

Return of Private Foundation

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

OMB No 1545-0052

2017

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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► Go to www.irs.gov/Form990PF for instructions and the latest information.

For calendar year 2017 or tax year beginning , and ending

Name of foundation THE HAZEL FARM PROPERTY FOUNDATION		A Employer identification number 20-1330518
Number and street (or P.O. box number if mail is not delivered to street address) 1320 BELMONT AVENUE, STE 403E	Room/suite	B Telephone number (see instructions) 410-430-1455
City or town, state or province, country, and ZIP or foreign postal code SALISBURY MD 21804		C If exemption application is pending, check here ☐ 6
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 03 ☐ 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) ► \$ 4,174,984	J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐
(Part I, column (d) must be on cash basis)		

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)

1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check ☒ if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	18,332	18,332		
4	Dividends and interest from securities	85,346	85,346		
5a	Gross rents	5,500	5,500		
b	Net rental income or (loss)	5,500			
6a	Net gain or (loss) from sale of assets not on line 10 STMT 1	58,990			
b	Gross sales price for all assets on line 6a 246,876				
7	Capital gain net income (from Part IV, line 2)		54,876		
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	371			
12	Total. Add lines 1 through 11	168,539	164,054	0	
13	Compensation of officers, directors, trustees, etc	0			
14	Other employee salaries and wages	70,282			70,282
15	Pension plans, employee benefits	5,697			5,697
16a	Legal fees (attach schedule) SEE STMT 3	9,120		9,120	
b	Accounting fees (attach schedule) STMT 4	14,066		14,066	
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) STMT 5	2,845			2,845
19	Depreciation (attach schedule) and depletion				
20	Occupancy	52,503			52,503
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) STMT 6	49,794	16,680	16,680	33,114
24	Total operating and administrative expenses. Add lines 13 through 23	204,307	16,680	39,866	164,441
25	Contributions, gifts, grants paid	0			0
26	Total expenses and disbursements. Add lines 24 and 25	204,307	16,680	39,866	164,441
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-35,768			
b	Net investment income (if negative, enter -0-)		147,374		
c	Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

Form 990-PF (2017)

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	-4,569	11,327	11,327
	2	Savings and temporary cash investments	212,497	199,533	199,533
	3	Accounts receivable ▶ 497			
		Less allowance for doubtful accounts ▶	397	497	497
	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) SEE STMT 7	410,708	222,822	224,928
	11	Investments – land, buildings, and equipment basis ▶			
Liabilities		Less accumulated depreciation (attach sch) ▶			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) SEE STATEMENT 8	2,471,149	2,613,159	2,987,740
	14	Land, buildings, and equipment basis ▶ 750,959			
		Less accumulated depreciation (attach sch) ▶ STMT 9	750,959	750,959	750,959
	15	Other assets (describe ▶)			
	16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)	3,841,141	3,798,297	4,174,984
	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 ▶ SEE STATEMENT 10)	19,710	12,634	
	23	Total liabilities (add lines 17 through 22)	19,710	12,634	
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			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	3,821,431	3,785,663	
	30	Total net assets or fund balances (see instructions)	3,821,431	3,785,663	
	31	Total liabilities and net assets/fund balances (see instructions)	3,841,141	3,798,297	

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	3,821,431
2	Enter amount from Part I, line 27a	2	-35,768
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	3,785,663
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	3,785,663

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (for example, 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 CHARLES SCHWAB C G DIVIDENDS				
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 54,876			54,876
b			
c			
d			
e			

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

(i) FMV 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			54,876
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	54,876
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))
2016	158,410	3,235,290	0.048963
2015	118,797	3,271,104	0.036317
2014	220,497	3,103,360	0.071051
2013	172,074	2,962,947	0.058075
2012	130,779	2,959,084	0.044196

2 Total of line 1, column (d)	2	0.258602
3 Average distribution ratio for the 5-year base period – divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years	3	0.051720
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	3,315,620
5 Multiply line 4 by line 3	5	171,484
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,474
7 Add lines 5 and 6	7	172,958
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	164,441

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	2,947
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations, enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-)	2	0
3	Add lines 1 and 2	3	2,947
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	2,947
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	2,112
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	2,112
8	Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	4
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	839
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2018 estimated tax ☐ 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the Instructions for the definition. If the answer is "Yes" to 1a or 1b , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☐ \$ _____ (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		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered. See instructions MD		
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 <i>General Instruction G</i> ? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2017 or the taxable year beginning in 2017? See instructions for Part XIV. If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

	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? Website address ► HAZELOUTDOORDISCOVERYCENTER.ORG	13	X
14 The books are in care of ► JOSEPH J PEARCE III 3905 ATLANTIC AVE Located at ► OCEAN CITY MD ZIP+4 ► 21842 Telephone no ► 410-430-1455		
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	
16 At any time during calendar year 2017, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country ►	16	X

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

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

	Yes	No
1a During the year, did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ 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 Organizations relying on a current notice regarding disaster assistance, check here	N/A	1b
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2017?	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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? If "Yes," list the years ► 20 , 20 , 20 , 20	☐ Yes ☒ No	
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 2017 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 2017)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2017?		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	
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? If "Yes," attach the statement required by Regulations section 53.4945–5(d)	N/A ☐ Yes ☐ No		
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	X
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, and 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
COLLEEN HAZEL 31594 FRED ADKINS RD PARSONSBURG MD 21849	DIRECTOR 5.00	0	0	0
JOSEPH J PEARCE 3905 ATLANTIC AVE OCEAN CITY MD 21842	TREASURER 1.00	0	0	0
MORGAN HAZEL 27135 E LILLIAN ST HEBRON MD 21830	DIRECTOR 5.00	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

0

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 SEE STATEMENT 11	
2 THE FOUNDATION OFFERS ITS FACILITIES TO TEACHERS AND SCHOOLS FOR FIELD TRIPS AND OUTDOOR CLASSROOMS.	164,441
3 BOY SCOUT TROOPS HELD CAMP OUTS AND GIRL SCOUT TROOPS HELD CAMP OUTINGS	
4 OTHER ACTIVITIES INCLUDED USE BY CHILDREN WITH THE FAMILY YOUTH CENTER AND KIDS OF HONOR. THERE IS ALSO A "LOOP" FOR CYCLISTS THAT RUNS THROUGH THE PROPERTY.	

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	3,220,917
b	Average of monthly cash balances	1b	145,195
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	3,366,112
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	3,366,112
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	50,492
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,315,620
6	Minimum investment return. Enter 5% of line 5	6	165,781

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	165,781
2a	Tax on investment income for 2017 from Part VI, line 5	2a	2,947
b	Income tax for 2017 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,947
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	162,834
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	162,834
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	162,834

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	164,441
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	164,441
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	164,441

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 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7				162,834
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only			1,243	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2017				
a From 2012				
b From 2013				
c From 2014				
d From 2015				
e From 2016				
f Total of lines 3a through e				
4 Qualifying distributions for 2017 from Part XII, line 4 ▶ \$ 164,441				
a Applied to 2016, but not more than line 2a			1,243	
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 2017 distributable amount				162,834
e Remaining amount distributed out of corpus	364			
5 Excess distributions carryover applied to 2017 (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	364			
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 2016 Subtract line 4a from line 2a Taxable amount – see instructions				
f Undistributed income for 2017 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2018				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 2012 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	364			
10 Analysis of line 9				
a Excess from 2013				
b Excess from 2014				
c Excess from 2015				
d Excess from 2016				
e Excess from 2017	364			

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 2017, 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			(e) Total
	(a) 2017	(b) 2016	(c) 2015	(d) 2014	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	1				1
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	1				1
(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))

COLLEEN HAZEL CONTRIBUTED PROPERTY IN A PRIOR YEAR

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., to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

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

A GILLIS ALLEN II 410-860-2580
PO BOX 990 SALISBURY MD 21803

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

WRITTEN

c Any submission deadlines

NONE

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

EASTERN SHORE OF MARYLAND DELAWARE AND VIRGINIA

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year N/A				
Total			3a	
b Approved for future payment N/A				
Total			3b	

Federal Statements

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

Whom Sold	Description	Date Acquired	Date Sold	How Received		Cost	Expense	Depreciation	Net Gain / Loss
				Sale Price	PURCHASE				
CATERPILLAR		4/01/10	9/01/17	\$ 90,000	\$ 98,928	\$	\$	\$	-8,928
GENERAL ELECTRIC		4/07/09	2/15/17	102,000	88,958				13,042
TOTAL				\$ 192,000	\$ 187,886	\$	0	\$ 0	\$ 4,114

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

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
OTHER REVENUE	\$ 371	\$	\$
TOTAL	\$ 371	\$ 0	\$ 0

Statement 3 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL FEES	\$ 9,120	\$	\$ 9,120	\$
TOTAL	\$ 9,120	\$ 0	\$ 9,120	\$ 0

Statement 4 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	\$ 14,066	\$	\$ 14,066	\$
TOTAL	\$ 14,066	\$ 0	\$ 14,066	\$ 0

Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
PROPERTY TAXES	\$ 2,845	\$	\$	\$ 2,845
TOTAL	\$ 2,845	\$ 0	\$ 0	\$ 2,845

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES				
INVESTMENT FEES	16,680	16,680	16,680	
PROGRAM EXPENSE	2,546			2,546
INSURANCE	8,316			8,316
WEB SITE	1,834			1,834
HEALTH INSURANCE	7,653			7,653
TCC ADMIN FEE	6,574			6,574
RETIREMENT EXPENSE	3,935			3,935
POSTAGE AND DELIVERY	2			2
BANK FEES	40			40
OFFICE SUPPLIES	226			226
GIFTS GIVEN	1,988			1,988
TOTAL	\$ 49,794	\$ 16,680	\$ 16,680	\$ 33,114

Statement 7 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
CATERPILLAR FNL	\$ 98,928	\$	COST	
GEN ELEC CAP CP 5.4%	88,958		COST	
PEPSI COLA	92,376	92,376	COST	91,179
PFIZER INC	70,507	70,507	COST	70,347
WAL-MART	59,939	59,939	COST	63,402
TOTAL	\$ 410,708	\$ 222,822		\$ 224,928

Federal Statements

Statement 8 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
AMERICAN BEACON BALANCED	\$ 59,400	\$ 59,400	COST	\$ 59,084
AMERICAN FD BALANCED FD	200,000	200,000	COST	245,409
AMERICAN FD INCOME FUND	200,000	200,000	COST	245,110
COHEN & STEERS PREFERRED	47,037	176,037	COST	180,902
DOUBLELINE TTL RETURN	153,206	153,206	COST	148,138
FIRST EAGLE GLOBAL FUND	200,000	200,000	COST	231,835
GLENMEDE LARGE CAP GWTH	77,580	77,580	COST	115,512
LOOMIS SAYLES BD FD	362,371	362,371	COST	354,916
PIMCO SHORT TERM CL D	76,300	76,300	COST	75,992
PRUDENTIAL GLOBAL TOTAL	130,321	130,321	COST	126,804
SUNAMERICA FOCUSED DIV	223,254	223,254	COST	254,369
THOMPSON BOND FUND	80,000	80,000	COST	77,615
THORNBURG INVT INCOME	200,000	200,000	COST	225,953
VANGUARD CONSUMR STAPLES	99,857	99,867	COST	142,389
VANGUARD UTILITIES	100,050	100,050	COST	191,675
VANGUARD WELLESLEY	204,548	204,548	COST	243,210
WEITZ SHORT INTERMEDIATE	57,225	70,225	COST	68,827
TOTAL	\$ 2,471,149	\$ 2,613,159		\$ 2,987,740

Statement 9 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
CONTRIBUTED PROPERTY USED IN EXEMPT	\$ 750,959	\$ 750,959	\$	\$ 750,959
TOTAL	\$ 750,959	\$ 750,959	\$ 0	\$ 750,959

Statement 10 - Form 990-PF, Part II, Line 22 - Other Liabilities

Description	Beginning of Year	End of Year
PAYROLL TAXES	\$ 19,310	\$ 12,634
PREPAID RENT	400	0
TOTAL	\$ 19,710	\$ 12,634

Statement 11 - Form 990-PF, Part IX-A, Line 1 - Summary of Direct Charitable Activities**Description**

THE PROPERTY IS AVAILABLE AT NO COST FOR USE BY COMMUNITY GROUPS TO PROMOTE EDUCATION AND CONSERVATION WITH OUTDOOR ACTIVITIES - SPORTS, SWIMMING, NATURE TRAILS HIKING, ETC. THE EXPENSES OF THE FOUNDATION ARE TO MAINTAIN AND IMPROVE THE PROPERTY TO KEEP IT AVAILABLE TO THE COMMUNITY. THE LARGEST SPONSORED PROGRAM IS THE NATIONAL GET OUTDOORS DAY.

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

Name of Manager	Amount
COLLEEN HAZEL CONTRIBUTED PROPERTY IN A PRIOR YEAR	\$
TOTAL	\$ 0

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents**Description**

WRITTEN

Form 990-PF, Part XV, Line 2c - Submission Deadlines**Description**

NONE

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations**Description**

EASTERN SHORE OF MARYLAND DELAWARE AND VIRGINIA