

2017

Form 990-T

Department of the Treasury
Internal Revenue ServiceExempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

For calendar year 2017 or other tax year beginning _____ and ending _____

► Go to www.irs.gov/Form990T for instructions and the latest information

► Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3)

Open to Public Inspection for
501(c)(3) Organizations Only

<input type="checkbox"/> Check box if address changed
B Exempt under section
<input checked="" type="checkbox"/> 501(c)(3)
<input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e)
<input type="checkbox"/> 408A <input type="checkbox"/> 530(a)
<input type="checkbox"/> 529(a)

C Book value of all assets
at end of year**13,307,354**

Print or Type	Name of organization (<input type="checkbox"/> Check box if name changed and see instructions) THE KENTLAND FOUNDATION, INC.	D Employer identification number (Employees' trust, see instructions) 52-6070323
	Number, street, and room or suite no. If a P O box, see instructions KENTLAND FARMS, P.O. BOX 879	
	City or town, state or province, country, and ZIP or foreign postal code BERRYVILLE VA 22611	

F Group exemption number (See instructions) ►

G Check organization type ► 501(c) corporation 501(c) trust 401(a) trust Other trustH Describe the organization's primary unrelated business activity
► **RENTAL INVESTMENT REAL ESTATE**I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?
If "Yes," enter the name and identifying number of the parent corporation► Yes NoJ The books are in care of ► **LEO J WALKER**Telephone number ► **540-955-1082****Part I Unrelated Trade or Business Income**

		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales			
b	Less returns and allowances			
c	Balance ►	1c		
2		2		
3		3		
4a	Capital gain net income (attach Schedule D)			
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			
c	Capital loss deduction for trusts			
5	Income (loss) from partnerships and S corporations (attach statement)			
6	Rent income (Schedule C)			
7	Unrelated debt-financed income (Schedule E)			
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)			
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)			
10	Exploited exempt activity income (Schedule I)			
11	Advertising income (Schedule J)			
12	Other income (See instructions, attach schedule)			
13	Total. Combine lines 3 through 12	1,846,500	912,480	934,020

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions) (Except for contributions, deductions must be directly connected with the unrelated business income)

14	Compensation of officers, directors, and trustees (Schedule K)	14	51,135
15	Salaries and wages	15	22,102
16	Repairs and maintenance	16	
17	Bad debts	17	
18	Interest (attach schedule)	18	299,344
19	Taxes and licenses	19	5,115
20	Charitable contributions (See instructions for limitation rules)	20	1,533
21	Depreciation (attach Form 4562)	21	640,189
22	Less depreciation claimed on Schedule A and elsewhere on return	22a	640,189
23	Depletion	22b	0
24	Contributions to deferred compensation plans	23	
25	Employee benefit programs	24	
26	Excess exempt expenses (Schedule I)	25	13,129
27	Excess readership costs (Schedule J)	26	
28	Other deductions (attach schedule)	27	
29	Total deductions. Add lines 14 through 28	28	15,901
30	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13	29	408,259
31	Net operating loss deduction (limited to the amount on line 30)	30	525,761
32	Unrelated business taxable income before specific deduction Subtract line 31 from line 30	31	511,965
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	32	13,796
34	Unrelated business taxable income. Subtract line 33 from line 32 If line 33 is greater than line 32, enter the smaller of zero or line 32	33	1,000
		34	12,796

DAA For Paperwork Reduction Act Notice, see instructions.

Form 990-T (2017)

SCANNED AUG 12 2019

RECEIVED
APR 16 2019
B620
OGDEN UT

SEE STMT 2

SEE STATEMENT 3

G12

38

14

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation Controlled group members (sections 1561 and 1563) check here ► See instructions and

a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order)

(1) \$	(2) \$	(3) \$
--------	--------	--------

b Enter organization's share of (1) Additional 5% tax (not more than \$11,750)
(2) Additional 3% tax (not more than \$100,000)

c Income tax on the amount on line 34

36 Trusts Taxable at Trust Rates. See instructions for tax computation Income tax on the amount on line 34 from Tax rate schedule or Schedule D (Form 1041)

37 Proxy tax. See instructions

38 Alternative minimum tax

39 Tax on Non-Compliant Facility Income. See instructions

40 Total. Add lines 37, 38 and 39 to line 35c or 36, whichever applies

\$	35c	1,919
\$	36	
	37	
	38	
	39	
	40	1,919

Part IV Tax and Payments

41a Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116)

41a	
41b	
41c	
41d	

b Other credits (see instructions)

c General business credit Attach Form 3800 (see instructions)

d Credit for prior year minimum tax (attach Form 8801 or 8827)

e Total credits. Add lines 41a through 41d

42 Subtract line 41e from line 40

43 Other taxes Form 4255 Form 8611 Form 8697 Form 8866 Other (att sch)

44 Total tax. Add lines 42 and 43

45a Payments A 2016 overpayment credited to 2017

45a	
45b	
45c	
45d	
45e	
45f	
45g	

b 2017 estimated tax payments

c Tax deposited with Form 8868

d Foreign organizations Tax paid or withheld at source (see instructions)

e Backup withholding (see instructions)

f Credit for small employer health insurance premiums (Attach Form 8941)

g Other credits and payments Form 2439 _____
 Form 4136 _____ Other _____ Total ►

46 Total payments. Add lines 45a through 45g

47 Estimated tax penalty (see instructions) Check if Form 2220 is attached

48 Tax due. If line 46 is less than the total of lines 44 and 47, enter amount owed

49 Overpayment. If line 46 is larger than the total of lines 44 and 47, enter amount overpaid

50 Enter the amount of line 49 you want Credited to 2018 estimated tax ►

41e	
42	1,919
43	
44	1,919
45a	
45b	
45c	
45d	
45e	
45f	
45g	
46	
47	60
48	1,979
49	
50	

Part V Statements Regarding Certain Activities and Other Information (see instructions)

51 At any time during the 2017 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts If YES, enter the name of the foreign country here ►

52 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file

53 Enter the amount of tax-exempt interest received or accrued during the tax year ► \$

Yes No

X

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

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

► *WILLIAM T. PATCHETT, JR.* ► *Secretary* ► *5/14/18*

Sign Here	Print/Type preparer's name WILLIAM T. PATCHETT, JR.	Preparer's signature <i>W. T. Patchett</i>	Date 5/14/18	Check <input type="checkbox"/> if self-employed	PTIN P01264713
Paid Preparer Use Only	Firm's name ► SCHEULEN, PATCHETT & EDWARDS, P.C.	Firm's EIN ►	54-1934818		
	PO BOX 21	Firm's address ►	Phone no 540-347-1040		
	WARRENTON, VA 20188-0021				

Schedule A – Cost of Goods Sold. Enter method of inventory valuation ►

1	Inventory at beginning of year	1		6	
2	Purchases	2			
3	Cost of labor	3			
4a	Additional sec 263A costs (attach schedule)	4a			
b	Other costs (attach schedule)	4b			
5	Total. Add lines 1 through 4b	5		7	
					Yes No

Schedule C – Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1 Description of property

(1) **N/A**

(2)

(3)

(4)

2 Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	Total	(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) ►

(c) Total income. Add totals of columns 2(a) and 2(b) Enter here and on page 1, Part I, line 6, column (A) ►

Schedule E – Unrelated Debt-Financed Income (see instructions)

1 Description of debt-financed property		2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property		STMT 4	STMT 5
(1) COMMERCIAL REAL ESTATE		2,924,917		640,189		805,210
(2)						
(3)						
(4)						
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 x column 6)	8 Allocable deductions (column 6 x total of columns 3(a) and 3(b))		
(1) 4,682,308	7,416,589	63.13%	1,846,500	912,480		
(2)		%				
(3)		%				
(4)		%				
SEE STATEMENT 6 SEE STATEMENT 7			Enter here and on page 1, Part I, line 7, column (A)	Enter here and on page 1, Part I, line 7, column (B)		
Totals			1,846,500	912,480		
Total dividends-received deductions included in column 8						

Schedule F – Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1 Name of controlled organization	2 Employer identification number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column 5
(1) N/A					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7 Taxable income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10
(1) - - - - -	- - -		- - - - -	
(2)				
(3)				
(4)				

Add columns 5 and 10
Enter here and on page 1,
Part I, line 8, column (A)

Add columns 6 and 11
Enter here and on page 1,
Part I, line 8, column (B)

Totals ►

Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col 3 plus col 4)
(1) N/A				
(2)				
(3)				
(4)				

Totals ►

Enter here and on page 1,
Part I, line 9, column (A)

Enter here and on page 1,
Part I, line 9, column (B)

Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3) If a gain, compute cols 5 through 7	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4)
(1) N/A						
(2)						
(3)						
(4)						

Totals ►

Enter here and on page 1, Part I,
line 10, col (A)

Enter here and on page 1, Part I,
line 10, col (B)

Enter here and on page 1,
Part II, line 26

Schedule J – Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4)
(1) N/A						
(2)						
(3)						
(4)						

Totals (carry to Part II, line (5)) ►

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis)

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5 but not more than column 4)
(1) N/A						
(2)						
(3)						
(4)						
Totals from Part I ►						
	Enter here and on page 1, Part I, line 11, col (A)	Enter here and on page 1, Part I, line 11, col (B)				Enter here and on page 1, Part II, line 27
Totals, Part II (lines 1-5) ►						

Schedule K – Compensation of Officers, Directors, and Trustees (see instructions)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
(1) LEO J WALKER	PRESIDENT	13.60 %	13,874
(2) SHEILA O STEDMAN	VICE PRESIDENT	13.60 %	13,874
(3) ALEXANDRA W. HOFFMAN	SECRETARY	13.60 %	12,874
(4) WILLIAM B WALKER	TREASURER	13.60 %	10,513
Total. Enter here and on page 1, Part II, line 14 ►			51,135

Depreciation and Amortization
(Including Information on Listed Property)

2017

Name(s) shown on return

THE KENTLAND FOUNDATION, INC.

Identifying number
52-6070323

Business or activity to which this form relates

INDIRECT DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

1 Maximum amount (see instructions)	1	510,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,030,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
7 Listed property Enter the amount from line 29	7			
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8			
9 Tentative deduction Enter the smaller of line 5 or line 8	9			
10 Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10			
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11			
12 Section 179 expense deduction Add lines 9 and 10, but don't enter more than line 11	12			
13 Carryover of disallowed deduction to 2018 Add lines 9 and 10, less line 12	13			

Note: Don't use Part II or Part III below for listed property Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property) (See instructions)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property) (See instructions)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2017	17	58,023
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	► <input type="checkbox"/>	

Section B—Assets Placed in Service During 2017 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property		25 yrs			S/L	
h Residential rental property		27 5 yrs	MM		S/L	
i Nonresidential real property		27 5 yrs	MM		S/L	
		39 yrs	MM		S/L	
			MM		S/L	

Section C—Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System

20a Class life					S/L
b 12-year		12 yrs			S/L
c 40-year		40 yrs	MM		S/L

Part IV Summary (See instructions)

21 Listed property Enter amount from line 28	21	
22 Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	58,023
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2017)

DAA

THERE ARE NO AMOUNTS FOR PAGE 2

Depreciation and Amortization
(Including Information on Listed Property)

2017

Name(s) shown on return

THE KENTLAND FOUNDATION, INC.

Identifying number

52-6070323

Business or activity to which this form relates

COMMERCIAL REAL ESTATE

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

1 Maximum amount (see instructions)	1	510,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,030,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
7 Listed property Enter the amount from line 29		7		
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7		8		
9 Tentative deduction Enter the smaller of line 5 or line 8		9		
10 Carryover of disallowed deduction from line 13 of your 2016 Form 4562		10		
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)		11		
12 Section 179 expense deduction Add lines 9 and 10, but don't enter more than line 11		12		
13 Carryover of disallowed deduction to 2018 Add lines 9 and 10, less line 12	►	13		

Note: Don't use Part II or Part III below for listed property Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property) (See instructions)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property) (See instructions)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2017	17	640,189
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	►	<input type="checkbox"/>

Section B—Assets Placed in Service During 2017 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property		25 yrs			S/L	
h Residential rental property		27 5 yrs	MM	S/L		
		27 5 yrs	MM	S/L		
i Nonresidential real property		39 yrs	MM	S/L		
			MM	S/L		

Section C—Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year		12 yrs			S/L	
c 40-year		40 yrs	MM	S/L		

Part IV Summary (See instructions)

21 Listed property Enter amount from line 28	21	
22 Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	640,189
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Part V

Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed?			Yes	No	24b If "Yes," is the evidence written?			Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25			
26 Property used more than 50% in a qualified business use									
27 Property used 50% or less in a qualified business use									
						S/L-			
						S/L-			
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1						28			
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1								29	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

30	Total business/investment miles driven during the year (don't include commuting miles)	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
		Yes	No										
31													
32													
33													
34													
35													
36													

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons (see instructions)

37	Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38	Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners	Yes	No
39	Do you treat all use of vehicles by employees as personal use?	Yes	No
40	Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?	Yes	No
41	Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)	Yes	No

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year		
42 Amortization of costs that begins during your 2017 tax year (see instructions)							
43 Amortization of costs that began before your 2017 tax year						43	17,474
44 Total. Add amounts in column (f) See the instructions for where to report						44	17,474

Form 4562

Depreciation and Amortization

OMB No 1545-0172

Department of the Treasury
Internal Revenue Service
(99)

(Including Information on Listed Property)

2017

► Attach to your tax return.

Attachment
Sequence No 179► Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return

THE KENTLAND FOUNDATION, INC.

Identifying number
52-6070323

Business or activity to which this form relates

FARM

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions)	1	510,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,030,000
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2018 Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	22,977
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	► <input type="checkbox"/>	

Section B—Assets Placed in Service During 2017 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
i Nonresidential real property			27 5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions)

21	Listed property Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	22,977
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2017)

THERE ARE NO AMOUNTS FOR PAGE 2

DAA

Federal Statements**Statement 1 - Form 990-T, Part II, Line 18 - Interest**

Description	Amount
MORTGAGE INTEREST	\$ 299,344
TOTAL	\$ 299,344

Statement 2 - Form 990-T, Part II, Line 20 - Charitable Contributions

Description	Amount
CURRENT YEAR CONTRIBUTIONS	\$ 37,000
CARRYOVER FROM PRIOR YEARS	59,813
TOTAL CONTRIBUTIONS AVAILABLE	96,813
LESS RECLASSIFICATION TO NOL	51,197
LESS CONTRIBUTIONS DISALLOWED	44,083
TOTAL DEDUCTION ALLOWED	1,533

Statement 3 - Form 990-T, Part II, Line 28 - Other Deductions

Description	Amount
OCCUPANCY	\$ 15,901
TOTAL	\$ 15,901

Statement 4 - Form 990-T, Schedule E, Column 3a - Straight Line Depreciation

Description	Deduction
COMMERCIAL REAL ESTATE	
BUILDING	22,222
BUILDING	15,873
BUILDING	63,492
IMPROVEMENTS	21,285
BUILDING	77,460
IMPROVEMENTS	4,362
BUILDINGS	133,333
BUILDOUT	795
BUILDOUT	1,211
BUILDING	225,397
IMPROVEMENTS	218
BUILDOUT	10,519
BUILDOUT	11,516
BUILDOUT - FOOD LION	24,231
BUILDOUT - FOOD LION	776
BUILDOUT - FOOD LION	20,256
BUILDOUT - FOOD LION	641
IMPROVEMENTS ???	697
PARKING LOT	5,905
TOTAL	640,189

Federal Statements**Statement 5 - Form 990-T, Schedule E, Column 3b - Other Deductions**

Description	Deduction
COMMERCIAL REAL ESTATE	
REPAIRS	59,832
INSURANCE	35,281
CLEANING & MAINTENANCE	168,534
UTILITIES	38,259
MANAGEMENT FEES	174,334
ASSOCIATION FEES	5,944
POSTAGE	246
BANK CHARGES	732
SNOW REMOVAL	11,462
PERSONAL PROPERTY TAXES	750
FEES & PERMITS	500
REAL ESTATE TAXES	289,822
PROFESSIONAL FEES	2,040
AMORTIZATION	17,474
TOTAL	<u>805,210</u>

Statement 6 - Form 990-T, Schedule E, Column 4 - Average Acquisition Debt

Description	Deduction
COMMERCIAL REAL ESTATE	
SUM OF DEBT OUTSTANDING AT FIRST OF EACH MONTH	56,187,690
DIVIDED BY TOTAL NUMBER OF MONTHS PROPERTY HELD	12
AVERAGE ACQUISITION DEBT	<u>4,682,308</u>

Statement 7 - Form 990-T, Schedule E, Column 5 - Average Adjusted Basis

Description	Deduction
COMMERCIAL REAL ESTATE	
ADJUSTED BASIS ON FIRST DAY PROPERTY WAS HELD	7,736,336
ADJUSTED BASIS ON LAST DAY PROPERTY WAS HELD	7,096,841
	14,833,177
DIVIDED BY 2	2
AVERAGE ADJUSTED BASIS	<u>7,416,589</u>