



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



**Return of Organization Exempt From Income Tax**

**2014**

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

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

- ▶ Do not enter social security numbers on this form as it may be made public.
- ▶ Information about Form 990-EZ and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**A For the 2014 calendar year, or tax year beginning** , 2014, and ending , 20

|  |   |  |   |
|--|---|--|---|
| <b>B</b> Check if applicable:<br><input type="checkbox"/> Address change<br><input type="checkbox"/> Name change<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Final return/terminated<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Application pending | <b>C Name of organization</b><br>WALNUT COUNCIL, INC  |  | <b>D Employer identification number</b><br>23-7435878 |
|  | Number and street (or P.O. box, if mail is not delivered to street address) Room/suite<br>1007 N 725 WEST |  | <b>E Telephone number</b><br>765-583-3501             |
|  | City or town, state or province, country, and ZIP or foreign postal code<br>WEST LAFAYETTE, IN 46906-9431 |  | <b>F Group Exemption Number</b> ▶                     |
|  |   |  |   |

**G Accounting Method:**  Cash  Accrual  Other (specify) ▶ **H Check**  if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

**I Website:** ▶ **J Tax-exempt status** (check only one) -  501(c)(3)  501(c) ( ) ◀ (insert no)  4947(a)(1) or  527

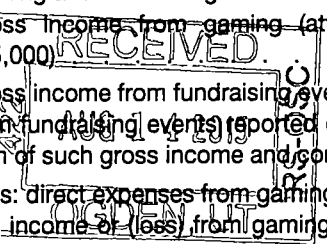
**K Form of organization:**  Corporation  Trust  Association  Other

**L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts.** If gross receipts are \$200,000 or more, or if total assets (Part II, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ . . . . . ▶ \$ 74,380.00

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (see the instructions for Part I)  
 Check if the organization used Schedule O to respond to any question in this Part I . . . . .

| Revenue |  | Expenses |   | Net Assets |  |
|---------|--|----------|---|------------|--|
| 1       | Contributions, gifts, grants, and similar amounts received . . . . .   | 10       | Grants and similar amounts paid (list in Schedule O) . . . . .            | 18         | Excess or (deficit) for the year (Subtract line 17 from line 9) . . . . .  |
| 2       | Program service revenue including government fees and contracts . . . . .  | 11       | Benefits paid to or for members . . . . .                                 | 19         | Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return) . . . . . |
| 3       | Membership dues and assessments . . . . .  | 12       | Salaries, other compensation, and employee benefits . . . . .             | 20         | Other changes in net assets or fund balances (explain in Schedule O) . . . . .   |
| 4       | Investment income . . . . .  | 13       | Professional fees and other payments to independent contractors . . . . . | 21         | Net assets or fund balances at end of year. Combine lines 18 through 20 . . . . . ▶  |
| 5a      | Gross amount from sale of assets other than inventory . . . . .  | 14       | Occupancy, rent, utilities, and maintenance . . . . .                     |            |  |
| 5b      | Less: cost or other basis and sales expenses . . . . .   | 15       | Printing, publications, postage, and shipping . . . . .                   |            |  |
| 5c      | Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) . . . . .  | 16       | Other expenses (describe in Schedule O) . . . . .                         |            |  |
| 6       | Gaming and fundraising events  | 17       | <b>Total expenses.</b> Add lines 10 through 16 . . . . . ▶                |            |  |
| 6a      | Gross income from gaming (attach Schedule G if greater than \$15,000) . . . . .  |          |   |            |  |
| 6b      | Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000) . . . . . |          |   |            |  |
| 6c      | Less: direct expenses from gaming and fundraising events . . . . .   |          |   |            |  |
| 6d      | Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c) . . . . .   |          |   |            |  |
| 7a      | Gross sales of inventory, less returns and allowances . . . . .  |          |   |            |  |
| 7b      | Less: cost of goods sold . . . . .   |          |   |            |  |
| 7c      | Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a) . . . . .   |          |   |            |  |
| 8       | Other revenue (describe in Schedule O) . . . . .   |          |   |            |  |
| 9       | <b>Total revenue.</b> Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8 . . . . . ▶  |          |   |            |  |

RECEIVED SEP 01 2015



Handwritten initials: 2-13 8



Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V

|     |  | Yes | No |
|-----|--|-----|----|
| 33  | Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O . . . . .  |     | X  |
| 34  | Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions) . . . . .   |     | X  |
| 35a | Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)? . . . . .   |     | X  |
| b   | If "Yes," to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O . . . . .   |     | X  |
| 35c | Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III . . . . .   |     | X  |
| 36  | Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N . . . . .  |     | X  |
| 37a | Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ <b>37a</b> _____  |     |    |
| b   | Did the organization file Form 1120-POL for this year? . . . . .   |     | X  |
| 38a | Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return? . . . . .   |     | X  |
| b   | If "Yes," complete Schedule L, Part II and enter the total amount involved . . . . . <b>38b</b> _____  |     |    |
| 39  | Section 501(c)(7) organizations. Enter: . . . . .  |     |    |
| a   | Initiation fees and capital contributions included on line 9 . . . . . <b>39a</b> _____  |     |    |
| b   | Gross receipts, included on line 9, for public use of club facilities . . . . . <b>39b</b> _____   |     |    |
| 40a | Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____   |     |    |
| b   | Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .  |     | X  |
| c   | Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . . . ▶ _____   |     |    |
| d   | Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization . . . . . ▶ _____   |     |    |
| e   | All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T . . . . .   |     | X  |
| 41  | List the states with which a copy of this return is filed ▶ <u>INDIANA</u>   |     |    |
| 42a | The organization's books are in care of ▶ <u>SAME AS PAGE 1</u> Telephone no. ▶ <u>765-583-3501</u><br>Located at ▶ <u>SAME AS PAGE 1</u> ZIP + 4 ▶ <u>47906-6431</u>  |     |    |
| b   | 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)?<br>If "Yes," enter the name of the foreign country: ▶ _____<br>See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). |     | X  |
| c   | At any time during the calendar year, did the organization maintain an office outside the U.S.? . . . . .<br>If "Yes," enter the name of the foreign country: ▶ _____  |     | X  |
| 43  | Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041—Check here . . . . . ▶ <input type="checkbox"/><br>and enter the amount of tax-exempt interest received or accrued during the tax year . . . . . ▶ <b>43</b> _____  |     |    |
| 44a | Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ . . . . .   |     | X  |
| b   | Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ . . . . .  |     | X  |
| c   | Did the organization receive any payments for indoor tanning services during the year? . . . . .   |     | X  |
| d   | If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . . . .  |     | X  |
| 45a | Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .  |     | X  |
| b   | Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions) . . . . .   |     | X  |

**46** Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . . 

|           |     |    |
|-----------|-----|----|
|           | Yes | No |
| <b>46</b> |     | X  |

**Part VI Section 501(c)(3) organizations only**

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI . . . . .

**47** 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 . . . . . 

|           |     |    |
|-----------|-----|----|
|           | Yes | No |
| <b>47</b> |     | X  |

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

|           |     |    |
|-----------|-----|----|
|           | Yes | No |
| <b>48</b> |     | X  |

**49a** Did the organization make any transfers to an exempt non-charitable related organization? . . . . . 

|            |     |    |
|------------|-----|----|
|            | Yes | No |
| <b>49a</b> |     | X  |

**b** If "Yes," was the related organization a section 527 organization? . . . . . 

|            |     |    |
|------------|-----|----|
|            | Yes | No |
| <b>49b</b> |     | X  |

**50** Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

| (a) Name and title of each employee | (b) Average hours per week devoted to position | (c) Reportable compensation (Forms W-2/1099-MISC) | (d) Health benefits, contributions to employee benefit plans, and deferred compensation | (e) Estimated amount of other compensation |
|-------------------------------------|--|---|---|--|
| NONE                                |  |   |   |  |
|                                     |  |   |   |  |
|                                     |  |   |   |  |
|                                     |  |   |   |  |
|                                     |  |   |   |  |
|                                     |  |   |   |  |

**f** Total number of other employees paid over \$100,000 . . . . .

**51** Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

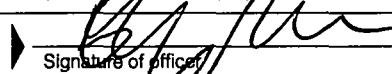
| (a) Name and business address of each independent contractor | (b) Type of service | (c) Compensation |
|--|---------------------|------------------|
| NONE   |                     |                  |
|  |                     |                  |
|  |                     |                  |
|  |                     |                  |
|  |                     |                  |
|  |                     |                  |

**d** Total number of other independent contractors each receiving over \$100,000 . . . . .


**52** Did the organization complete Schedule A? **Note.** All section 501(c)(3) organizations must attach a completed Schedule A . . . . .  Yes  No

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**

|   |                |
|---|----------------|
|  | AUGUST 7, 2015 |
| Signature of officer  | Date           |
| ELIZABETH JACKSON   |                |
| Type or print name and title  |                |

**Paid Preparer Use Only**

|  |  |                    |   |                   |
|--|--|--------------------|---|-------------------|
| Print/Type preparer's name<br>CLARENCE KENNEDY     | Preparer's signature<br> | Date<br>08/07/2015 | Check <input type="checkbox"/> if self-employed | PTIN<br>P00208307 |
| Firm's name<br>CLARENCE DALE KENNEDY, INC          | Firm's EIN<br>35-1525062   |                    | Phone no<br>317-873-4500                        |                   |
| Firm's address<br>PO BOX 305, ZIONSVILLE, IN 46077 |  |                    |   |                   |

May the IRS discuss this return with the preparer shown above? See instructions . . . . .  Yes  No

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Public Charity Status and Public Support**

OMB No 1545-0047

**2014**

Department of the Treasury  
Internal Revenue Service

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](http://www.irs.gov/form990).

**Open to Public Inspection**

|   |   |
|---|---|
| Name of the organization<br><b>WALNUT COUNCIL, INC.</b> | Employer identification number<br><b>23-7435878</b> |
|---|---|

**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)                                |          |   |   |    |   |   |
| <b>Total</b>                       |          |   |   |    | 0.00  | 0.00  |

**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 <b>Total.</b> 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 <b>Public support.</b> 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 <b>Total support.</b> Add lines 7 through 10   |          |          |          |          |          |           |
| 12 Gross receipts from related activities, etc. (see instructions) . . . . .  |          |          |          |          | 12       |           |
| 13 <b>First five years.</b> 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 <b>stop here</b> . . . . . ► <input type="checkbox"/> |          |          |          |          |          |           |

**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 <b>33 1/3% support test—2014.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . ► <input type="checkbox"/>   |    |   |
| <b>b 33 1/3% support test—2013.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . ► <input type="checkbox"/>  |    |   |
| 17a <b>10%-facts-and-circumstances test—2014.</b> 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 <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . ► <input type="checkbox"/>    |    |   |
| <b>b 10%-facts-and-circumstances test—2013.</b> 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 <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . ► <input type="checkbox"/> |    |   |
| 18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . . ► <input type="checkbox"/>   |    |   |

**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  |
|---|-----------|-----------|-----------|-----------|-----------|------------|
| <b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")  | 1,805.00  | 5,130.00  | 8,634.00  | 4,717.00  | 7,225.00  | 27,511.00  |
| <b>2</b> 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 | 15,812.00 | 23,995.00 | 18,790.00 | 21,482.00 | 28,347.00 | 108,426.00 |
| <b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513   |           |           |           |           |           |            |
| <b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf  |           |           |           |           |           |            |
| <b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge  |           |           |           |           |           |            |
| <b>6 Total.</b> Add lines 1 through 5   | 17,617.00 | 29,125.00 | 27,424.00 | 26,199.00 | 35,572.00 | 135,937.00 |
| <b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons  |           |           |           |           |           |            |
| <b>b</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           |           |           |           |           |           |            |
| <b>c</b> Add lines 7a and 7b  |           |           |           |           |           |            |
| <b>8 Public support.</b> (Subtract line 7c from line 6.)  |           |           |           |           |           | 135,937.00 |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ►  | (a) 2010  | (b) 2011  | (c) 2012  | (d) 2013  | (e) 2014  | (f) Total  |
|--|-----------|-----------|-----------|-----------|-----------|------------|
| <b>9</b> Amounts from line 6   | 17,617.00 | 29,125.00 | 27,424.00 | 26,199.00 | 35,572.00 | 135,937.00 |
| <b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources  |           |           |           |           |           |            |
| <b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975   |           |           |           |           |           |            |
| <b>c</b> Add lines 10a and 10b   |           |           |           |           |           |            |
| <b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on  |           |           |           |           |           |            |
| <b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI)   |           |           |           |           |           |            |
| <b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)   |           |           |           |           |           | 135,937.00 |
| <b>14 First five years.</b> 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 <input type="checkbox"/> |           |           |           |           |           |            |

**Section C. Computation of Public Support Percentage**

|  |           |          |
|--|-----------|----------|
| <b>15</b> Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f)) | <b>15</b> | 100.00 % |
| <b>16</b> Public support percentage from 2013 Schedule A, Part III, line 15                      | <b>16</b> | 99.90 %  |

**Section D. Computation of Investment Income Percentage**

|   |           |       |
|---|-----------|-------|
| <b>17</b> Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f)) | <b>17</b> | 0 %   |
| <b>18</b> Investment income percentage from 2013 Schedule A, Part III, line 17                        | <b>18</b> | 0.0 % |

- 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 <b>Part VI</b> 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 <b>Part VI</b> 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 <b>Part VI</b> 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 <b>Part VI</b> 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 <b>Part VI</b> 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 <b>Part VI</b> 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 <b>Part VI</b> , 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 <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?   |     |    |
| c <b>Substitutions only.</b> 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 <b>Part VI</b> .   |     |    |
| 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 <b>Part VI</b> .  |     |    |
| 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 <b>Part VI</b> .  |     |    |
| 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 <b>Part VI</b> .   |     |    |
| 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)

|    |   | Yes | No |
|----|---|-----|----|
| 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.   |     |    |

**Section B. Type I Supporting Organizations**

|   |   | Yes | No |
|---|---|-----|----|
| 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  |     |    |

**Section C. Type II Supporting Organizations**

|   |  | Yes | No |
|---|--|-----|----|
| 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). |     |    |

**Section D. All Type III Supporting Organizations**

|   |   | Yes | No |
|---|---|-----|----|
| 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.  |     |    |

**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 | <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.   |  |  |
| b | <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below   |  |  |
| c | <input type="checkbox"/> 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.   |  |  |

**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.

| <b>Section A - Adjusted Net Income</b>  |          | (A) Prior Year | (B) Current Year (optional) |
|---|----------|----------------|-----------------------------|
| <b>1</b> Net short-term capital gain  | <b>1</b> |                |                             |
| <b>2</b> Recoveries of prior-year distributions   | <b>2</b> |                |                             |
| <b>3</b> Other gross income (see instructions)  | <b>3</b> |                |                             |
| <b>4</b> Add lines 1 through 3  | <b>4</b> |                |                             |
| <b>5</b> Depreciation and depletion   | <b>5</b> |                |                             |
| <b>6</b> 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) | <b>6</b> |                |                             |
| <b>7</b> Other expenses (see instructions)  | <b>7</b> |                |                             |
| <b>8 Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)  | <b>8</b> |                |                             |

| <b>Section B - Minimum Asset Amount</b>  |           | (A) Prior Year | (B) Current Year (optional) |
|--|-----------|----------------|-----------------------------|
| <b>1</b> Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year): |           |                |                             |
| <b>a</b> Average monthly value of securities   | <b>1a</b> |                |                             |
| <b>b</b> Average monthly cash balances   | <b>1b</b> |                |                             |
| <b>c</b> Fair market value of other non-exempt-use assets  | <b>1c</b> |                |                             |
| <b>d Total</b> (add lines 1a, 1b, and 1c)  | <b>1d</b> |                |                             |
| <b>e Discount</b> claimed for blockage or other factors (explain in detail in Part VI):  |           |                |                             |
| <b>2</b> Acquisition indebtedness applicable to non-exempt-use assets  | <b>2</b>  |                |                             |
| <b>3</b> Subtract line 2 from line 1d  | <b>3</b>  |                |                             |
| <b>4</b> Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).                                 | <b>4</b>  |                |                             |
| <b>5</b> Net value of non-exempt-use assets (subtract line 4 from line 3)  | <b>5</b>  |                |                             |
| <b>6</b> Multiply line 5 by .035   | <b>6</b>  |                |                             |
| <b>7</b> Recoveries of prior-year distributions  | <b>7</b>  |                |                             |
| <b>8 Minimum Asset Amount</b> (add line 7 to line 6)   | <b>8</b>  |                |                             |

| <b>Section C - Distributable Amount</b>  |          |  | Current Year |
|--|----------|--|--------------|
| <b>1</b> Adjusted net income for prior year (from Section A, line 8, Column A)   | <b>1</b> |  |              |
| <b>2</b> Enter 85% of line 1   | <b>2</b> |  |              |
| <b>3</b> Minimum asset amount for prior year (from Section B, line 8, Column A)  | <b>3</b> |  |              |
| <b>4</b> Enter greater of line 2 or line 3   | <b>4</b> |  |              |
| <b>5</b> Income tax imposed in prior year  | <b>5</b> |  |              |
| <b>6 Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions) | <b>6</b> |  |              |

**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)<br>Excess Distributions | (ii)<br>Underdistributions<br>Pre-2014 | (iii)<br>Distributable<br>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  |                             |  |   |



**SCHEDULE O  
(Form 990 or 990-EZ)**

**Supplemental Information to Form 990 or 990-EZ**

OMB No. 1545-0047

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

**2014**

Department of the Treasury  
Internal Revenue Service

▶ 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](http://www.irs.gov/form990).

**Open to Public  
Inspection**

Name of the organization

WALNUT COUNCIL, INC

Employer identification number

23-7435878

LINE 8 PAGE 1 OTHER REVENUE - ANNUAL MEETING \$37,730.

LINE 16 PAGE 1 OTHER EXPENSES - SEE ATTACHED LIST \$72,299

LINE 19 PAGE 1 NET ASSET OR FUND BALANCE AT BEGINNING OF YEAR: SEE ATTACHED: DECEMBER OF  
2013 WALNUT COUNCIL RECEIVED A DONATION OF LAND WITH APPRAISED VALUE OF \$214,500.00 PLUS  
\$200,000.00 = \$414,500.00

LINE 20 PAGE 1 OTHER CHANGES IN NET ASSETS OR FUND BALANCE - UNREALIZED GAIN OR LOSS ON  
INVESTMENTS HELD FOR EXEMPT PURPOSES -\$4242.00; PRIOR PERIOD ADJUSTMENT LM CONTRIBUTION ADJ  
-\$6,000.00; MISCELLANEOUS PRIOR PERIOD ADJUSTMENT -\$606.00; TOTAL ADJUSTMENT -\$10848

PART I, LINE 1, CONTRIBUTIONS, GIFTS, GRANTS AND SIMILAR AMOUNTS RECEIVED

|                                       |                 |
|---------------------------------------|-----------------|
| STATE CHAPTER VOLUNTARY CONTRIBUTIONS | 688.00          |
| TCD CONTRIBUTION                      | 3,511.00        |
| BLACK WALNUT ACH AWARD CONTRIBUTION   | 1,000.00        |
| SPECIAL PROJECTS                      | 2,025.92        |
| COPYING INCOME                        | -               |
|                                       | <u>7,224.92</u> |

PART I, LINE 3, MEMBERSHIPS DUES AND ASSESSMENTS

|                                  |                  |
|----------------------------------|------------------|
| SUPPORTING MEMBER DUES           | 1,245.00         |
| REGULAR MEMBER DUES              | 21,940.00        |
| OTHER MEMBERSHIPS                |                  |
| YOUTH MEMBERS                    | 40.00            |
| INTERNATIONAL & CANADIAN MEMBERS | 145.00           |
| STATE CHAPTER DUES               | 4,977.00         |
|                                  | <u>28,347.00</u> |

PART I, LINE 8, OTHER INCOME

|                              |                  |
|------------------------------|------------------|
| ANNUAL MEETING               |                  |
| ANNUAL MEETING REGISTRATIONS | 26,790.00        |
| SPONSORSHIP                  | 10,350.00        |
| SILENT AUCTION               | 590.00           |
|                              | <u>37,730.00</u> |

SUBTOTAL

73,301.92

PART I, LINE 16, OTHER EXPENSES

|                               |                  |
|-------------------------------|------------------|
| SALARY - SECRETARY            | 22,037.81        |
| INSURANCE                     | 2,374.00         |
| TCD MEETING EXPENSE           | -                |
| OFFICE EXPENSE                | 548.89           |
| COPIER SUPPLIES               | -                |
| INTERNET EXPENSE              | 290.86           |
| POSTAGE                       | 1,186.51         |
| BULLETIN EXPENSE              | 5,908.77         |
| BANKING & PAY PAL FEES        | 399.58           |
| ACCOUNTING & BOOKKEEPING      | 707.14           |
| STATE CHAPTER DUES REBATES    | 5,112.00         |
| VOLUNTARY DONATIONS REBATE    | 708.00           |
| EXEC DIR TRAVEL EXPENSE       | 239.09           |
| BOARD MEETING EXPENSE         | 29,390.99        |
| BLACK WALNUT AWARD PAYMENT    | 1,000.00         |
| NORRIS PROPERTY EXPENSE       | 2,076.75         |
| MISCELLANEOUS MEETING EXPENSE | 318.18           |
|                               | <u>72,298.57</u> |

**WALNUT COUNCIL****23-7435878**

990-EZ ATTACHMENT

**12/31/2014****PART IV, LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES**

| (A)   | (B)   | (C)    | (D)    |
|---|---|--------|--------|
| Dan Harris<br>511 W Foster Heights Rd<br>Rushville, IN 46173<br>Tel; [317] 517-0605<br>Email: harris.dan49@yahoo.com  | <b>President</b>                                    | 0      | 0      |
| Fred Crouse<br>1805 Bettinna Drive<br>Columbia, MO 65202<br>Tel; [573] 449-1950<br>Email: fcrouse@centurytel.net  | <b>Vice President</b>                               | 0      | 0      |
| Jerry Van Sambeek, Ph.D.<br>USDA-FS, 202 Natural Resources Bldg<br>University of Missouri<br>Columbia, MO 65211-7260<br>Tel; [573] 875-5341, EXT 233<br>Email: jvansambeek@fs.fed.us                | <b>Past President</b>                               | 0      | 0      |
| Liz Jackson<br>Wright Forestry Center<br>1011 N 725 W<br>West Lafayette, IN 47906-9431<br>Tel; [765] 583-3501<br>Email: jackson@purdue.edu  | <b>Bulletin Editor</b><br><b>Executive Director</b> | 0<br>0 | 0<br>0 |
| William L. Hoover, Ph.D.<br>Dept of Forestry & Natural Resources<br>Purdue University<br>195 Marsteller Street<br>West Lafayette, IN 47907-2033<br>Tel; [765] 494-3580<br>Email: whoover@purdue.edu | <b>Treasurer</b>                                    | 0      | 0      |

# Gandy's Timber Management

Timber Sales

317-462-6820

765-571-0591

Timber Stand Improvement

Timber Appraisals

Timber Advice

July 8<sup>th</sup> 2011

*Took down  
25<sup>th</sup>  
Dec 2012*

Jim Norris  
11025 Presbyterian Dr.  
Indianapolis, IN 46236

Dear Jim,

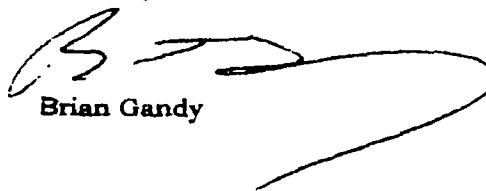
Upon your request I have appraised the value of your 43.17+- acre property in Boone County, Indiana and have prepared the attached report. The timber values were based on recent sales with similar timber. The property values were based on current prices for local properties.

No responsibility is assumed by me for legal matters involved with this property. In that regard, please refer to the attached "Statement of Assumptions and Limiting Conditions".

This report was prepared by Brian Gandy of Gandy's Timber Management, 2016 N. 1050 E. Charlottesville, IN 46117.

Jim, if you have any questions please contact me.

Sincerely,



Brian Gandy

## Description

### Location

The property appraised for this report consist of 2 parcels owned by Sugar Creek Tree Farm LLC . Parcel # 009-00370-00 which is 38.9 acres in size, and Parcel # 009-00380-00 which is 4.27 acres in size, are located in Sugar Creek Township of Boone County, Indiana.

### Land and Timber features

The property is predominantly wooded with a 5 acre pond. It is located along Sugar Creek and is highly aesthetically appealing, and has many recreational opportunities. The creek offers great fishing, yielding Small Mouth Bass, Rock Bass and other fish species.. The area has a high deer population along with many other wildlife species, such as Turkey, Squirrel, Rabbit, and song birds. This makes it a great hunting property.

The woods consist mostly of bottomland hardwood forest made up of Black Walnut, Silver Maple, Cottonwood, Ash, Tulip, Bitternut Hickory, Black cherry and Sycamore. A timber harvest was performed in part of the woods. Single tree selection with a 3 acre group selection opening were marked for harvest, targeting lower valued trees in order to set up the regeneration of higher quality timber species. The 3 acre group selection opening was planted with bottomland oak species. A portion of the woods is a Black Walnut Plantation which was planted in the late 1970's. The trees in this plantation exhibit excellent form and are of high quality. A pre-commercial thinning was performed to maintain health and vigor.

### Soils

The soils on this property are Rossburg and Landes, Shoals, Fox, and Ockley. All these soils are good for timber production. The dominant soil is the Rossburg and Landes soil. It is a good soil for Walnut, and many Walnuts are currently growing in these areas, including those in the plantation.

### Land and Timber Appraisal

The surrounding area is an area that has many high end homes. It is an area attracting people who want to live away from the urban areas with easy access to the urban areas. The land along Sugar Creek is of the highest interest. Sugar Creek Tree Farm has excellent access, and is located on a main road off of State Road 47. This makes it highly appealing as a building site. In Sugar Creek township there is a 10 acre minimum building site required. The lots selling in the area are selling for \$20,000.00 per acre. Whith this in mind I determined that 10 acres would be valued at \$200,000.00 dollars, the remaining 33 acres were valued as recreational and timber producing ground

I determined that value to be \$6,500.00 per acre or \$214,500.00 dollars. The timber value on the farm was determined by a walk through appraisal. The timber was valued at current stumpage prices. I estimated there is 80,000 to 90,000 board feet of timber on the property. This includes both commercial and pre-commercial volumes. The price of this volume is estimated to be \$250/MBF to \$300/MBF. That would make the overall timber value to be \$20,000 to \$27,000 dollars. For appraisal purposes the average will be used of \$23,500.00 dollars for the timber value. The overall value of the property would then be calculated to be \$438,000.00 dollars. (\$200,000.00 + \$214,500.00 + \$23,500.00)