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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its instructions is at *www.irs.gov/form990pf*.

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016, or tax year beginning 01-01-2016 , and ending 12-31-2016

Name of foundation
Esper A Petersen Foundation

A Employer identification number
36-6125570

Number and street (or P O box number if mail is not delivered to street address)
1 E Belvidere Road

Room/suite

B Telephone number (see instructions)
(847) 336-0900

City or town, state or province, country, and ZIP or foreign postal code
Grayslake, IL 60030

C If exemption application is pending, check here ▶ ☐

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity
☐ Final return ☐ Amended return
☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)*▶$ 8,755,170

J Accounting method ☑ Cash ☐ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	12,000			
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	27	27		
	4	Dividends and interest from securities	130,797	130,797		
	5a	Gross rents	547,433	547,433		
	b	Net rental income or (loss) 330,653				
	6a	Net gain or (loss) from sale of assets not on line 10	-10			
	b	Gross sales price for all assets on line 6a 50,020				
	7	Capital gain net income (from Part IV, line 2)				
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	690,247	678,257		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	15,000	15,000		
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)	2,510	2,510		
	b	Accounting fees (attach schedule)	11,470	5,459		6,011
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	13,360	13,360		
	19	Depreciation (attach schedule) and depletion	55,380	55,380		
	20	Occupancy				
	21	Travel, conferences, and meetings	770	770		
	22	Printing and publications				
	23	Other expenses (attach schedule)	168,667	168,667		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	267,157	261,146		6,011
	25	Contributions, gifts, grants paid	372,518			372,518
	26	**Total expenses and disbursements.** Add lines 24 and 25	639,675	261,146		378,529
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	50,572			
	b	**Net investment income** (if negative, enter -0-)		417,111		
	c	**Adjusted net income**(if negative, enter -0-)				

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	249,833	218,501	218,501
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	17,691	11,783	
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶ 3,375,493 Less accumulated depreciation (attach schedule) ▶ 2,085,456	1,345,417	1,290,037	3,286,000
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	4,002,775	4,133,520	5,249,155
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)	1,514	1,514	1,514
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	5,617,230	5,655,355	8,755,170
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)	67,232	54,785	
	23	**Total liabilities**(add lines 17 through 22)	67,232	54,785	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶** ☑ **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	5,549,998	5,600,570	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	5,549,998	5,600,570	
	31	**Total liabilities and net assets/fund balances** (see instructions)	5,617,230	5,655,355	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	5,549,998
2	Enter amount from Part I, line 27a	2	50,572
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	5,600,570
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	5,600,570

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1 a First Allied	P	2016-06-30	2016-06-30
b			
c			
d			
e			

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	50,020		50,030	-10
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				-10
b				
c				
d				
e				

2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	-10
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	-10

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	335,310	8,363,192	0 04009
2014	728,285	8,282,351	0 08793
2013	1,026,327	8,107,751	0 12659
2012	424,454	8,427,720	0 05036
2011	411,687	8,342,670	0 04935

2 Total of line 1, column (d)	2	0 354323
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 070865
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	8,485,243
5 Multiply line 4 by line 3	5	601,307
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,171
7 Add lines 5 and 6	7	605,478
8 Enter qualifying distributions from Part XII, line 4	8	378,529

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ________ **(attach copy of letter if necessary–see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	8,342
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	
3	Add lines 1 and 2			3	8,342
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	8,342
6	Credits/Payments				
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	9,080		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c			
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	9,080
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	738
11	Enter the amount of line 10 to be **Credited to 2017 estimated tax** ▶ 738 **Refunded** ▶			11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶CA, IL			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶Esper A Petersen Telephone no ▶(847) 336-0900

Located at ▶1 E Belvidere Road Grayslake IL ZIP+4 ▶60030

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶			

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

				Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.				
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		1b		No
	Organizations relying on a current notice regarding disaster assistance check here ▶	☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?		1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016?	☐ Yes ☑ No			
	If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)		2b		No
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____ , 20____ , 20____ , 20____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2016 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016)*		3b		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?		4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?. . . . . ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions). . . . . ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?. . . . ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	5b		No
	Organizations relying on a current notice regarding disaster assistance check here. . . . . ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?. . . . . ☐ Yes ☑ No *If "Yes," attach the statement required by Regulations section 53 4945–5(d)*			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?. . . . . ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?. . . . *If "Yes" to 6b, file Form 8870*	6b		No
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	7b		No

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	Title, and average hours per week **(b)** devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
Esper A Petersen 1 E Belivere Road Grayslake, IL 60030	Dir/President 5 00	5,000		
Ann Petersen 9185 Thrasher Los Angeles, CA 90069	Dir/VP, Treas 5 00	5,000		
Leslie Pam 9185 Thrasher Los Angeles, CA 90069	Dir/Secretary 2 00	5,000		

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

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

Total number of other employees paid over $50,000. . . . . ▶

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		
Total number of others receiving over $50,000 for professional services. . . . . ▶		

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 . . . . ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	4,995,605
b	Average of monthly cash balances	1b	332,855
c	Fair market value of all other assets (see instructions)	1c	3,286,000
d	**Total** (add lines 1a, b, and c)	1d	8,614,460
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	8,614,460
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	129,217
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	8,485,243
6	**Minimum investment return.** Enter 5% of line 5	6	424,262

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

1	Minimum investment return from Part X, line 6	1	424,262
2a	Tax on investment income for 2016 from Part VI, line 5 — 2a: 8,342		
b	Income tax for 2016 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	8,342
3	Distributable amount before adjustments Subtract line 2c from line 1	3	415,920
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	415,920
6	Deduction from distributable amount (see instructions)	6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	415,920

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	378,529
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	378,529
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	378,529

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				415,920
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			377,470	
b Total for prior years 20___ , 20___ , 20___				
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014.				
e From 2015.				
f **Total** of lines 3a through e.				
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 378,529				
a Applied to 2015, but not more than line 2a			377,470	
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2016 distributable amount.				1,059
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2016 *(If an amount appears in column (d), the same amount must be shown in column (a))*				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount —see instructions				
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				414,861
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions) . . .				
9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2012. . . .				
b Excess from 2013. . . .				
c Excess from 2014. . . .				
d Excess from 2015. . . .				
e Excess from 2016. . . .				

Part XIV **Private Operating Foundations** (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling. . . . . ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2016	**(b)** 2015	**(c)** 2014	**(d)** 2013	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV **Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see instructions.)**

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed

Esper A Petersen Foundation
1 E Belvidere Road
Grayslake, IL 60030
(847) 336-0900

b The form in which applications should be submitted and information and materials they should include

No required form - Solicitations should include specific plans for the use of grants received, proof of 501(c)(3) status, and financial information regarding the organization

c Any submission deadlines

No specific deadlines

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Any restrictions are determined during the evaluation process

Part XV **Supplementary Information** (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* See Additional Data Table				
Total . . . . ▶ **3a**				372,518
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	27	
4 Dividends and interest from securities			14	130,797	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property			16	330,653	
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	-10	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				461,467	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 461,467

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501 (c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.	**1a(1)**		**No**
(2) Other assets.	**1a(2)**		**No**
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	**1b(1)**		**No**
(2) Purchases of assets from a noncharitable exempt organization.	**1b(2)**		**No**
(3) Rental of facilities, equipment, or other assets.	**1b(3)**		**No**
(4) Reimbursement arrangements.	**1b(4)**		**No**
(5) Loans or loan guarantees.	**1b(5)**		**No**
(6) Performance of services or membership or fundraising solicitations.	**1b(6)**		**No**
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	**1c**		**No**

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line No	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?. ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	**(b)** Type of organization	**(c)** Description of relationship

Sign Here

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

******	2017-05-05	******	May the IRS discuss this return with the preparer shown below (see instr)? ☑ **Yes** ☐ **No**
Signature of officer or trustee	Date	Title	

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
Douglas J Taveirne				P00165266
Firm's name ▶ Dam Snell & Taveirne Ltd				Firm's EIN ▶
Firm's address ▶ 21 Rollins Road Fox Lake, IL 60020				Phone no (847) 587-3022

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
Villa Esperanza 2060 E Villa Street Pasadena, CA 91107		PC	Provide for special needs children, adults and their families	1,000
Los Angeles Opera 135 North Grand Ave Los Angeles, CA 90012		PC	Support the opera's educational and community programs	30,000
CLARE Foundation 909 Pico Blvd Santa Monica, CA 90405		PC	Support recovery programs for those afflicted with addiction	5,000
Planned Parenthood 1920 Marengo St Los Angeles, CA 90033		PC	Provide affordable access to a full range of reproductive health care	50,000
Cedar Sinai Medical Center 8700 Beverly Blvd Los Angeles, CA 90048		PC	Provide affordable health care	30,000
Muscular Dystrophy Association 402 E Carrillo St C Santa Barbara, CA 93101		PC	Research for the prevention and cure of Muscular Dystrophy	1,000
Salvation Army PO Box 5365 Oxnard, CA 93031		PC	Support the adult rehabilitation center	1,000
Los Angeles Chamber Orchestra 707 Wilshire Blvd Suite 1850 Los Angeles, CA 90017		PC	Support orchestra's education and outreach programs	10,000
West Los Angeles Symphony Inc PO Box 25115 Los Angeles, CA 90028		PC	To help bring world-class musical experiences to the greater Los Angeles area	2,000
St John's Health Care Found 1600 N Rose Ave Oxnard, CA 93030		PC	Provide high-quality compassionate healthcare to the community	22,018
Beverly Hills Women's Club 1700 Chevy Chase Drive Beverly Hills, CA 90210		PC	Community resources for education, lectures and cultural events	1,400
Madison Project at Santa Monica Col 1900 Pico Blvd Santa Monica, CA 90405		PC	To support education programs for the Broad Stage	1,500
Autry National Center 4700 Western Heritage Way Los Angeles, CA 90027		PC	Support educational programs at the museum	15,000
Friends of Robinson Gardens 1008 Elden Way Beverly Hills, CA 90210		PC	To preserve and restore the Virginia Robinson gardens and estate	1,800
AOPA Air Safety Foundation 421 Aviation Way Frederick, MD 21701		PC	To support aviation safety	10,000
Total . . . . ▶ **3a**				372,518

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
Grayslake Lions Club Foundation PO Box 201 Grayslake, IL 60030		PC	To support Shop with a Cop during the holiday season	500
Camarillo Hospice 400 Rosewood Ave 102 Camarillo, CA 93010		PC	To support the general fund, volunteer hospice & grief support center	3,000
Help Them to Hope PO Box 364 Gurnee, IL 60031		PC	To provide support and assistance for Lake County people in need	5,000
Museum of Contemporary Art Santa Ba 653 Paseo Nuevo Santa Barbara, CA 93101		PC	Support education programs at museum	1,500
New West Symphony Association 2100 E Thousand Oaks Blvd Ste D Thousand Oaks, CA 91362		PC	Continuation & expansion of tuition-free after school music programs	40,000
Burnon Inc dba Rubicon Theatre Comp 1006 E Main St Ventura, CA 93001		PC	To support innovative theatrical productions, festivals, special events and educational programs	20,000
The Exchange Club of Gurnee PO Box 6 Gurnee, IL 60031		PC	To assist in the prevention of child abuse and support Lake County Charities	250
Ventura County Deputy Sheriff Chari PO Box 911 Camarillo, CA 93011		GOV	To support the 2016 annual drive which supports the community	500
Beth Hillel Congregation Bnai Emmun 3220 Big Tree Lane Wilmette, IL 60091		PC	To honor Ellissa Hope Strom	1,000
Grayslake Historical Society 164 Hawley St Grayslake, IL 60030		PC	To share the history of the community with residents and visitors	10,000
Lake Geneva Foundation W2655 South St Lake Geneva, WI 53147		PC	To provide educational and excursion programs for children diagnosed with cancer	20,000
Leela Institute 7615 Glade Ave 120 Canoga Park, CA 92821		PC	To support dance programs spanning Eastern & Western cultures	15,000
Limitless Christian Fellowship 500 E First St Brea, CA 92821		PC	To provide educational and excursion programs for homeless children	55,000
Leukemia Lymphoma Society 1311 Mamaronack Ave White Plains, NY 10605		PC	To support leukemia & lymphoma research	1,000
Opera League of Los Angeles PO Box 49-1057 Los Angeles, CA 90049		PC	To support the Los Angeles Opera	550
Total . . . . ▶ **3a**				372,518

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
Party with a Purpose 3495 Ridgeford Dr Westlake Village, CA 91361		PC	To help needy teenagers in Los Angeles to have a meaningful Christmas	5,000
Pittance Chamber Music Inc 1515 Braeburn Rd Altadena, CA 91001		PC	To present concerts in public venues	1,000
Steven Si Wise Temple 1500 Stephen S Wise Dr Los Angeles, CA 90077		PC	To honor Donna & Nathan Lam and to share its music, cultural and educational programming with the world	1,000
Friends of Ventura Cnty Animal Serv 600 Aviation Dr Camarillo, CA 93010		PC	To improve the lives of animals at the facility	500
Village of Grayslake 10 S Seymour Grayslake, IL 60030		GOV	To share engaging programs and exhibitions through the years	10,000
Total . . . . ▶ **3a**				372,518

TY 2016 Accounting Fees Schedule

Name: Esper A Petersen Foundation
EIN: 36-6125570
Software ID: 16000303
Software Version: 2016v3.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Dam, Snell & Taveirne, Ltd	9,670	3,659	0	6,011
Nordic Properties, Ltd	1,800	1,800	0	0

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Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2016 Depreciation Schedule

Name: Esper A Petersen Foundatıon
EIN: 36-6125570
Software ID: 16000303
Software Version: 2016v3.0

Descrıptıon of Property	Date Acquıred	Cost or Other Basis	Prior Years' Depreciatıon	Computation Method	Rate / Lıfe (# of years)	Current Year's Depreciatıon Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
Roof	1991-06-30	37,727	29,400	SL	31 5000	1,198	1,198		
Improvement	1992-06-30	5,142	3,839	SL	31 5000	163	163		
Roof	1994-06-30	1,500	875	SL	2 56 %	38	38		
Doors	1994-06-30	2,550	1,596	SL	39 0000	65	65		
Improvement	1996-06-30	8,300	4,085	SL	39 0000	213	213		
Doors	1996-06-30	6,990	3,770	SL	39 0000	179	179		
HVAC	1997-06-30	3,050	1,547	SL	39 0000	78	78		
Improvements	1997-06-30	5,228	2,655	SL	39 0000	134	134		
Improvements	1998-06-30	8,564	4,095	SL	39 0000	220	220		
Improvements	1998-01-01	125,189	61,435	SL	39 0000	3,210	3,210		
Improvements	1992-06-30	38,419	28,719	SL	31 5000	1,220	1,220		
Improvements	1996-06-30	18,185	9,810	SL	39 0000	466	466		
Improvement	1997-06-30	1,055	534	SL	39 0000	27	27		
Roof	1987-05-01	39,972	36,326	SL	31 5000	1,269	1,269		
HVAC	1993-08-01	6,921	4,362	SL	39 0000	177	177		
Buildıng	1989-06-01	499,420	420,836	SL	31 5000	15,855	15,855		
Sıgn	1990-06-30	1,000	826	SL	31 5000	32	32		
Improvement	1992-04-01	2,670	2,013	SL	31 5000	85	85		
Roof	1993-05-01	16,677	11,972	SL	31 5000	529	529		
Improvement	1994-06-30	55,270	33,411	SL	39 0000	1,417	1,417		

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
2495 - Building	1993-02-12	190,000	132,958	SL	31 5000	6,032	6,032		
Improvement	1993-12-01	171,378	106,319	SL	39 0000	4,394	4,394		
Improvement	1994-06-30	7,870	4,761	SL	39 0000	202	202		
Improvement	1995-06-30	5,434	3,102	SL	39 0000	139	139		
Driveway	1996-06-30	6,264	3,386	SL	39 0000	161	161		
810 Improvements	2002-03-01	14,817	5,241	SL	2 56 %	380	380		
2495 Office renovation	2004-04-13	22,601	6,780	SL	2 56 %	579	579		
2451 Dock pit & leveler	2004-05-31	7,666	2,290	SL	2 56 %	197	197		
2451 Rehab unit 2471	2004-07-28	5,950	1,753	SL	2 56 %	153	153		
2371 Truck dock concrete	2004-06-01	10,462	3,094	SL	2 56 %	268	268		
2451 build-out Taz Freigh	2005-03-23	97,822	27,069	SL	2 56 %	2,508	2,508		
4250 Building	2014-02-01	148,042	7,123	SL	2 56 %	3,796	3,796		
4250 Roof	2014-02-01	20,510	987	SL	2 56 %	526	526		
2371-2385 Roof	2013-07-03	167,508	10,562	SL	2 56 %	4,295	4,295		
4250 Fire alarm system	2014-02-01	10,378	499	SL	2 56 %	266	266		
4250 Garage doors	2014-02-01	3,315	159	SL	2 56 %	85	85		
4250 6 doors	2014-02-01	1,030	49	SL	2 56 %	26	26		
4250 Renovation	2014-02-01	150,235	7,228	SL	2 56 %	3,852	3,852		
4250 Carpet	2014-02-01	4,572	1,773	200DB	17 49 %	800	800		
4250 Sprinkler system	2014-02-01	5,693	274	SL	2 56 %	146	146		

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TY 2016 General Explanation Attachment

Name: Esper A Petersen Foundatıon

EIN: 36-6125570

Software ID: 16000303

Software Version: 2016v3.0

General Explanation Attachment

Identifıer	Return Reference	Explanatıon	
1		General Explanatıon Supplemental Informatıon for Form 990-PF	SCHEDULE OF OTHER ASSETS, Form 990-PF, Part II, Lıne 13The follow ıng represents the market value of ınvestments held by the Foundatıon at Fırst Allıed as of December 31, 2016 Detaıled account statements are avaılable at the Foundatıons offıce Money Market $ 426,795 Equıtıes 2,840,517Mutual funds 1,441,874Exchange-traded products 334,264 Fıxed ıncome 205,705 ----------Total $5,249,155 ==========

TY 2016 Investments - Land Schedule

Name: Esper A Petersen Foundation

EIN: 36-6125570

Software ID: 16000303

Software Version: 2016v3.0

Category/ Item	Cost/Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
Buildings	2,977,940	2,085,456	892,484	3,286,000
Land	397,553		397,553	

TY 2016 Legal Fees Schedule

Name: Esper A Petersen Foundation

EIN: 36-6125570

Software ID: 16000303

Software Version: 2016v3.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Gould & Ratner, LLP	2,510	2,510	0	0

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TY 2016 Other Assets Schedule

Name: Esper A Petersen Foundation

EIN: 36-6125570

Software ID: 16000303

Software Version: 2016v3.0

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
Utility deposit	1,514	1,514	1,514

TY 2016 Other Expenses Schedule

Name: Esper A Petersen Foundation

EIN: 36-6125570

Software ID: 16000303

Software Version: 2016v3.0

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment fee	50	50		
Office and insurance	7,217	7,217		
Rental Expenses	161,400	161,400		

TY 2016 Other Liabilities Schedule

Name: Esper A Petersen Foundation

EIN: 36-6125570

Software ID: 16000303

Software Version: 2016v3.0

Description	Beginning of Year - Book Value	End of Year - Book Value
Tenant's deposits	67,232	54,366
Miscellaneous payable		419

TY 2016 Taxes Schedule

Name: Esper A Petersen Foundation

EIN: 36-6125570

Software ID: 16000303

Software Version: 2016v3.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Excise tax based on investment income	13,360	13,360		