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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 separate instructions is at *www.irs.gov/form990pf.*

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning , and ending

Name of foundation: Martin Family Foundation

A Employer identification number: 91-2089435

Number and street (or P O box number if mail is not delivered to street address): 818 H Avenue | Room/suite:

B Telephone number (see instructions): 360-982-2991

City or town, state or province, country, and ZIP or foreign postal code: Anacortes WA 98221

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 [X] 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) ▶ $ 3,566,306

J Accounting method [X] 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)				
	2	Check ▶ [X] if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	61	61	61	
	4	Dividends and interest from securities	74,049	74,049	74,049	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	52,715			
	b	Gross sales price for all assets on line 6a 805,831				
	7	Capital gain net income (from Part IV, line 2)		46,446		
	8	Net short-term capital gain			0	
	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) Stmt 2	-22,425		-22,425	
	12	**Total.** Add lines 1 through 11	104,400	120,556	51,685	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) Stmt 3	1,190			
	c	Other professional fees (attach schedule) Stmt 4	18,383			
	17	Interest				
	18	Taxes (attach schedule) (see instructions) Stmt 5	100			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 6	30			
	24	**Total operating and administrative expenses.** Add lines 13 through 23	19,703	0	0	0
	25	Contributions, gifts, grants paid See Statement 7	221,300			221,300
	26	**Total expenses and disbursements.** Add lines 24 and 25	241,003	0	0	221,300
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-136,603			
	b	**Net investment income** (if negative, enter -0-)		120,556		
	c	**Adjusted net income** (if negative, enter -0-)			51,685	

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Form **990-PF** (2016)

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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	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash – non-interest-bearing	48,462	7,108	7,108
	2	Savings and temporary cash investments	3,015,441	2,936,165	3,210,661
	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 (att schedule) ▶			
		Less allowance for doubtful accounts ▶ 0			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	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 ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule)			
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶ See Statement 8)	364,510	348,537	348,537
	16	**Total assets** (to be completed by all filers — see the instructions Also, see page 1, item I)	3,428,413	3,291,810	3,566,306
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 ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	0	
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			
	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	3,428,413	3,291,810	
	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)	3,428,413	3,291,810	
	31	**Total liabilities and net assets/fund balances** (see instructions)	3,428,413	3,291,810	

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	3,428,413
2	Enter amount from Part I, line 27a	2	-136,603
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	3,291,810
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	3,291,810

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P – Purchase D – Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	TIAA CREF Trust Company			
b	Fidelity Brokerage Services			
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	46,428			46,428
b	18			18
c				
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				46,428
b				18
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	46,446
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	

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	223,000		
2014	225,231		
2013	231,495		
2012	254,736		
2011	237,506		

2	Total of line 1, column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	3,152,734
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,206
7	Add lines 5 and 6	7	1,206
8	Enter qualifying distributions from Part XII, line 4	8	221,300

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	1,206
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0
3	Add lines 1 and 2		3	1,206
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-		5	1,206
6	Credits/Payments			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a 4,140		
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	4,140
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	2,934
11	Enter the amount of line 10 to be **Credited to 2017 estimated tax** ▶ 1,205 **Refunded** ▶		11	1,729

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		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*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		X
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		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ WA			
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	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

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		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ Roy W Martin Telephone no. ▶ 360-982-2991
818 H Avenue
Located at ▶ Anacortes WA ZIP+4 ▶ 98221

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		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country ▶			

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

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

				Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ 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)?	N/A	1b		
	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?	N/A	1c		
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)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 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)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?		4b		X

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

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

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

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

(a) Name and address		(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Roy W Martin 818 H Avenue	Anacortes WA 98221	Trustee 0.00	0	0	0
Darlene E Martin 818 H Avenue	Anacortes WA 98221	Trustee 0.00	0	0	0

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	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶ **0**

Part 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 N/A	
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 N/A	
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	3,172,960
b	Average of monthly cash balances	1b	27,785
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	3,200,745
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	3,200,745
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	48,011
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	3,152,734
6	**Minimum investment return.** Enter 5% of line 5	6	157,637

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	157,637
2a	Tax on investment income for 2016 from Part VI, line 5 — 2a: 1,206		
b	Income tax for 2016 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	1,206
3	Distributable amount before adjustments Subtract line 2c from line 1	3	156,431
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	156,431
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	156,431

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	221,300
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	221,300
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	1,206
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	220,094

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					156,431
2	Undistributed income, if any, as of the end of 2016					
a	Enter amount for 2015 only					
b	Total for prior years 20____ , 20____ , 20____					
3	Excess distributions carryover, if any, to 2016					
a	From 2011	237,506				
b	From 2012	254,736				
c	From 2013	231,495				
d	From 2014	225,231				
e	From 2015	223,000				
f	**Total** of lines 3a through e		1,171,968			
4	Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 221,300					
a	Applied to 2015, but not more than line 2a					
b	Applied to undistributed income of prior years (Election required – see instructions)					
c	Treated as distributions out of corpus (Election required – see instructions)					
d	Applied to 2016 distributable amount					156,431
e	Remaining amount distributed out of corpus		64,869			
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		1,236,837			
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					0
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)		237,506			
9	**Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a		999,331			
10	Analysis of line 9					
a	Excess from 2012	254,736				
b	Excess from 2013	231,495				
c	Excess from 2014	225,231				
d	Excess from 2015	223,000				
e	Excess from 2016	64,869				

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 foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2016	**(b)** 2015	**(c)** 2014	**(d)** 2013	**(e) Total**
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 foundation 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))

See Statement 9

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

N/A

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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

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 Statement 10				221,300
Total			▶ 3a	221,300
b *Approved for future payment* N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See instructions)
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			25	61	
4 Dividends and interest from securities			25	74,049	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			25	46,446	6,269
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b SW Multifamily Portfolio Fd	531110	-22,425	25		
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		-22,425		120,556	6,269

13 **Total.** Add line 12, columns (b), (d), and (e) 13 104,400

(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)
N/A	

DAA

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)		X
(2) Other assets	1a(2)		X
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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
N/A			

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
N/A		

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

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

Roy W. Martin | 5/10/17 | Trustee

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed
John P. Baker CPA	John P Baker, CPA	04/27/17	
Firm's name ▶ John P. Baker, CPA		PTIN	P01393191
Firm's address ▶ 2801 Commercial Ave., Suite 2 Anacortes, WA 98221		Firm's EIN ▶ 91-1465235	Phone no 360-293-5841

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description: Whom Sold	Date Acquired	Date Sold	How Received	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
159 sh DFA Intl Sm Cap Value	3/01/16	11/16/16 $	Purchase	3,034 $	2,835 $	$	$	199
213 sh Deleware Sm Cap value	8/19/16	11/16/16	Purchase	12,716	11,730			986
405.769 sh Oakmark intl Sm Cap Cl I	Various	4/14/16	Purchase	5,766	5,579			187
238.586 sh Hotchkis Y Wiley S/C Valu	Various	8/19/16	Purchase	11,865	14,368			-2,503
2012.972 Voya Real Estate	Various	9/13/16	Purchase	42,796	40,385			2,411
183 sh Wasatch Sm Cap Growth	3/03/15	3/01/16	Purchase	6,842	9,250			-2,408
416.907sh Clavert Bond	6/25/14	1/21/16	Purchase	6,575	6,684			-109
4121sh Calvert Bond	6/25/14	3/01/16	Purchase	64,823	66,068			-1,245
140 sh Calvert Bond	6/25/14	11/16/16	Purchase	2,243	2,245			-2
10443 sh DFA intl Sustainablity Core	7/26/11	3/01/16	Purchase	87,408	89,755			-2,347
1526 sh DFA intl Sustainablility Cor	7/26/14	4/14/16	Purchase	13,536	13,117			419
1309 sh DFFA US Social Core Equity 2	7/26/11	3/01/16	Purchase	15,328	11,922			3,406
1984 sh DFA US Social Core Equity 2	7/26/11	11/16/16	Purchase	26,844	18,149			8,695
807 sh DFA US Social Core Equity 2	7/26/11	4/14/16	Purchase	9,983	7,361			2,622
18 sh DFA Inflation Protected Sec Fd	7/26/11	11/16/16	Purchase	213	210			3
1222 sh DFA Emerging Mkts Social Cor	7/26/11	4/14/16	Purchase	13,308	15,327			-2,019
181 sh DFA Emerging Mkts Social Core	7/26/11	11/16/16	Purchase	1,986	2,267			-281

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Description: Whom Sold	Date Acquired	Date Sold	How Received	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
456.268 sh Fidelity Adv Emerging Mkt	6/25/14	1/21/16	Purchase	$ 5,503	$ 6,529	$	$	$ -1,026
41 sh Fidelity Adv Emerging Mkts Inc	6/25/14	4/14/16	Purchase	537	568			-31
412 sh Fideilty Adv Emging Mkts Inc	6/25/14	11/16/16	Purchase	5,513	5,703			-190
2997.644 sh Oakmark intl Cm Cap Cl I	Various	4/14/16	Purchase	42,593	41,216			1,377
109 sh Hotchkis & Wiley S/C Value	3/03/15	4/14/16	Purchase	5,200	6,564			-1,364
1669.021 Ho9tchkis & Wiley S/C Value	Various	8/19/16	Purchase	83,000	100,511			-17,511
3222 sh Mainstay High Yld Corp Bd	6/25/14	3/01/16	Purchase	16,754	19,520			-2,766
146.813 sh Mainstay Hi Yld Corp Bd	6/25/14	4/14/16	Purchase	797	889			-92
1143.808 sh Mainstay Hi Yld Corp Bd	6/25/14	11/16/16	Purchase	6,497	6,907			-410
528 Parnassus Core Eqty Fd	7/26/11	3/01/16	Purchase	19,246	15,331			3,915
124 sh Parnassus Core Eqty Fd	7/26/14	4/14/16	Purchase	4,677	3,604			1,073
624 sh Paarnassus Core Eqty Fd	7/26/11	11/16/16	Purchase	24,735	18,167			6,568
3504.217 sh Pimco Emrgng Local Bd	Various	1/21/16	Purchase	22,182	35,919			-13,737
394 sh Pimco Emerging local Bond	Various	4/14/16	Purchase	2,884	3,910			-1,026
4205 sh TIAA-CREF Social Choice Inst	7/26/11	3/01/16	Purchase	63,285	48,257			15,028
314 sh TIAA-CREF Social Choice Instl	7/26/11	4/06/16	Purchase	4,974	3,603			1,371
535 sh TIAA-CREF Social Choice Instl	7/26/11	4/14/16	Purchase	8,560	6,140			2,420

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Description: Whom Sold	Date Acquired	Date Sold	How Received / Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
1438 sh TIAA-CREF Social Choice Inst	7/26/11	11/16/16	Purchase $ 24,619	$ 16,503	$	$	$ 8,116
1706 sh TIAA-CREF Hi Yld Fd	10/08/12	3/01/16	Purchase 14,910	17,445			-2,535
145 sh TIAA-CREF Hi Yld Fd	10/08/12	4/14/16	Purchase 1,327	1,482			-155
640 sh TIAA-CREF Hi Yld Fd	10/08/12	11/16/16	Purchase 6,125	6,524			-399
22 sh Vanguard Reit index Fd	6/25/14	4/14/16	Purchase 2,580	2,359			221
1667.599 sh Vanguard S/T Bd Index	7/26/11	1/21/16	Purchase 17,493	17,722			-229
102 sh Voya Real Estate	6/25/14	4/14/16	Purchase 2,125	2,045			80
1633.742 sh Voya Real Estate	Various	9/13/16	Purchase 34,733	32,777			1,956
99 sh Wasatch Sm Cap Growth	3/03/15	4/14/16	Purchase 3,959	5,004			-1,045
211 sh Wasatch Sm Cap Growth	3/03/15	11/16/16	Purchase 9,311	10,665			-1,354
Total			$ 759,385	$ 753,116	$ 0	$ 0	$ 6,269

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
SW Multifamily Portfolio Fd	$ -22,425	$	$ -22,425
Total	$ -22,425	$ 0	$ -22,425

Federal Statements

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
John P. Baker CPA	$ 1,190	$	$	$
Total	$ 1,190	$ 0	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
TIAA CREF Custody Fees	$ 18,383	$	$	$
Total	$ 18,383	$ 0	$ 0	$ 0

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
State of Washington	$ 100	$	$	$
Total	$ 100	$ 0	$ 0	$ 0

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
Bank Charges	30			
Total	$ 30	$ 0	$ 0	$ 0

Statement 7 - Form 990-PF, Part I, Line 25 - Noncash Contributions, Gifts, Grants

Amount	Noncash Description	FMV Explanation	Book Value Amount	Book Value Explanation	Date
200					4/15/16
200					11/19/16
300					4/15/16
300					11/19/16
1,000					4/15/16
1,000					11/19/16
5,000					4/15/16
5,000					11/19/16
30,000					4/15/16
30,000					11/19/16
800					4/15/16
800					11/19/16
1,000					4/15/16
1,000					11/19/16
700					4/15/16
700					11/19/16
25,000					4/15/16
8,000					4/15/16
8,000					11/19/16
5,000					4/15/16
5,000					11/19/16
2,000					4/15/16
2,000					11/19/16
1,000					4/15/16
1,000					11/19/16
300					4/15/16
300					11/19/16
200					4/15/16
300					11/19/16
200					4/15/16
200					11/19/16
2,500					4/15/16
2,500					11/19/16
12,500					4/15/16
12,500					11/19/16
2,000					4/15/16
2,000					11/19/16

Statement 7 - Form 990-PF, Part I, Line 25 - Noncash Contributions, Gifts, Grants (continued)

Amount	Noncash Description	FMV Explanation	Book Value Amount	Book Value Explanation	Date
2,000					4/15/16
2,000					11/19/16
2,000					4/15/16
3,500					11/19/16
3,000					4/15/16
3,000					11/19/16
1,000					4/15/16
1,500					4/15/16
1,500					11/19/16
1,500					4/15/16
1,500					11/19/16
1,000					4/15/16
1,000					11/19/16
3,000					4/15/16
3,000					11/19/16
1,000					4/15/16
1,000					11/19/16
1,000					4/15/16
1,000					11/19/16
4,300					4/15/16
4,300					11/19/16
400					4/15/16
500					11/19/16
900					4/15/16
900					11/19/16
2,500					4/15/16
2,500					11/19/16

Federal Statements

Statement 8 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
Partnership SW Multi Family	$ 364,510	$ 348,537	$ 348,537
Total	$ 364,510	$ 348,537	$ 348,537

Form 990-PF, Part III, Line 3 - Other Increases

Description	Amount
Return of Principle Payments	$
Partnership Distribution	
Total	$ 0

Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
Equity Adjustment to Voya RE	$
Total	$ 0

Statement 9 - Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or $5,000

Name of Manager	Amount
Roy W Martin	$
Darlene E Martin	
Total	$ 0

Federal Statements

Statement 10 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Address / Relationship	Status	Purpose	Amount
Alzheimer's Association			Alzheimer Research	200
Alzheimer's Association			Alzheimer Research	200
American Cancer Society			Cancer Research	300
American Canceer Society			Cancer Research	300
American Red Cross			Disaster Relief	1,000
American Red Cross			Disaster Relief	1,000
Cathollic Community Services			Skagit Family Center	5,000
Catholic Community Services			Skagit Family Center	5,000
Catholic Relief Services			Disaster Relief	30,000
Catholic Relief Services			Disaster Relief	30,000
Covenant House			Teen Homelessness	800
Covenant House			Teen Homelessness	800
Compass Housing Alliance			Homeless Housing	1,000
Compass Housing Alliance			Homeless Housing	1,000
Food Lifeline			Hunger Relief	700
Food Lifeline			Hunger Relief	700
Helping Hands Food Bank			Hunger Relief	25,000

Federal Statements

Statement 10 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
Holy Cross Missions			Orphanage Support	8,000
Holy Cross Missions			Ophanage Support	8,000
Friendship House			Housing the Homeless	5,000
Friendship House			Housing the Homeless	5,000
Skagit Habitat for Humanity			Providing Affordible Housing	2,000
Skagit Habitat for Humanity			Provide Affordible Housing	2,000
Intercommunity Peace and Justice Ct			Acts for Justice in Faith Org.	1,000
Intercommunity Peace and Justice Ct			Acts for Justice in Faith Org	1,000
KPLU-FM (Public Radio)			Public Broadcasting	300
KNKX 88.5			Public Broadcasting	300
KCTS Public Broadcasting			Public Broadcasting	200
KCTS Public Broadcasting			Public Broadcasting	300
Lutheran Hour Ministries			Christian Outreach Ministries	200
Lutheran Hour Ministries			Christian Outreach Ministries	200
LCMS World Mission			Faith Missionaries	2,500
LCMS World Mission			Faith Missionaries	2,500
LCMS World Relief			World Relief for the Vulnerable	12,500

Federal Statements

Statement 10 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
LCMS World Relief			World Relief for the Vulnerable	12,500
Lutheran Ministries Seattle			Pastoral & Spiritural Care	2,000
Lutheran Ministries Seattle			Pastoral & Spiritural Care	2,000
Missionaries of Charity			Free Services to the Poorest of Poor	2,000
Missionaries of Charity			Free Services to the Poorest of Poor	2,000
Mercy Beyond Borders			Help Displaced Women & Children	2,000
Mercy Beyond Borders			Help Displaced Women & Children	3,500
Mercy Corp			Providing L/T Asst for Low Income	3,000
Mercy Corp			Providing L/T Asst for Low Income	3,000
Mercy Home for Boys and Girls			Humanitarian Aid	1,000
Mercy Housing			Affordible Low Income Housing	1,500
Mercy Housing			Affordible Low Income Housing	1,500
Mercy Ships			Help Children of Africa	1,500
Mercy Ships			Help Children of Africa	1,500
Goodwill of Seattle			Job Training	1,000
Goodwill of Seattle			Job Training	1,000
St. Vincent De Paul Society - Seatt			Serving People in Crisis	3,000

Federal Statements

Statement 10 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
St. Vincent De Paul Society - Seatt			Serving People in Crisis	3,000
St Andre Bissette Catholic Church			Proclaiming Compassion to All	1,000
St Andre Bissette Catholic Church			Proclaiming Compassion to All	1,000
The MacDonald Center			Visitation to Lonely & Isolated	1,000
The MacDonald Center			Visitation to Lonely & Isolated	1,000
UNICEF			Defending Childrens Rights	4,300
UNICEF			Defending Childrens Rights	4,300
Union Gospel Mission			Serving those in poverty	400
Union Gospel Mission			Serving those in poverty	500
World Vision			Justince & Preach Poor & Opressed	900
World Vision			Justince & Preach Poor & Opressed	900
White Center Food Bank			Minimizing Hunger, Help Self Relianc	2,500
White Center Food Bank			Minimizing Hunger, Help Self Relianc	2,500
Total				221,300