

For calendar year 2018, or tax year beginning 01-01-2018, and ending 12-31-2018

Name of foundation THE NICK AND LESLIE HANAUER FOUNDATION		A Employer identification number 26-1593306	
Number and street (or P O box number if mail is not delivered to street address) 1301 SECOND AVENUE SUITE 2850		Room/suite	B Telephone number (see instructions) (206) 624-1057
City or town, state or province, country, and ZIP or foreign postal code SEATTLE, WA 98101		C If exemption application is pending, check here <input type="checkbox"/>	
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 14,798,875	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> 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 <input type="checkbox"/>	

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 <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities . . .	289,667	289,667		
	5a Gross rents	10,005	10,005		
	b Net rental income or (loss) 8,393				
	6a Net gain or (loss) from sale of assets not on line 10	679,030			
	b Gross sales price for all assets on line 6a 679,585				
	7 Capital gain net income (from Part IV, line 2) . . .		679,030		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	159,960	159,960		
	12 Total. Add lines 1 through 11	1,138,662	1,138,662		
	13 Compensation of officers, directors, trustees, etc	0	0		0
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	7,500	5,625		1,875
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) . . .	715	209		0
	19 Depreciation (attach schedule) and depletion . . .				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	203,819	153,269		50,550
	24 Total operating and administrative expenses. Add lines 13 through 23	212,034	159,103		52,425
	25 Contributions, gifts, grants paid	2,159,233			2,159,233
	26 Total expenses and disbursements. Add lines 24 and 25	2,371,267	159,103		2,211,658
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-1,232,605			
	b Net investment income (if negative, enter -0-)		979,559		
	c Adjusted net income (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	3,358,058	1,449,005	1,449,005
	3 Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4 Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	4,269,442	4,245,704	4,245,704
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	8,403,980	9,104,166	9,104,166
	14 Land, buildings, and equipment basis ▶ _____ 108,407 Less accumulated depreciation (attach schedule) ▶ 108,407			
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	16,031,480	14,798,875	14,798,875	
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 ▶ <input type="checkbox"/> 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 ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0	0	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund	0	0	
	29 Retained earnings, accumulated income, endowment, or other funds	16,031,480	14,798,875	
30 Total net assets or fund balances (see instructions)	16,031,480	14,798,875		
31 Total liabilities and net assets/fund balances (see instructions) .	16,031,480	14,798,875		

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	16,031,480
2 Enter amount from Part I, line 27a	2	-1,232,605
3 Other increases not included in line 2 (itemize) ▶ _____	3	0
4 Add lines 1, 2, and 3	4	14,798,875
5 Decreases not included in line 2 (itemize) ▶ _____	5	0
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	14,798,875

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 See Additional Data Table			
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 See Additional Data Table			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a See Additional Data Table			
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	679,030
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 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))
2017	2,558,717	16,388,772	0 156126
2016	2,204,062	19,348,991	0 113911
2015	2,353,993	11,270,137	0 208870
2014	3,184,017	18,332,096	0 173685
2013	2,635,677	12,288,566	0 214482

2 Total of line 1, column (d)	2	0 867074
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 173415
4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5	4	6,920,237
5 Multiply line 4 by line 3	5	1,200,073
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	9,796
7 Add lines 5 and 6	7	1,209,869
8 Enter qualifying distributions from Part XII, line 4 ,	8	2,211,658

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 <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	9,796
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	9,796
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	9,796
6	Credits/Payments		
a	2018 estimated tax payments and 2017 overpayment credited to 2018	6a	20,695
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	0
d	Backup withholding erroneously withheld	6d	0
7	Total credits and payments. Add lines 6a through 6d.	7	20,695
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0
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	10,899
11	Enter the amount of line 10 to be Credited to 2019 estimated tax <input type="checkbox"/> 10,899 Refunded <input type="checkbox"/>	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? (see Instructions for definition). 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	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	No
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ 0 (2) On foundation managers <input type="checkbox"/> \$ 0		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2	No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3	No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	No
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5	No
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	No
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> 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	Yes
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2018 or the taxable year beginning in 2018? See the instructions for Part XIV. If "Yes," complete Part XIV	9	No
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	No

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. See instructions.	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement. See instructions.	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	Yes	
14	The books are in care of ► LESLIE HANAUER Telephone no ► (206) 624-1057			

Located at **►** 1301 SECOND AVENUE 2850 SEATTLE WA ZIP+4 **►** 98101

15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —check here ► <input type="checkbox"/>			
	and enter the amount of tax-exempt interest received or accrued during the year ► 15			
16	At any time during calendar year 2018, 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	Yes	No
	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.

1a	During the year did the foundation (either directly or indirectly)		Yes	No
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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). <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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. <input type="checkbox"/>	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 2018? <input type="checkbox"/>	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	If "Yes," list the years ► 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions).	2b		
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	If "Yes," did it have excess business holdings in 2018 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 2018).	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2018?	4b		No

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

5a	During the year did the foundation pay or incur any amount to		Yes	No
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions.		5b	
	Organizations relying on a current notice regarding disaster assistance check here.	<input type="checkbox"/>		
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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6b	No
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	7b	
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
8	Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation. See instructions**

(a) Name and address	(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
NICK HANAUER 179 NW CASCADE DRIVE SHORELINE, WA 98177	DIRECTOR 1 25	0	0	0
LESLIE HANAUER 179 NW CASCADE DRIVE SHORELINE, WA 98177	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 	
2 	
3 	
4 	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 	
2 	
All other program-related investments. See instructions.	
3 	
Total. Add lines 1 through 3	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	4,222,883
b	Average of monthly cash balances.	1b	2,802,738
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	7,025,621
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	7,025,621
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	105,384
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	6,920,237
6	Minimum investment return. Enter 5% of line 5.	6	346,012

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	346,012
2a	Tax on investment income for 2018 from Part VI, line 5.	2a	9,796
b	Income tax for 2018 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	9,796
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	336,216
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	336,216
6	Deduction from distributable amount (see instructions).	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	336,216

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	2,211,658
b	Program-related investments—total from Part IX-B.	1b	0
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	2,211,658
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	9,796
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	2,201,862

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 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				336,216
2 Undistributed income, if any, as of the end of 2018				
a Enter amount for 2017 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2018				
a From 2013.	2,330,264			
b From 2014.	2,898,501			
c From 2015.	1,795,293			
d From 2016.	1,265,705			
e From 2017.	1,750,942			
f Total of lines 3a through e.	10,040,705			
4 Qualifying distributions for 2018 from Part XII, line 4 ▶ \$ 2,211,658				
a Applied to 2017, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions).		0		
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2018 distributable amount.				336,216
e Remaining amount distributed out of corpus	1,875,442			
5 Excess distributions carryover applied to 2018 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	11,916,147			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
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.		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2017 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019				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).	0			
8 Excess distributions carryover from 2013 not applied on line 5 or line 7 (see instructions).	2,330,264			
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a	9,585,883			
10 Analysis of line 9				
a Excess from 2014.	2,898,501			
b Excess from 2015.	1,795,293			
c Excess from 2016.	1,265,705			
d Excess from 2017.	1,750,942			
e Excess from 2018.	1,875,442			

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 2018, enter the date of the ruling. ▶					
b Check box to indicate whether the organization is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)					
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
	(a) 2018	(b) 2017	(c) 2016	(d) 2015	
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 Additional Data Table	
b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest	
2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:	
Check here <input checked="" type="checkbox"/> 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	
b The form in which applications should be submitted and information and materials they should include	
c Any submission deadlines	
d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors	

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 <i>Paid during the year</i> See Additional Data Table				
Total			▶ 3a	
b <i>Approved for future payment</i>				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated

(See worksheet in line 13 instructions to verify calculations)

[illegible]

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

	Yes	No
--	-----	----

--	--	--

1a(1)	No
--------------	-----------

1a(2)	No
-------	----

--	--	--

1b(1)	No
--------------	-----------

1b(2)		No
--------------	--	-----------

1b(3)		No
--------------	--	-----------

1b(4)		No
--------------	--	-----------

1b(5)		No
--------------	--	-----------

1b(6)		No
--------------	--	-----------

1c		No
----	--	----

value
ue

[illegible]

described in section 501(c) (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

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

**Sign
Here**

Title

(see instr)? ☒ Yes ☐ No

**Paid
Preparer
Use Only**

P00520611

SCOTT R JAEGER CPA

Firm's name ▶ PETERSON SULLIVAN LLP CPA'S

Firm's address ► 601 UNION ST STE 2300

SEATTLE, WA 981012345

Firm's EIN ► 91-0605875

Phone no (206) 382-7777

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1 SPECIALTY LOAN INSTITUTIONAL FUND 2016-L - LONG TERM	P		
1 AETHER REAL ASSETS III, LP - SHORT TERM	P		
AETHER REAL ASSETS III, LP - LONG TERM	P		
AETHER REAL ASSETS III, LP - SECT 1231	P		
TOWNSEND REAL ESTATE ALPHA FUND I, LP - LONG TERM	P		
TOWNSEND REAL ESTATE ALPHA FUND I, LP - SECT 1231	P		
TOWNSEND REAL ESTATE ALPHA FUND I, LP - SHORT TERM	P		
TOWNSEND REAL ESTATE ALPHA FUND II, LP - LONG TERM	P		
TOWNSEND REAL ESTATE ALPHA FUND II, LP - SECT 1231	P		
TOWNSEND REAL ESTATE ALPHA FUND II, LP - SHORT TERM	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
22			22
187			187
50,594			50,594
519			519
28,001			28,001
1,348			1,348
		344	-344
40,390			40,390
5			5
411			411

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			22
			187
			50,594
			519
			28,001
			1,348
			-344
			40,390
			5
			411

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 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)
MCCUTCHEN GROUP INVESTMENT FUND SERIES 2014 - SHORT TERM		P		
1	MCCUTCHEN GROUP INVESTMENT FUND SERIES 2014 - LONG TERM	P		
	MCCUTCHEN GROUP INVESTMENT FUND SERIES 2014 - SECT 1231	P		
	CHARLES SCHWAB #7015 - CAPITAL GAIN DISTRIBUTION	P		
	DELAFIELD HAMBRECHT PARTNERS FUND, LP - SHORT TERM	P		
	DELAFIELD HAMBRECHT PARTNERS FUND, LP - LONG TERM	P		
	DELAFIELD HAMBRECHT PARTNERS FUND, LP - SECT 1231	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
		130	-130
29,346			29,346
14,683			14,683
428			428
71,993			71,993
441,658			441,658
		81	-81

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			-130
			29,346
			14,683
			428
			71,993
			441,658
			-81

Form 990PF Part XV Line 1a - 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).

NICK HANAUER
LESLIE HANAUER

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
CLIMATE SOLUTIONS 1402 THIRD AVE SUITE 1305 SEATTLE, WA 98101	NONE	501(C)(3)	CONTRIBUTION	25,000
DEMOCRACY JOURNAL 818 18TH STREET NW SUITE 750 WASHINGTON, DC 20006	NONE	501(C)(3)	CONTRIBUTION	85,000
ECONOMIC POLICY INSTITUTE 1225 EYE ST NW SUITE 600 WASHINGTON, DC 20005	NONE	501(C)(3)	CONTRIBUTION	25,000
Total ▶ 3a				2,159,233

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
FRIENDS OF WATERFRONT SEATTLE 1400 WESTERN AVE SEATTLE, WA 98101	NONE	501(C)(3)	CONTRIBUTION	333,333
FUNDACION TELETON USA REHABILITATION CENTER 10839 QUARRY PARK SAN ANTONIO, TX 78233	NONE	501(C)(3)	CONTRIBUTION	5,000
LEAGUE OF EDUCATION VOTERS 2734 WESTLAKE AVENUE N SEATTLE, WA 98109	NONE	501(C)(3)	CONTRIBUTION	15,000
Total ► 3a				2,159,233

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
PROTEUS FUND 15 RESEARCH DRIVE SUITE B AMHERST, MA 01002	NONE	501(C)(3)	CONTRIBUTION	25,000
SEATTLE ACADEMY OF ARTS AND SCIENCES 1432 15TH AVENUE SEATTLE, WA 98122	NONE	501(C)(3)	CONTRIBUTION	30,800
SEATTLE CHILDRENS HOSPITAL 2001 8TH AVE 400 SEATTLE, WA 98145	NONE	501(C)(3)	CONTRIBUTION	500,000
Total ► 3a				2,159,233

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
SEATTLE CITY CLUB 240 2ND AVENUE SOUTH SUITE 208 SEATTLE, WA 98104	NONE	501(C)(3)	CONTRIBUTION	5,000
THE FRANKLIN AND ELEANOR ROOSEVELT INSTITUTE 570 LEXINGTON AVENUE 5TH FLOOR NEW YORK, NY 10022	NONE	501(C)(3)	CONTRIBUTION	40,000
TROUT UNLIMITED INC 1777 N KENT STREET SUITE 100 ARLINGTON, VA 22209	NONE	501(C)(3)	CONTRIBUTION	10,000
Total ► 3a				2,159,233

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
UNITED WAY720 2ND AVENUE SEATTLE, WA 98104	NONE	501(C)(3)	CONTRIBUTION	200,000
WASHINGTON PROGRESS FUND 1402 THIRD AVE SUITE 201 SEATTLE, WA 98101	NONE	501(C)(3)	CONTRIBUTION	60,000
THE AMERICAN PROSPECT 1225 I STREET NW SUITE 600 WASHINGTON, DC 20005	NONE	501(C)(3)	CONTRIBUTION	50,000
Total ▶ 3a				2,159,233

Form 990PF Part XV Line 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				
CASCADE PUBLIC MEDIA 401 MERCER ST SEATTLE, WA 98109	NONE	501(C)(3)	CONTRIBUTION	5,000
CENTER FOR AMERICAN PROGRESS 1333 H STREET NW WASHINGTON, DC 20005	NONE	501(C)(3)	CONTRIBUTION	50,000
FRED HUTCHINSON CANCER RESEARCH CENTER 1100 FAIRVIEW AVE N SEATTLE, WA 98109	NONE	501(C)(3)	CONTRIBUTION	35,100
Total ► 3a				2,159,233

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
HOPEWELL FUND 1201 CONNECTICUT AVE NW WASHINGTON, DC 20036	NONE	501(C)(3)	CONTRIBUTION	50,000
INTERNATIONAL DOCUMENTARY ASSOCIATION 3470 WILSHIRE BLVD SUITE 980 LOS ANGELES, CA 90010	NONE	501(C)(3)	CONTRIBUTIONN	10,000
MEDIA MATTERS FOR AMERICA PO BOX 52155 WASHINGTON, DC 20091	NONE	501(C)(3)	CONTRIBUTION	5,000
Total ► 3a				2,159,233

Form 990PF Part XV Line 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				
NATIONAL EMPLOYMENT LAW PROJECT 1225 S WELLER ST 205 SEATTLE, WA 98144	NONE	501(C)(3)	CONTRIBUTION	25,000
TIDES CENTER RAISE WAGES NOW PROJECT 1014 TORNEY AVENUE SAN FRANCISCO, CA 94129	NONE	501(C)(3)	CONTRIBUTION	500,000
SANTA FE INSTITUTE 1399 HYDE PARK RD SANTA FE, NM 87501	NONE	501(C)(3)	CONTRIBUTION	40,000
Total ▶ 3a				2,159,233

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
SEATTLE SYMPHONY 200 UNIVERSITY STREET SEATTLE, WA 98101	NONE	501(C)(3)	CONTRIBUTION	10,000
WORKING WASHINGTON 116 WARREN AVE N SUITE A SEATTLE, WA 98109	NONE	501(C)(3)	CONTRIBUTION	20,000
Total ▶ 3a				2,159,233

TY 2018 Accounting Fees Schedule**Name:** THE NICK AND LESLIE HANAUER FOUNDATION**EIN:** 26-1593306

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	7,500	5,625		1,875

TY 2018 Investments Corporate Stock Schedule

Name: THE NICK AND LESLIE HANAUER FOUNDATION

EIN: 26-1593306

Investments Corporation Stock Schedule

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CHARLES SCHWAB STOCK INVESTMENTS	4,245,704	4,245,704

TY 2018 Investments - Other Schedule**Name:** THE NICK AND LESLIE HANAUER FOUNDATION**EIN:** 26-1593306**Investments Other Schedule 2**

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
DELAFIELD HAMBRECHT INVESTMENT	AT COST	2,546,650	2,546,650
AETHER REAL ASSETS III	AT COST	668,803	668,803
MCCUTCHEN GROUP INVESTMENTS	AT COST	960,447	960,447
TOWNSEND REAL ESTATE ALPHA FUND I	AT COST	432,713	432,713
BLACKSTONE PARTNERS OFFSHORE FUND LTD	AT COST	1,600,086	1,600,086
Q-BLK STRATEGIC PARTNERS II, LTD	AT COST	757,537	757,537
GLOBAL PARTNERSHIPS SOCIAL INVESTMENT FUND 6.0	AT COST	982,500	982,500
TOWNSEND REAL ESTATE ALPHA FUND II	AT COST	680,698	680,698
TREA II AIV NON-ERISA, LP	AT COST	82,828	82,828
SPECIALTY LOAN INST FUND 2016-L	AT COST	141,992	141,992
CERBERUS OPP FUND III	AT COST	119,745	119,745
FORTERRA STRONG COMMUNITIES I LP	AT COST	125,856	125,856
GSO CREDIT ALPHA FUND II	AT COST	4,311	4,311

TY 2018 Other Expenses Schedule**Name:** THE NICK AND LESLIE HANAUER FOUNDATION**EIN:** 26-1593306**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
DELAFIELD HAMBRECHT PARTNER FUND K-1	40,516	30,387		10,129
TOWNSEND REAL ESTATE ALPHA FUND I K-1	10,869	8,152		2,717
AETHER REAL ASSETS III K-1	24,673	18,505		6,168
MCCUTCHEN GROUP INVESTMENT FUND K-1	65,814	49,361		16,453
TOWNSEND REAL ESTATE ALPHA FUND II K-1	14,799	11,099		3,700
TREA II AIV NON-ERISA, LP K-1	114	86		28
SPECIALTY LOAN INST FUND 2016-L K-1	422	317		105
INVESTMENT EXPENSE	45,000	33,750		11,250
REPORTED NET RENTAL LOSS	536	536		0
REPORTED NET RENTAL LOSS	145	145		0

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
REPORTED NET RENTAL LOSS	305	305		0
REPORTED NET RENTAL LOSS	626	626		0

TY 2018 Other Income Schedule**Name:** THE NICK AND LESLIE HANAUER FOUNDATION**EIN:** 26-1593306**Other Income Schedule**

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
AETHER REAL ASSETS III K-1	5,229	5,229	5,229
TOWNSEND REAL ESTATE FUND I K-1	47,785	47,785	47,785
TOWNSEND REAL ESTATE FUND II K-1	37,333	37,333	37,333
MCCUTCHEN GROUP INVESTMENT FUND K-1	54,195	54,195	54,195
SPECIALTY LOAN INST FIND 2016- L LP K-1	23,349	23,349	23,349
TREA II AIV NON-ERISA, LP K-1	774	774	774
FORTERRA STRONG COMMUNITIES I LP	-8,705	-8,705	-8,705

TY 2018 Taxes Schedule**Name:** THE NICK AND LESLIE HANAUER FOUNDATION**EIN:** 26-1593306

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAXES - MCCUTCHEN GROUP FUND K-1	209	209		0
FEDERAL EXCISE TAX	506	0		0