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Form **990**
 Department of the Treasury
 Internal Revenue Service

Return of Organization Exempt From Income Tax

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

▶ Do not enter social security numbers on this form as it may be made public
 ▶ Information about Form 990 and its instructions is at www.irs.gov/form990

OMB No 1545-0047
2014
Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 02-01-2014, and ending 01-31-2015

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Covenant Retirement Communities Inc Doing business as Number and street (or P O box if mail is not delivered to street address) Room/suite 5700 Old Orchard Rd City or town, state or province, country, and ZIP or foreign postal code Skokie, IL 60077 F Name and address of principal officer Elizabeth Buikema c/o CRC 5700 Old Orchard Rd Skokie, IL 60077	D Employer identification number 36-3478388 E Telephone number (773) 878-2294 G Gross receipts \$ 24,200,045 H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶ 2650
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: ▶ www.covenantretirement.org		
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 1980 M State of legal domicile IL

Part I Summary

1	Briefly describe the organization's mission or most significant activities Care for senior adults				
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets				
Activities & Governance	3 Number of voting members of the governing body (Part VI, line 1a)	3		21	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4		18	
	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5		117	
	6 Total number of volunteers (estimate if necessary)	6		18	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a		0	
	b Net unrelated business taxable income from Form 990-T, line 34	7b		0	
	Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year		Current Year
9 Program service revenue (Part VIII, line 2g)		0		91,911	
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		21,176,552		21,436,017	
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		23,081,157		1,307,473	
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)		150,830		1,016,355	
		44,408,539		23,851,756	
Expenses		13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	11,701		27,135
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0		0	
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	8,115,312		9,050,413	
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0		0	
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 477,291				
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	15,574,309		17,422,479	
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	23,701,322		26,500,027	
19 Revenue less expenses Subtract line 18 from line 12	20,707,217		-2,648,271		
Net Assets or Fund Balances		Beginning of Current Year		End of Year	
	20 Total assets (Part X, line 16)	111,415,110		105,217,568	
	21 Total liabilities (Part X, line 26)	76,782,041		73,170,739	
22 Net assets or fund balances Subtract line 21 from line 20	34,633,069		32,046,829		

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here	***** Signature of officer	2015-12-11 Date
	Elizabeth Buikema VP of Finance/CFO Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission

As a ministry of the Evangelical Covenant Church, Covenant Retirement Communities celebrates God's gift of life in Christian community. We follow the Great Commandment to love and serve God and one another as taught by Jesus Christ (SEE SCHEDULE O)

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses \$ 23,542,219 including grants of \$ 27,135) (Revenue \$ 19,369,166)

The number of persons residing at the continuing care retirement communities, operated by Covenant Retirement Communities, Inc (CRC), who benefited from the services we provided for the year ended January 31, 2015 were as follows Residential & Catered Living There were a total of 3,562 residents, occupying 2,749 apartments at 01/31/2015. Residency for the fiscal year totaled 1,228,798 resident days Assisted Living There were a total of 695 assisted living residents at 01/31/2015. Assisted living residency for the fiscal year totaled 242,656 patient days Skilled Nursing There were a total of 867 skilled care patients at 01/31/2015. Skilled care residency for the fiscal year totaled 282,914 patient days

4b (Code) (Expenses \$ 1,425,632 including grants of \$) (Revenue \$ 3,110,955)

Estates of Windsor Park The number of persons who benefited from the services we provided for the year ended January 31, 2015 were as follows There were a total of 88 residents, occupying 59 apartments at 01/31/2015. Residency for the fiscal year totaled 31,192 resident days

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

See Additional Data

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

4e Total program service expenses 24,967,851

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> <input checked="" type="checkbox"/>	Yes	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?		No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> <input checked="" type="checkbox"/>		No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> <input checked="" type="checkbox"/>		No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> <input checked="" type="checkbox"/>		No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> <input checked="" type="checkbox"/>	Yes	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> <input checked="" type="checkbox"/>	Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> <input checked="" type="checkbox"/>	Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> <input checked="" type="checkbox"/>	Yes	
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> <input checked="" type="checkbox"/>		No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> <input checked="" type="checkbox"/>	Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> <input checked="" type="checkbox"/>	Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> <input checked="" type="checkbox"/>	Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> <input checked="" type="checkbox"/>		No
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> <input checked="" type="checkbox"/>	Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		No
14a Did the organization maintain an office, employees, or agents outside of the United States?		No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> (see instructions)		No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for question number, question text, and Yes/No boxes. Includes sections for backup withholding, employee reporting, foreign accounts, prohibited transactions, and charitable contributions.

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

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

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

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

Check if Schedule O contains a response or note to any line in this Part VII

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

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid

- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			

1b Sub-Total			
c Total from continuation sheets to Part VII, Section A			
d Total (add lines 1b and 1c)	2,304,909	1,466,951	501,291

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **26**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Moving Station LLC 100 N LaSalle Street Suite 300 Chicago, IL 60602	Home Purchase Program	340,099
Plante & Moran PLLC 2155 Point Blvd Suite 200 Elgin, IL 60123	Financial Auditing	248,200
MRC Development LLC 11827 W 112th Street Suite 103 Overland Park, KS 66210	Consultants	153,534
Erickson Papanek Peterson Rose 1625 Shemer Road Northbrook, IL 60062	Legal Consultants	136,245
Maudlin & Associates 610 W Roosevelt Rd Suite B-1 Wheaton, IL 60187	Consultants	129,648

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **5**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns 1a					
	b	Membership dues 1b					
	c	Fundraising events 1c					
	d	Related organizations 1d					
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	91,911				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f	91,911				
Program Service Revenue	2a	Management Fees					
		Business Code					
		561000	18,519,507	18,519,507			
	b	Routine Services					
		623000	1,953,675	1,953,675			
	c	Entrance Fee					
		623000	959,866	959,866			
	d	Ancillary Service					
	623000	2,969	2,969				
e							
f	All other program service revenue						
g	Total. Add lines 2a-2f	21,436,017					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	-779,027			-779,027	
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a	Gross rents	(i) Real				
			(ii) Personal				
			320,540				
			b	Less rental expenses	348,289		
	c	Rental income or (loss)	-27,749				
	d	Net rental income or (loss)	-27,749			-27,749	
	7a	Gross amount from sales of assets other than inventory	(i) Securities				
			(ii) Other				
			2,086,500				
			b	Less cost or other basis and sales expenses	0		
	c	Gain or (loss)	2,086,500				
	d	Net gain or (loss)	2,086,500			2,086,500	
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18						
a							
b	Less direct expenses b						
c	Net income or (loss) from fundraising events						
9a	Gross income from gaming activities See Part IV, line 19						
a							
b	Less direct expenses b						
c	Net income or (loss) from gaming activities						
10a	Gross sales of inventory, less returns and allowances						
a							
b	Less cost of goods sold b						
c	Net income or (loss) from sales of inventory						
	Miscellaneous Revenue	Business Code					
11a	Services to Residents	623000	3,406	3,406			
b	Support Services	623000	1,572	1,572			
c							
d	All other revenue		1,039,126	1,039,126			
e	Total. Add lines 11a-11d		1,044,104				
12	Total revenue. See Instructions		23,851,756	22,480,121	0	1,279,724	

Part IX Statement of Functional Expenses

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

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	27,135	27,135		
2	Grants and other assistance to domestic individuals. See Part IV, line 22				
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	1,268,333	1,268,333		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	6,215,874	5,937,217	131,800	146,857
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	284,824	273,711	4,196	6,917
9	Other employee benefits	851,294	803,841	7,117	40,336
10	Payroll taxes	430,088	410,363	9,256	10,469
11	Fees for services (non-employees)				
a	Management	31,049	31,049		
b	Legal	246,442	243,082	3,360	
c	Accounting	9,198	7,866	1,332	
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees	384,212	384,212		
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,864,312	1,824,016	1,413	38,883
12	Advertising and promotion	74,521	74,521		
13	Office expenses	260,726	242,677	13,868	4,181
14	Information technology	4,356,323	4,356,321		2
15	Royalties				
16	Occupancy	299,412	299,412		
17	Travel	852,079	811,834	369	39,876
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	259,335	258,427		908
20	Interest	2,841,058	2,497,958	293,262	49,838
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	2,611,751	2,302,426	258,739	50,586
23	Insurance	74,244	74,244		
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a	Related Party Activity	2,053,388	1,938,764	114,624	
b	Taxes	377,798	166,088	211,710	
c	Admin & General	349,301	349,301		
d	Resident Care Services	185,206	181,831	3,375	
e	All other expenses	292,124	203,222	464	88,438
25	Total functional expenses. Add lines 1 through 24e	26,500,027	24,967,851	1,054,885	477,291
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	8,432,414	1	13,919,144
	2 Savings and temporary cash investments	274,263	2	290,729
	3 Pledges and grants receivable, net	21,451	3	19,968
	4 Accounts receivable, net	873,876	4	2,041,416
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	20
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	4,130,738	9	3,966,803
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 46,538,158		
	b Less accumulated depreciation	10b 16,665,936	34,143,711	10c 29,872,222
	11 Investments—publicly traded securities	13,008,854	11	3,348,028
	12 Investments—other securities See Part IV, line 11	12,971,455	12	9,833,689
	13 Investments—program-related See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11	37,558,348	15	41,925,549
16 Total assets. Add lines 1 through 15 (must equal line 34)	111,415,110	16	105,217,568	
Liabilities	17 Accounts payable and accrued expenses	11,011,271	17	13,335,562
	18 Grants payable		18	
	19 Deferred revenue	9,513,614	19	9,796,734
	20 Tax-exempt bond liabilities	18,987,350	20	17,736,497
	21 Escrow or custodial account liability Complete Part IV of Schedule D	414,080	21	412,750
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	36,855,726	25	31,889,196
	26 Total liabilities. Add lines 17 through 25	76,782,041	26	73,170,739
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	29,610,760	27	26,923,197
	28 Temporarily restricted net assets	379,987	28	397,107
	29 Permanently restricted net assets	4,642,322	29	4,726,525
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	34,633,069	33	32,046,829	
34 Total liabilities and net assets/fund balances	111,415,110	34	105,217,568	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	23,851,756
2	Total expenses (must equal Part IX, column (A), line 25)	2	26,500,027
3	Revenue less expenses Subtract line 2 from line 1	3	-2,648,271
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	34,633,069
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	62,031
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	32,046,829

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

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

Additional Data

Software ID:

Software Version:

EIN: 36-3478388

Name: Covenant Retirement Communities Inc

Form 990, Part III - Line 4c: Program Service Accomplishments (See the Instructions)

(Code) (Expenses \$ including grants of \$) (Revenue \$)

Monetary Donations to a various organizations/events such as EMC Health, Covenant Harbor, Leading Age, Global Development, Bright Hope and Swedish Covenant Hospital (total of \$27,135)

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Jon P Aagaard MD Director	1 00 1 00	X						0	0	0
(1) Pamela Christensen Director	1 00 1 00	X						0	0	0
(2) Kara E Davis MD Director	1 00 1 00	X						0	0	0
(3) Rev Harvey Drake Director	1 00 1 00	X						0	0	0
(4) Mark C Eastburg Director	1 00 1 00	X						0	0	0
(5) James Elving Director	1 00 1 00	X						0	0	0
(6) Marc E Espinosa Director	1 00 1 00	X						0	0	0
(7) Carol A Findling Director	1 00 1 00	X						0	0	0
(8) Lorene G Flewellen Director	1 00 1 00	X						0	0	0
(9) Rhoda Friesen Director	1 00 1 00	X						0	0	0
(10) Thomas F Heywood Director	1 00 1 00	X						0	0	0
(11) Donald Hodgkinson Director	1 00 1 00	X						0	0	0
(12) Kathy Holmgren Director	1 00 1 00	X						0	0	0
(13) Jody Holt Director	1 00 1 00	X						0	0	0
(14) Scott MacDonald Director	1 00 1 00	X						0	0	0
(15) Marlene Stante Director	1 00 1 00	X						0	0	0
(16) Anne Vining Director	1 00 1 00	X						0	0	0
(17) David A Dwight Ex-Officio	1 00 40 00	X						0	657,813	38,110
(18) Rick K Fisk Ex-Officio/President	40 00 1 00	X		X				0	657,938	18,152
(19) Jennifer Larson Ex-Officio	1 00 1 00	X						0	0	0
(20) Gary Walter Ex-Officio	1 00 40 00	X						0	151,200	113,208
(21) Tern S Cunliffe EVP of Oper/Asst Sec	40 00 1 00			X				347,364	0	50,249
(22) Elizabeth B Buikema Senior VP/CFO/Treasurer	40 00 1 00			X				314,625	0	54,640
(23) David G Erickson VP/Asst Secretary	40 00 1 00			X				252,953	0	49,036
(24) Kathleen Jenkins Dir Admin Svcs/Asst Secretary	40 00 1 00			X				153,721	0	21,333

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(26) Nadia Geigler Dir Admin Svcs/Asst Secretary	40 00 1 00			X				95,157	0	5,170
(1) Deborah Tate VP-Human Resources	40 00 0 00					X		212,228	0	15,000
(2) Thomas V Pluta AVP-Strategic Fin Planning	40 00 0 00					X		198,321	0	26,166
(3) Randal Gross VP-Facilities Mngt	40 00 0 00					X		213,916	0	38,156
(4) Robert Young VP-Sales & Marketing	40 00 0 00					X		305,201	0	46,910
(5) Harold Spooner VP-Community Impact	40 00 0 00					X		211,423	0	25,161

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ.

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

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
Covenant Retirement Communities Inc

Employer identification number
36-3478388

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 **1 4**
 - 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		
See Additional Data Table						
Total 14					0	

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI)						
11 Total support Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions)	12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here	<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 for 2013 Schedule A, Part II, line 14	15	

- 16a 33 1/3% support test—2014.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization
- b 33 1/3% support test—2013.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization
- 17a 10%-facts-and-circumstances test—2014.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization
- b 10%-facts-and-circumstances test—2013.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization
- 18 Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
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						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	

- 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? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>	Yes	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>	Yes	
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		No
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)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.</i>		No
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
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)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		No
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>	Yes	
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? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		No
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part II of Schedule L (Form 990).</i>		No
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))? <i>If "Yes," provide detail in Part VI.</i>		No
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? <i>If "Yes," provide detail in Part VI.</i>		No
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? <i>If "Yes," provide detail in Part VI.</i>		No
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)? <i>If "Yes," answer b below.</i>		No
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).</i>		
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?		No
b A family member of a person described in (a) above?		No
c A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>		No

Part IV Supporting Organizations (continued)**Section B. Type I Supporting Organizations**

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

	Yes	No
1		
2		

Section C. Type II Supporting Organizations

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

	Yes	No
1	Yes	

Section D. All Type III Supporting Organizations

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

	Yes	No
1		
2		
3		

Section E. Type III Functionally-Integrated Supporting Organizations

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

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

- a** Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*
- b** Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*

3 Parent of Supported Organizations **Answer (a) and (b) below.**

- a** Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *Provide details in Part VI.*
- b** Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? *If "Yes," describe in Part VI the role played by the organization in this regard.*

	Yes	No
2a		
2b		
3a		
3b		

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

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

Section A - Adjusted Net Income

	(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1	
2 Recoveries of prior-year distributions	2	
3 Other gross income (see instructions)	3	
4 Add lines 1 through 3	4	
5 Depreciation and depletion	5	
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7 Other expenses (see instructions)	7	
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount

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

Section C - Distributable Amount

		Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2 Enter 85% of line 1	2	
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4 Enter greater of line 2 or line 3	4	
5 Income tax imposed in prior year	5	
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

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

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2014			
a From 2009.			
b From 2010.			
c From 2011.			
d From 2012.			
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 From 2010.			
b From 2011.			
c From 2012.			
d From 2013.			
e From 2014.			

Part VI Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Return Reference	Explanation
Part IV, Section A, Line 2	CRC supports organizations included in the group exemption letter held by the Evangelical Covenant Church of America As organizations related to a church, the supported organizations are not required to obtain separate exempt determinations
Part IV, Section A, Line 6	Refer to Schedule I for grants made to other organizations

Additional Data**Software ID:****Software Version:****EIN:** 36-3478388**Name:** Covenant Retirement Communities Inc**Form 990, Sch A, Part I, Line 11g - 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) Colonial Acres Home Inc	418041150	9	Yes		0	0
(A) Covenant Village of Florida	521115870	9	Yes		0	0
(B) Covenant Home Illinois	362643638	9	Yes		0	0
(C) Covenant Healthcare Centers Inc	521115873	9	Yes		0	0
(D) The Holmstad	362835154	9	Yes		0	0
(E) Covenant Home of Chicago	363095932	9	Yes		0	0
(F) Covenant Home Inc Connecticut	131740015	9	Yes		0	0
(G) Covenant Retirement Communities West	953472345	9	Yes		0	0
(H) Covenant Village of Colorado	841084331	9	Yes		0	0
(I) Windsor Park	363385581	9	Yes		0	0
(J) Covenant Retirement Communities of the Great Lakes Conference	383244636	9	Yes		0	0
(K) Covenant Home Services	260744025	9	Yes		0	0
(L) Covenant Retirement Services	272480652	11	Yes		0	0
(M) Covenant Retirement Communities Foundation	300763748	7	Yes		0	0

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2014

Open to Public Inspection

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

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

Department of the Treasury Internal Revenue Service

Name of the organization

Covenant Retirement Communities Inc

Employer identification number

36-3478388

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors...?, 6 Did the organization inform all grantees...?

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

Table with 2 columns: Description, Held at the End of the Year. Rows include: 1 Purpose(s) of conservation easements..., 2 Complete lines 2a through 2d..., 3 Number of conservation easements..., 4 Number of states..., 5 Does the organization have a written policy..., 6 Staff and volunteer hours..., 7 Amount of expenses..., 8 Does each conservation easement..., 9 In Part XIII, describe how the organization reports...

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116..., 1b If the organization elected, as permitted under SFAS 116..., 2 If the organization received or held works of art..., a Revenue included..., b Assets included...

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

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

- a** Public exhibition
- b** Scholarly research
- c** Preservation for future generations
- d** Loan or exchange programs
- e** Other

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

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

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

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

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

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

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	4,642,322	4,450,347	4,007,505	3,904,764	3,478,405
b Contributions					
c Net investment earnings, gains, and losses	98,800	214,023	463,870	123,480	446,318
d Grants or scholarships	14,597	22,048	21,028	20,739	19,959
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	4,726,525	4,642,322	4,450,347	4,007,505	3,904,764

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

- a** Board designated or quasi-endowment
- b** Permanent endowment 100.000 %
- c** Temporarily restricted endowment
The percentages in lines 2a, 2b, and 2c should equal 100%

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

	Yes	No
(i) unrelated organizations	3a(i)	No
(ii) related organizations	3a(ii)	Yes

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

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

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		9,201,158		9,201,158
b Buildings		24,524,240	6,398,907	18,125,333
c Leasehold improvements				
d Equipment		12,561,630	10,180,888	2,380,742
e Other		251,130	86,141	164,989
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				29,872,222

Part VII Investments—Other Securities. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) Mortgages	485,382	F
(B) Domestic Equity	2,487,308	F
(C) International Equity	2,138,662	F
(D) Hedge Funds & Derivatives	2,834,583	F
(E) Private Equity	1,265,820	F
(F) Strategic Income	621,934	F
Total. (Column (b) must equal Form 990, Part X, col (B) line 12)	9,833,689	

Part VIII Investments—Program Related. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX Other Assets. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) Unamortized Debt & Related Expenses	228,466
(2) Other Investments	22,695,718
(3) Inter-company Advance Accounts	19,001,365
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.)	41,925,549

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
Refundable Contract Liabilities	2,295,858
Accrued Taxes & Employee Benefits	544,995
Other Liabilities	29,048,343
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	31,889,196

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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

Part XIII Supplemental Information

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

Return Reference	Explanation
Part IV, Line 2b	Resident Entrance Fee Account Prospective residents pay an application fee deposit which is carried in an escrow account At move in, the deposit is applied against the total entrance fee amount and the remainder of the money is collected and put in this account At the end of the month the resident has moved in, all money is transferred out of the escrow account
Part V, Line 4	The Brandel Endowment Fund is used for resident care at certain CRC campuses
Part X, Line 2	A FIN 48 footnote was included in the consolidated audited financial statements of Covenant Retirement Communities, Inc and affiliates which states "Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Retirement Communities and recognize a tax liability if the Retirement Communities have taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other applicable taxing authorities Management has analyzed the tax positions taken by the Retirement Communities and has concluded that as of January 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the consolidated financial statements The Retirement communities are subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress The Retirement Communities believe they are no longer subject to U S federal, state, and local, or non-U S income tax examinations by tax authorities for years before 2012 "

**Schedule I
(Form 990)**

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

OMB No 1545-0047

2014

**Open to Public
Inspection**

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

▶ **Attach to Form 990.**

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

Department of the Treasury
Internal Revenue Service

Name of the organization
Covenant Retirement Communities Inc

Employer identification number
36-3478388

Part I General Information on Grants and Assistance

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Swedish Covenant Hospital 5145 N California Ave Chicago, IL 60625		501(c)(3)	5,000				Benefit Gala
(2) EMC Health 2881 Geer Road Suite A Turlock, CA 95382		501(c)(3)	5,000				Benefit Gala
(3) Leading Age Washington 1495 Wilmington Drive Suite 340 Dupont, WA 98327		501(c)(3)	10,000				Innovation Fund

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

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed.

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

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

Return Reference	Explanation
Part I, Line 2	Grants and donation requests and proposals are brought to Covenant Retirement Communities'(CRC) management The management then brings requests and proposals deemed appropriate to the CRC Board for approval, if significant A check goes out after the appropriate level of approval is received

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2014

Open to Public Inspection

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

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

▶ **Attach to Form 990.**

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

Department of the Treasury
Internal Revenue Service

Name of the organization
Covenant Retirement Communities Inc

Employer identification number

36-3478388

Part I Questions Regarding Compensation

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.
- | | |
|--|---|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input checked="" type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input checked="" type="checkbox"/> Tax idemnification and gross-up payments | <input checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

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

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

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

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

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

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

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

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

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

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

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

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

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

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

	Yes	No
1b	Yes	
2	Yes	
4a	Yes	
4b	Yes	
4c		No
5a		No
5b		No
6a		No
6b		No
7	Yes	
8		No
9		

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II

Also complete this part for any additional information

Return Reference	Explanation
Part I, Line 1a	The following modest benefits were treated as taxable compensation and were determined by the Executive Compensation Committee (of CRC's Board) to be reasonable - Travel for companion paid for two(2) senior-level employees - Health club dues paid for four(4)senior-level employees - Gross-up payments paid for one(1)senior-level employee
Part I, Line 3	See Schedule O explanation for Form 990 Part VI Section B Line 15 for the methods used to determine CEO compensation The review and approval process is designed to satisfy and qualify for the rebuttable presumption of reasonableness under the Internal Revenue Code Section 4958
Part I, Lines 4a-b	Part I, Line 4a Included in the disclosure amounts in Part VII Section A, Line 1a for reported persons Deborah Tate and Robert Young are amounts paid after termination of employment in accordance with a separation agreement, and which fall under the broad wording of Line 4a Part I, Line 4b Executive Benefit Plan Covenant Ministries of Benevolence (CMB) provides certain supplemental retirement benefits to its officers and key employees These benefits are provided through a nonqualified deferred compensation plan, under which a portion of the benefits being earned are subject to a "substantial risk of forfeiture " The supplemental retirement benefits are structured to provide a retention incentive that has been determined by the Executive Compensation Committee of CMB's Board ("Committee") to be of substantial value to the organization The Committee approves all retirement benefits, together with all other forms of compensation and benefits for these and other executives, in a manner intended to qualify for the rebuttable presumption of reasonableness under the intermediate sanctions rules of federal income tax law The Committee has determined that total compensation for each such executive is reasonable Contributions were made to the deferred compensation plan for the following participants Elizabeth Buikema - \$25,464 Terri Cunliffe - \$28,063 David Dwight - \$64,365 David Erickson - \$23,665 Rick Fisk - \$53,279 Nadia Geigler - \$2,400 Randal Gross - \$20,449 Kathleen Jenkins - \$10,948 Thomas Pluta - \$19,984 Harold Spooner - \$21,160 Deborah Tate - \$16,261 Robert Young - \$14,907 Additionally, the following listed individuals received distributions from the deferred compensation plan These amounts are taxable and are included in Column B(iii) David Dwight - \$27,119 Rick Fisk - \$3,765 Kathleen Jenkins - \$19,926 Thomas Pluta - \$7,569 Robert Young - \$12,032
Part I, Line 7	The following applies to certain individuals listed on Part VII whose compensation is paid from related organizations The Executive Compensation Committee (of CMB's board) follows a prescribed method for calculating incentive compensation awards The calculation is based on measurable targets determined at the beginning of the year The Committee has the ability to adjust the dollar value of the calculated awards by up to 10% The adjustment can be an upward or downward adjustment based on various performance factors or on factors that will assure that final incentive compensation awards are in the best interest of the organization and appropriately reflect the performance of the organization Refer to additional information on the Committee included in Schedule O
Part II, Column B (ii)	Bonus and incentive compensation - Certain key persons employed by CRC and CMB are eligible for incentive compensation as determined by the Executive Compensation Committee of either the CRC or CMB's Board based on where these individuals are employed Incentives paid in 2014 relate to the achievement of targets for the fiscal year ended 1/31/2014
Part II, Column D	Nontaxable benefits include health insurance premiums paid by the employer and employee

Additional Data

Software ID:
Software Version:
EIN: 36-3478388
Name: Covenant Retirement Communities Inc

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 David A Dwight, Ex-Officio	(i)	0	0	0	0	0	0	0
	(ii)	499,292	0	158,521	7,800	30,956	696,569	27,119
1 Rick K Fisk, Ex-Officio/President	(i)	0	0	0	0	0	0	0
	(ii)	454,993	94,523	108,422	7,800	17,807	683,545	3,765
2 Gary Walter, Ex-Officio	(i)	0	0	0	0	0	0	0
	(ii)	151,200	0	0	27,400	85,808	264,408	0
3 Terri S Cunliffe, EVP of Oper/Asst Sec	(i)	256,496	36,281	54,587	32,670	19,595	399,629	0
	(ii)	0	0	0	0	0	0	0
4 Elizabeth B Buikema, Senior VP/CFO/Treasurer	(i)	239,521	42,250	32,854	29,887	28,521	373,033	0
	(ii)	0	0	0	0	0	0	0
5 David G Erickson, VP/Asst Secretary	(i)	184,311	35,100	33,542	23,997	30,340	307,290	0
	(ii)	0	0	0	0	0	0	0
6 Kathleen Jenkins, Dir Admin Srvc/Asst Secretary	(i)	77,642	8,500	67,579	3,604	20,016	177,341	19,926
	(ii)	0	0	0	0	0	0	0
7 Deborah Tate, VP-Human Resources	(i)	100,674	0	111,554	14,200	3,342	229,770	0
	(ii)	0	0	0	0	0	0	0
8 Thomas V Pluta, AVP-Strategic Fin Planning	(i)	138,568	7,500	52,253	18,482	13,261	230,064	7,569
	(ii)	0	0	0	0	0	0	0
9 Randal Gross, VP-Facilities Mngt	(i)	144,929	29,725	39,262	20,536	18,200	252,652	0
	(ii)	0	0	0	0	0	0	0
10 Robert Young, VP-Sales & Marketing	(i)	142,908	32,175	130,118	16,499	33,005	354,705	12,032
	(ii)	0	0	0	0	0	0	0
11 Harold Spooner, VP-Community Impact	(i)	168,660	0	42,763	5,532	20,234	237,189	0
	(ii)	0	0	0	0	0	0	0

**Schedule K
(Form 990)**

Supplemental Information on Tax Exempt Bonds

OMB No 1545-0047

2014

**Open to Public
Inspection**

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

▶ **Attach to Form 990.**

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

Department of the Treasury
Internal Revenue Service

Name of the organization

Covenant Retirement Communities Inc

Employer identification number

36-3478388

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	Illinois Finance Authority	86-1091967	000000000	12-14-2011	59,165,000	See Part VI		X		X		X
B	Colorado Health Facilities Authority	84-0752932	196474ZS9	08-05-2005	149,845,454	See Part VI		X		X		X
C	Colorado Health Facilities Authority	84-0752932	19648AZM0	09-06-2012	154,966,180	See Part VI		X		X		X
D	Colorado Health Facilities Authority	84-0752932	19648AJ30	07-31-2013	39,480,962	See Part VI		X		X		X

Part II Proceeds

	A		B		C		D		
	Yes	No	Yes	No	Yes	No	Yes	No	
1 Amount of bonds retired			3,720,000		30,510,000			5,695,000	
2 Amount of bonds legally defeased									
3 Total proceeds of issue			59,165,000		149,226,040			154,926,994	37,827,198
4 Gross proceeds in reserve funds					12,249,560			14,977,816	1,975,911
5 Capitalized interest from proceeds									
6 Proceeds in refunding escrows									
7 Issuance costs from proceeds			800,459		2,429,078			2,447,778	788,403
8 Credit enhancement from proceeds									
9 Working capital expenditures from proceeds									
10 Capital expenditures from proceeds			6,400,943		134,547,402			19,910,000	31,563,878
11 Other spent proceeds			51,963,598					117,591,400	
12 Other unspent proceeds									3,499,006
13 Year of substantial completion	2012		2009		2014				
	Yes	No	Yes	No	Yes	No	Yes	No	
14 Were the bonds issued as part of a current refunding issue?	X			X	X				X
15 Were the bonds issued as part of an advance refunding issue?		X		X		X			X
16 Has the final allocation of proceeds been made?	X		X		X		X		
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X		

Part III Private Business Use

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

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X		X		X		X	
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X		X		X	
c Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government								
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government								
6 Total of lines 4 and 5								
7 Does the bond issue meet the private security or payment test?		X		X		X		X
8a Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X		X		X		X

Part IV Arbitrage

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

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
Date Rebate Computation Performed	Issuer Name Illinois Finance Authority Date the Rebate Computation was Performed 12/31/2012 Issuer Name Colorado Health Facilities Authority Date the Rebate Computation was Performed 12/31/2010 Issuer Name Colorado Health Facilities Authority Date the Rebate Computation was Performed 09/30/2014 Issuer Name Colorado Health Facilities Authority Date the Rebate Computation was Performed 11/30/2014 Issuer Name California Statewide Communities Development Authority Date the Rebate Computation was Performed 11/30/2014

Return Reference	Explanation
Part I, Row A, Column F	Borrowings were used, along with other funds, to (1) retire \$53,285,000 of other variable rate debt recorded on the balance sheets of wholly owned subsidiaries of CRC (2) to pay debt issuance costs of \$800,459 and (3) to fund capital projects of \$6,401,003 for certain wholly owned subsidiaries of CRC

Return Reference	Explanation
Part I, Row B, Column F	Borrowings were used to (1) construct and equip residential living buildings for six wholly owned subsidiaries of CRC (2) to pay debt issuance costs of \$2,429,078 and to fund required bond reserves

Return Reference	Explanation
Part I, Row C, Column F	Borrowings were used, along with other funds, to (1) retire \$131,220,000 of previously issued debt recorded on the balance sheets of wholly owned subsidiaries of CRC (2) to pay debt issuance costs of \$2,447,778 and (3) construct and equip residential and healthcare facilities for certain wholly owned subsidiaries of CRC

Return Reference	Explanation
Part I, Row D, Column F	Borrowings are for the construction of a residential living towncenter, to fund routine capital and to pay debt issuance costs of \$788,403

Return Reference	Explanation
Part I, Row A-2, Column F	Borrowings are for the construction of a residential living towncenter, to fund routine capital and to pay debt issuance costs of \$406,244

Return Reference	Explanation
Part II, Line 3, Column A	The amount in Line 3 does not equal the amount in Part I, Row A, Col E because of investment earnings on reserves

Return Reference	Explanation
Part II Line 3 Column B	The amount in Line 3 does not equal the amount in Part I, Row B, Col E because CRC redeemed and retired \$12,650,000 of the 2005 Bonds, which reduced the amount required to be held in the debt service reserve fund. The amount in excess of the reserve fund requirement was used to redeem and retire a portion of the 2005 Bonds. Additionally, investment earnings on the reserve fund were transferred to the bond sinking fund and bond interest fund to pay principal and interest on the 2005 Bonds.

Return Reference	Explanation
Part II Line 3 Column C	The amount in Line 3 does not equal the amount in Part I, Row C, Col E because of unrealized investment losses on reserves

Return Reference	Explanation
Part II, Line 3, Column D	The amount in Line 3 does not equal the amount in Part I, Row D, Col E because of unrealized investment earnings/losses on reserves

Return Reference	Explanation
Part V	CRC does not have a established written procedures regarding corrective action, but CRC has adequate practices in place to prevent a need for corrective action. CRC is working on developing written procedures.

Return Reference	Explanation
Part III, Line 9 & Part IV, Line 7 & Part V	CRC does not have established written procedures but is in the process of developing documentation

Return Reference**Explanation**

Part IV, Line 2a, Column C, D,
A-2

A rebate calculation has not been completed as it is not due

Return Reference	Explanation
Part II, Line 3, Column A-2	The amount in Line 3 does not equal the amount in Part I, Row A-2, Col E because of unrealized investment earnings/losses on reserves

**Schedule K
(Form 990)**

Supplemental Information on Tax Exempt Bonds

OMB No 1545-0047

2014

**Open to Public
Inspection**

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

▶ **Attach to Form 990.**

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

Department of the Treasury
Internal Revenue Service

Name of the organization
Covenant Retirement Communities Inc

Employer identification number
36-3478388

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A California Statewide Communities Development Authority	68-0164610	13080SAU8	07-31-2013	20,251,431	See Part VI		X		X		X

Part II Proceeds

	A	B	C	D				
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue	20,320,956							
4 Gross proceeds in reserve funds	1,308,746							
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds	406,244							
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds	5,766,212							
11 Other spent proceeds								
12 Other unspent proceeds	12,839,754							
13 Year of substantial completion								
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X						
15 Were the bonds issued as part of an advance refunding issue?		X						
16 Has the final allocation of proceeds been made?	X							
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X							
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X							
c Are there any research agreements that may result in private business use of bond-financed property?		X						
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government								
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government								
6 Total of lines 4 and 5								
7 Does the bond issue meet the private security or payment test?		X						
8a Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

Part IV Arbitrage

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

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

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

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2014

Open to Public Inspection

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

Attach to Form 990 or Form 990-EZ.

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

Department of the Treasury Internal Revenue Service

Name of the organization Covenant Retirement Communities Inc

Employer identification number

36-3478388

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

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

Table with 4 columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No)

- 2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958.
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization.

Part II Loans to and/or From Interested Persons.

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

Table with 9 columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No)

Total

Part III Grants or Assistance Benefiting Interested Persons.

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

Table with 5 columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of assistance, (d) Type of assistance, (e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Grant Erickson	See Part V	136,245	See Part V		No

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation
Sch L Part IV (b) and (d)	a) Name of Person Grant Erickson b) Relationship Between Interested Person and Organization Familymember of David Erickson (Vice President & Assistant Secretary) c) Amount of Transaction \$136,245 d) Description of Transaction Partner in a law firm that provides legal counsel to the organization

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

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

2014

Open to Public Inspection

Name of the organization
Covenant Retirement Communities Inc

Employer identification number

36-3478388

Return Reference	Explanation
Form 990 - Part III - Line 1	As a ministry of the Evangelical Covenant Church, Covenant Retirement Communities celebrates God's gift of life in Christian community We follow the Great Commandment to love and serve God and one another as taught by Jesus Christ That compels us to affirm the dignity of each person and to pursue excellence and financial integrity in all that we do As we provide a broad range of resources, services and programs to enhance individual and community wellness, we collaborate with residents and families to achieve the best possible results While seeking to foster independence, we respond to each individual's evolving needs in order to provide the security that assures peace of mind CRC, Inc is organized and operated for the benefit of, and to plan and support the charitable purposes of, several continuing care retirement communities, all nonprofit organizations, consisting of residential living, assisted living facilities, and skilled nursing homes, as well as other senior services organizations and services In addition to the program service accomplishments of each organization, Covenant Retirement Communities, Inc , provided \$5,760,572 of free or discounted services to those residents unable to pay all or a portion of their charges, and who meet certain eligibility requirements

Return Reference	Explanation
Form 990, Part VI, Section A, line 6	The members are the individual members of the Board of Benevolence

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	The individual members of the Board of Benevolence elect the CRC Board of Directors

Return Reference	Explanation
Form 990, Part VI, Section A, line 7b	S 2 4 of Bylaws include reserved powers to the members such as appointment of president of Covenant Retirement Communities, Inc (CRC), changes to mission and strategic plan, approval of certain acquisitions, dispositions and financings, changes to articles and bylaws

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	Management Review The draft Form 990 was reviewed by multiple levels of management including the President of CRC, the Vice President of Finance/CFO and the Vice President of Legal Affairs Board Review Prior to filing, key provisions of the Form were discussed with the Board of Directors at the Board meeting and the final Form 990 was provided to each Board member

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	<p>Covenant Retirement Communities, Inc (CRC) has an Administrative Policy on conflict of interest, identifying the parameters of a conflict of interest and the requirement to disclose any such conflict of interest Each January, the CRC policy is distributed to CRC board members and officers They are asked to sign acknowledging receipt of the policy and to disclose if they have any conflict of interests If someone is absent from the meeting or fails to return the acknowledgment, there is a follow-up with the individual until the signed acknowledgment is provided In addition to the above, a separate and more comprehensive questionnaire is sent to the board members, officers, key employees and other interested persons The completed questionnaires are reviewed by CRC's legal counsel to determine if any actual or potential conflicts exist If a person becomes an interested person, he or she may be considered in determining whether a quorum is present The interested person may make a short statement relating to the transaction or arrangement in question, but shall not be present during the discussion and shall not vote on the motion addressing the actual or potential conflict</p>

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	<p>CRC's Board of Directors has duly appointed an Executive Compensation Committee (the "Committee"), which is responsible for the review and approval of all compensation and benefits provided to CRC's executive management. The Committee has adopted a written Executive Compensation Philosophy Statement and an Executive Compensation Committee Charter governing the work and review process of the Committee. The Committee follows the procedures described in the Philosophy Statement and the Charter when it reviews and approves the compensation and employee benefits provided to the CRC's senior management. The Committee's review analyzes every element of compensation, including current and deferred compensation, and benefits, including qualified and non-qualified benefits. The Committee conducts its review and approval process at least annually, and approves compensation and benefits only to the extent that the Committee has concluded that the compensation and benefits constitute no more than reasonable compensation for each executive. The Committee consists entirely of disinterested members of the Board, and the Committee works with an independent compensation consultant to prepare and review in advance comprehensive data showing the compensation provided by similarly situated organizations for functionally similar positions. The Committee also prepares a timely and thorough written record of its deliberations and conclusions. As a result, the Committee's review process is designed to satisfy the procedural criteria necessary to qualify for the rebuttable presumption of reasonableness under the federal income tax law intermediate sanctions rules. The resources utilized by the compensation Committee include 1) independent compensation consultant, 2) written employment contract, 3) compensation survey or study, 4) approval by the board or compensation committee.</p>

Return Reference	Explanation
Form 990, Part VI, Section C, line 18	A copy of the organization's Form 990 is available upon request by contacting the CRC accounting department at 773-878-5744

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	The governing documents, conflict of interest policy and financial statements are available upon request by contacting the CRC accounting department at 773-878-5744

Return Reference	Explanation
Form 990 - Part VII - Section A Column B	Officers and Directors devote approximately 1 hour per week to related organizations except for those individuals that are employees of these related organizations, those individuals devote approximately 40 hours to the organizations at which they are employed

Return Reference	Explanation
Form 990, Part XI, line 9	Change in Temporarily Restricted Net Assets not included on Income Stmtnt 17,120 Change in Permanently Restricted Net Assets not included on Income Stmtnt 84,203 Other Unrestricted Net Asset Adjustment -39,292

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2014

Open to Public Inspection

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.**
▶ **Attach to Form 990.**
▶ **Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.**

Department of the Treasury
Internal Revenue Service

Name of the organization
Covenant Retirement Communities Inc

Employer identification number

36-3478388

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) Estates of Windsor Park 5700 Old Orchard Road Skokie, IL 60077 36-3478388	Residential Senior Services	IL	3,256,574	27,041,873	N/A

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
(1) Evangelical Covenant Church 8303 West Higgins Road Chicago, IL 60631 36-2167730	Church	IL	501(c)(3)	Line 1	N/A		No
(2) Swedish Covenant Faculty Group (SCFG) 5145 North California Avenue Chicago, IL 60625 36-3686216	Patient Treatment/Education	IL	501(c)(3)	Line 11a, I	Swedish Covenant Hospital		No
(3) Swedish Covenant Hospital 5145 North California Avenue Chicago, IL 60625 36-2179813	Hospital	IL	501(c)(3)	Line 3	Covenant Ministries of Benevolence		No
(4) Swedish Covenant Hospital Foundation (SCHF) 5145 North California Avenue Chicago, IL 60625 20-5055155	Supporting Organization of SCH	IL	501(c)(3)	Line 7	Swedish Covenant Hospital		No
(5) SC Insurance Company 6970 E Chauncey Lane Suite 100 Phoenix, AZ 85054 27-3312053	Insurance	AZ	501(c)(3)	Line 11a, I	Swedish Covenant Hospital		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) Covenant Village of Portland LP 420 NE Mason St Portland, OR 97211 36-4356838	Assisted Living Community	OR	N/A	N/A				No			No	
(2) Swedish Covenant Surgery LLC 5215 N California Avenue Chicago, IL 60625 27-2485300	Outpatient Medical Services	IL	N/A	N/A				No			No	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) Covenant International Insurance Company Ltd Crawford House 50 Cedar Avenue Hamilton BD	Insurance	BD	N/A				50.000 %		No
(2) Covenant Trust Company 8303 West Higgins Avenue 6th Floor Chicago, IL 60631 36-3583163	Financial Services	IL	N/A	C					No
(3) Swedish Covenant Management Services Inc (SCMS) 5145 North California Avenue Chicago, IL 60625 36-4073303	Physician Practice Management	IL	N/A	C					No
(4) Swedish Covenant Managed Care Alliance (SCMCA) 2740 West Foster Avenue Suite 409 Chicago, IL 60625 36-4118659	Physician - Hospital Organization	IL	N/A	C					No
(5) St Francis Health Care Ltd 2740 West Foster Avenue Suite 002 Chicago, IL 60625 36-3208131	Independent Group of Physicians	IL	N/A	C					No

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

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

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

- a** Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)

- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
See Additional Data Table			

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

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

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

Part VII Supplemental Information

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

Return Reference**Explanation**

Additional Data

Software ID:
Software Version:
EIN: 36-3478388
Name: Covenant Retirement Communities Inc

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Colonial Acres Home Inc	Q	1,009,075	
Colonial Acres Home Inc	P	3,600	
Covenant Village of Florida	P	490,147	
Covenant Village of Florida	Q	461,390	
Windsor Park	P	1,799,708	
Windsor Park	Q	945,507	
Covenant Village of Colorado	Q	1,033,804	
Covenant Home Illinois	P	2,201,332	
Covenant Home Illinois	Q	37,681	
The Holmstad	Q	1,465,436	
Covenant Healthcare Centers	P	4,109,275	
Covenant Home of Chicago	P	342,636	
Covenant Home of Chicago	Q	131,279	
Covenanat Home Inc	P	3,796,966	
Covenanat Home Inc	Q	428,439	
Covenant Retirement Communities West	P	1,623,405	
Covenant Retirement Communities West	Q	3,528,160	
Covenant Retirement Communities of the Great Lakes Conference	P	970,252	
Covenant Retirement Communities of the Great Lakes Conference	Q	171,356	
Covenant Retirement Services Inc	Q	909,436	
Covenant Home Services	Q	554,838	
Covenant Home Services	P	1,436,416	
Covenant Housing Corporation	P	100,020	
Covenant Ministries of Benevolence	M	2,200,000	
Covenant Ministries of Benevolence	L	71,822	

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Covenant Ministries of Benevolence	Q	40,021	
Covenant Ministries of Benevolence	S	11,849,389	