR</u> Telephone no. ► <u>503 243-2671</u> ZIP+4 ► <u>97204</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15 <u>N/A</u>			
16	At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly TD F 90-22.1). If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception - Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here N/A ► <input type="checkbox"/>	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► _____, _____, _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2014 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2014.) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b	X

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

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

N/A

☐ Yes ☐ No

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

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

☐ Yes ☒ No

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

6b

X

If "Yes" to 6b, file Form 8870

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

☐ Yes ☒ No

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

N/A

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
HARRY L. DEMOREST 1581 SW UPPER HALL PORTLAND, OR 97201	PRESIDENT/DIRECTOR 1.00	0.	0.	0.
KAAREN M. DEMOREST 1581 SW UPPER HALL PORTLAND, OR 97201	SECRETARY/DIRECTOR 0.50	0.	0.	0.
CHRISTINE BARBOUR C/O 1581 SW UPPER HALL PORTLAND, OR 97201	DIRECTOR 0.25	0.	0.	0.
SCOTT E. DEMOREST C/O 1581 SW UPPER HALL PORTLAND, OR 97201	DIRECTOR 0.25	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000

0

Part X**Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	6,284,525.
b	Average of monthly cash balances	1b	1,298,585.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	7,583,110.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	7,583,110.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	113,747.
5	Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	7,469,363.
6	Minimum investment return Enter 5% of line 5	6	373,468.

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

1	Minimum investment return from Part X, line 6	1	373,468.
2a	Tax on investment income for 2014 from Part VI, line 5	2a	2,131.
b	Income tax for 2014. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,131.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	371,337.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	371,337.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	371,337.

Part XII**Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	324,927.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	324,927.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions Subtract line 5 from line 4	6	324,927.

Note The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				371,337.
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only			322,236.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2014:				
a From 2009				
b From 2010				
c From 2011				
d From 2012				
e From 2013				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2014 from Part XII, line 4: ▶ \$ 324,927.				
a Applied to 2013, but not more than line 2a			322,236.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2014 distributable amount				2,691.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2013. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015				368,646.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2009 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2015 Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2010				
b Excess from 2011				
c Excess from 2012				
d Excess from 2013				
e Excess from 2014				

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
ACHON UGANDA CHILDRENS FUND PO BOX 91639 PORTLAND, OR 97291	N/A	PUBLIC CHARITY	SOCIAL SERVICE	1,000.
ALL HANDS RAISED 2069 NE HOYT STREET PORTLAND, OR 97232	N/A	PUBLIC CHARITY	EDUCATION	38,000.
BRADLEY ANGLE 720 N. KILLINGSWORTH AVE PORTLAND, OR 97217	N/A	PUBLIC CHARITY	DOMESTIC VIOLENCE SHELTERING	1,000.
CALDERA 224 NW 13TH AVE, SUITE 304 PORTLAND, OR 97209	N/A	PUBLIC CHARITY	YOUTH DEVELOPMENT	1,000.
CASA FOR CHILDREN 1401 NE 68TH AVE PORTLAND, OR 97213	N/A	PUBLIC CHARITY	ADVOCATION FOR ABUSED AND NEGLECTED CHILDREN	1,000.
Total			SEE CONTINUATION SHEET(S)	323,000.
b Approved for future payment				
NONE				
Total				0.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr)	(d) Date sold (mo., day, yr)
1a	2000 SHARES PROSHARES SHORT 20	P	05/20/13	02/05/14
b	2000 SHARES PROSHARES SHORT 20	P	11/20/13	02/05/14
c	500 SHARES PROSHARES ULTRASHORT	P	07/12/11	02/07/14
d	500 SHARES PROSHARES ULTRASHORT	P	08/22/11	02/07/14
e	1000 SHARES EXELON CORP	P	03/17/11	05/12/14
f	2000 SHARES COCA COLA	P	02/19/14	10/21/14
g				
h				
i				
j				
k				
l				
m				
n				
o				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 62,021.		59,720.	2,301.
b 62,021.		65,746.	<3,725.>
c 35,450.		64,976.	<29,526.>
d 35,449.		47,935.	<12,486.>
e 35,449.		39,958.	<4,509.>
f 81,138.		74,738.	6,400.
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			2,301.
b			<3,725.>
c			<29,526.>
d			<12,486.>
e			<4,509.>
f			6,400.
g			
h			
i			
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	<41,545.>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 }	3	N/A

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
CHILDREN'S CANCER ASSOCIATION 1200 NW NAITO PARKWAY SUITE 140 PORTLAND, OR 97209	N/A	PUBLIC CHARITY	YOUTH DEVELOPMENT	1,000.
CLASSIC WINES AUCTION 111 SW 5TH AVE # 3400 PORTLAND, OR 97204	N/A	PUBLIC CHARITY	EDUCATION, YOUTH DEVELOPMENT	5,000.
CLASSROOM LAW PROJECT 620 SW MAIN ST., SUITE 102 PORTLAND, OR 97205	N/A	PUBLIC CHARITY	EDUCATION	1,000.
CONCORDIA COLLEGE 2811 NE HOLMAN ST PORTLAND, OR 97211	N/A	PUBLIC CHARITY	EDUCATION	5,000.
DOERNBECHER CHILDRENS HOSPITAL 1121 SW SALMON STREET, SUITE 100 PORTLAND, OR 97205	N/A	PUBLIC CHARITY	HEALTHCARE	1,000.
FRIENDS OF THE CHILDREN - PORTLAND 44 NE MORRIS PORTLAND, OR 97212	N/A	PUBLIC CHARITY	YOUTH DEVELOPMENT	10,000.
GREATER HOUSTON COMMUNITY FOUNDATION 5120 WOODWAY DRIVE, SUITE 6000 HOUSTON, TX 77056	N/A	PRIVATE FOUNDATION	GROWING PHILANTHROPY	10,000.
GRESHAM-BARLOW SCHOOL DISTRICT 1331 NW EASTMAN PKWY GRESHAM, OR 97030	N/A	PUBLIC CHARITY	EDUCATION	1,000.
LINCOLN HIGH SCHOOL FOUNDATION 1600 SW SALMON STREET PORTLAND, OR 97205	N/A	PUBLIC CHARITY	EDUCATION	20,000.
LITERARY ARTS 025 SW WASHINGTON STREET PORTLAND, OR 97205	N/A	PUBLIC CHARITY	EDUCATION/CULTURAL	1,000.
Total from continuation sheets				281,000.

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
MEALS ON WHEELS 7710 SW 31ST AVE PORTLAND, OR 97219	N/A	PUBLIC CHARITY	SOCIAL SERVICE	1,000.
OLD TIMERS' BASEBALL 5019 S.W. LOWELL PORTLAND, OR 97221	N/A	PUBLIC CHARITY	YOUTH DEVELOPMENT	6,000.
OPEN MEADOW 7621 N. WABASH AVE PORTLAND, OR 97217	N/A	PUBLIC CHARITY	EDUCATION	5,000.
OREGON MUSEUM OF SCIENCE AND INDUSTRY 1945 SE WATER AVENUE PORTLAND, OR 97214	N/A	PUBLIC CHARITY	EDUCATION	35,000.
OSU FOUNDATION 850 SW 35TH ST. CORVALLIS, OR 97333	N/A	PUBLIC CHARITY	EDUCATION	50,000.
PARKINSON'S RESOURCES OF OREGON 3975 MERCANTILE DR, SUITE 154 LAKE OSWEGO, OR 97035	N/A	PUBLIC CHARITY	RESEARCH	5,000.
PARKROSE SCHOOL DISTRICT 10636 NW PRESCOTT ST PORTLAND, OR 97220	N/A	PUBLIC CHARITY	EDUCATION	1,000.
SELF ENHANCEMENT, INC. 3920 N KERBY AVENUE PORTLAND, OR 97227	N/A	PUBLIC CHARITY	YOUTH DEVELOPMENT	10,000.
ST MARY'S HOME FOR BOYS 16535 SW TUALATIN VALLEY HWY BEAVERTON, OR 97006	N/A	PUBLIC CHARITY	YOUTH DEVELOPMENT	1,500.
SUTTER MEDICAL FRONTIER FDN 8170 LAGUNA BLVD. ELK GROVE, CA 95758	N/A	PUBLIC CHARITY	HEALTHCARE	5,000.
Total from continuation sheets				

DEMOREST FAMILY FOUNDATION

20-3399144

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
THE FRESHWATER TRUST 65 SW YAMHILL ST, SUITE 200 PORTLAND, OR 97204	N/A	PUBLIC CHARITY	NATURE CONSERVATION	50,000.
VICTORY ACADAMEY 27960 SW CANYON CREEK RD. WILSONVILLE, OR 97070	N/A	PUBLIC CHARITY	EDUCATION	25,000.
WEST LINN - WILSONVILLE EDUCATION FOUNDATION 1980 WILLAMETTE FALLS DR #120-117 WEST LINN, OR 97068	N/A	PUBLIC CHARITY	EDUCATION	15,000.
WEST LINN BASEBALL 19363 WILLAMETTE DRIVE PMB 189 WEST LINN, OR 97068	N/A	PUBLIC CHARITY	AMATEUR ATHLETICS	1,500.
WEST SYLVAN 8111 SW WEST SLOPE DR PORTLAND, OR 97225	N/A	PUBLIC CHARITY	EDUCATION	10,000.
WILD SALMON CENTER 721 NW 9TH AVE, SUITE 300 PORTLAND, OR 97209	N/A	PUBLIC CHARITY	CONSERVATION	5,000.
Total from continuation sheets				

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
MERRILL LYNCH EMA ACCOUNT	910.	910.	
TOTAL TO PART I, LINE 3	910.	910.	

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
MERRILL LYNCH EMA ACCOUNT	107,806.	0.	107,806.	107,806.	
TO PART I, LINE 4	107,806.	0.	107,806.	107,806.	

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,600.	1,300.		1,300.
TO FORM 990-PF, PG 1, LN 16B	2,600.	1,300.		1,300.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
2013 STATE OF OREGON BALANCE DUE	577.	0.		577.
FOREIGN TAXES	725.	725.		0.
2013 FEDERAL BALANCE DUE	8,709.	0.		0.
2014 FEDERAL ESTIMATES	8,680.	0.		0.
TO FORM 990-PF, PG 1, LN 18	18,691.	725.		577.

FORM 990-PF	OTHER EXPENSES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
MERRILL LYNCH FEES	141.	141.		0.	
OTHER FEES	50.	0.		50.	
TO FORM 990-PF, PG 1, LN 23	191.	141.		50.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	6
DESCRIPTION	BOOK VALUE		FAIR MARKET VALUE	
MERRILL LYNCH - EMA ACCOUNT	3,347,037.		6,646,403.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,347,037.		6,646,403.	