

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

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990PF for instructions and the latest information.

2949114205511 1
OMB No 1545-0047
2019
Open to Public Inspection

For calendar year 2019 or tax year beginning , 2019, and ending , 20

Name of foundation Castelloe Family Foundation		A Employer identification number 56-2148069
Number and street (or P O box number if mail is not delivered to street address) P.O. Box 9325		B Telephone number (see instructions) (828) 407-8356
City or town, state or province, country, and ZIP or foreign postal code Asheville NC 28815		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 4,827,630.	J Accounting method ☐ Cash ☒ Accrual ☐ Other (specify) _____ (Part I, column (d), must be on cash basis)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	3,991,980.			
	2 Check ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	223.	223.		
	4 Dividends and interest from securities	65,553.	65,553.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain			0.	
	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)				
	12 Total. Add lines 1 through 11	4,057,756.	65,776.	0.	
	13 Compensation of officers, directors, trustees, etc.	21,337.			21,337.
	14 Other employee salaries and wages	29,969.			29,969.
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	1,200.	1,200.		
	c Other professional fees (attach schedule)				
	17 Interest received US Bank - 600				
	18 Taxes (attach schedule) (see instructions) See Stmt	3,925.			3,925.
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy DEC 07 2020	6,969.			6,969.
	21 Travel, conferences, and meetings	9,712.			9,712.
	22 Printing and publications				
	23 Other expenses (attach schedule) See Stmt	6,632.	0.		6,632.
	24 Total operating and administrative expenses. Add lines 13 through 23	79,744.	1,200.		78,544.
	25 Contributions, gifts, grants paid	201,297.			201,297.
	26 Total expenses and disbursements. Add lines 24 and 25	281,041.	1,200.		279,841.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	3,776,715.			
	b Net investment income (if negative, enter -0-)		64,576.		
	c Adjusted net income (if negative, enter -0-)			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	72,239.	2,450.	2,450.
	2 Savings and temporary cash investments	152,635.	1,549,226.	1,549,226.
	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) ▶ 25,000.	L-7 Stmt		
	Less: allowance for doubtful accounts ▶	0.	25,000.	25,000.
	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) L-10b Stmt	230,308.	2,660,902.	3,250,954.
	c Investments—corporate bonds (attach schedule)			
Liabilities	11 Investments—land, buildings, and equipment basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	455,182.	4,237,578.	4,827,630.
	17 Accounts payable and accrued expenses		11,451.	
	18 Grants payable			
Net Assets or Fund Balances	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)		11,451.	
	Foundations that follow FASB ASC 958, check here ▶ ☐			
	and complete lines 24, 25, 29, and 30.			
	24 Net assets without donor restrictions			
	25 Net assets with donor restrictions			
	Foundations that do not follow FASB ASC 958, check here ▶ ☒			
	and complete lines 26 through 30.			
	26 Capital stock, trust principal, or current funds			
	27 Paid-in or capital surplus, or land, bldg, and equipment fund			
	28 Retained earnings, accumulated income, endowment, or other funds	455,182.	4,226,127.	
	29 Total net assets or fund balances (see instructions)	455,182.	4,226,127.	
	30 Total liabilities and net assets/fund balances (see instructions)	455,182.	4,237,578.	

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 29 (must agree with end-of-year figure reported on prior year's return)	1	455,182.
2 Enter amount from Part I, line 27a	2	3,776,715.
3 Other increases not included in line 2 (itemize) ▶ 2018 Federal Tax Refund	3	124.
4 Add lines 1, 2, and 3	4	4,232,021.
5 Decreases not included in line 2 (itemize) ▶ See Statement	5	5,894.
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 29	6	4,226,127.

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 .37 SHS Wabtec Corporation	D	02/26/2019	02/26/2019
b 1000 SHS General Electric Co	D	07/26/2010	03/21/2019
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 27.		29.	-2.
b 10,269.		16,047.	-5,778.
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			-2.
b			-5,778.
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	-5,780.
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	-2.

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 doesn't qualify under section 4940(e). Do not complete this part

(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))
2018	34,000.	725,534.	0.046862
2017	28,000.	697,911.	0.040120
2016	23,000.	567,145.	0.040554
2015	20,000.	477,471.	0.041887
2014	17,725.	399,389.	0.044380

2 Total of line 1, column (d)	2	0.213803
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	0.042761
4 Enter the net value of noncharitable-use assets for 2019 from Part X, line 5	4	2,706,278.
5 Multiply line 4 by line 3	5	115,723.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	646.
7 Add lines 5 and 6	7	116,369.
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	304,841.

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	646.
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	646.
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	646.
6 Credits/Payments:			
a 2019 estimated tax payments and 2018 overpayment credited to 2019	6a	124.	
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		
7 Total credits and payments. Add lines 6a through 6d	7	124.	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	15.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	537.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0.	
11 Enter the amount of line 10 to be Credited to 2020 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 NC		
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	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 2019 or the tax year beginning in 2019? See the 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

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		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		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	X	
14 The books are in care of ▶ Paul E. Castelloe Jr Telephone no ▶ (919) 571-8863 Located at ▶ 39 Ashley Road Asheville NC ZIP+4 ▶ 28805		
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 2019, 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 ▶		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 ▶ ☐	1b	X
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 2019?	1c	X
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 2019, did the foundation have any undistributed income (Part XIII, lines 6d and 6e) for tax year(s) beginning before 2019? ☐ Yes ☒ No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions)	2b	
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 2019 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 Form 4720, Schedule C, to determine if the foundation had excess business holdings in 2019)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2019?	4b	X

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

	Yes	No
5a During the year, did the foundation pay or incur any amount to:		
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes	☒ No
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes	☒ No
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes	☒ No
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions	☐ Yes	☒ No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes	☒ No
b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions	5b	X
Organizations relying on a current notice regarding disaster assistance, check here ☐		
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	☐ Yes	☐ No
If "Yes," attach the statement required by Regulations section 53.4945-5(d).		
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes	☒ No
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b	X
If "Yes" to 6b, file Form 8870		
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes	☒ No
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	7b	
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(s) during the year?	☐ Yes	☒ No

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
Paul E. Castelloe Jr. 39 Ashley Road Asheville NC 28805	President 1.00	21,337.	0.	0.
Blair Castelloe Vanhook 4430 Laurel Hills Road Raleigh NC 27612	Vice-Pres, Secretary, Treas 1.00	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 Teacher retention support at Emma Elementary in Asheville, NC. Develop and stock a staff lounge (food and drinks) and a staff supply closet (teacher supplies) at Emma Elementary. The goal here is to improve teacher retention and prevent turnover in diverse schools in marginalized communities.	7,725.
2 Research on Positive Childhood Experiences (planning stages): Planning for a major, multi-year community-based research project on positive childhood experiences as a buffer to childhood trauma / adverse childhood experiences (an emerging area of research in public health / education / social work)	2,901.
3 Community self-development support with PODER Emma Community Ownership (www.poderemma.org). Technical assistance, research, coaching, and facilitation related to network development, worker-owned business development, and youth development / educational development.	2,443.
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 La Esperanza, LLC: 0% 10-year loan to a resident-owned community (cooperatively-owned mobile home community) in the Emma community of Asheville, NC (to preserve affordable housing in a diverse, low-wealth, marginalized community).	25,000.
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	25,000.

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	1,834,215.
b	Average of monthly cash balances	1b	888,275.
c	Fair market value of all other assets (see instructions)	1c	25,000.
d	Total (add lines 1a, b, and c)	1d	2,747,490.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	2,747,490.
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	41,212.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,706,278.
6	Minimum investment return. Enter 5% of line 5	6	135,314.

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	135,314.
2a	Tax on investment income for 2019 from Part VI, line 5	2a	646.
b	Income tax for 2019. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	646.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	134,668.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	134,668.
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	134,668.

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	279,841.
b	Program-related investments—total from Part IX-B	1b	25,000.
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	304,841.
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	646.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	304,195.

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 2018	(c) 2018	(d) 2019
1 Distributable amount for 2019 from Part XI, line 7				134,668.
2 Undistributed income, if any, as of the end of 2019.				
a Enter amount for 2018 only			35,992.	
b Total for prior years. 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2019.				
a From 2014				
b From 2015				
c From 2016				
d From 2017				
e From 2018				
f Total of lines 3a through e				
4 Qualifying distributions for 2019 from Part XII, line 4. ▶ \$ 304,841.				
a Applied to 2018, but not more than line 2a			35,992.	
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 2019 distributable amount				134,668.
e Remaining amount distributed out of corpus	134,181.			
5 Excess distributions carryover applied to 2019 (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	134,181.			
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				
d Subtract line 6c from line 6b. Taxable amount—see instructions		0.		
e Undistributed income for 2018. Subtract line 4a from line 2a. Taxable amount—see instructions			0.	
f Undistributed income for 2019. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2020				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 2014 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2020. Subtract lines 7 and 8 from line 6a	134,181.			
10 Analysis of line 9.				
a Excess from 2015	0.			
b Excess from 2016	0.			
c Excess from 2017	0.			
d Excess from 2018	0.			
e Excess from 2019	134,181.			

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

N/A

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2019, 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)

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) 2019	(b) 2018	(c) 2017	(d) 2016	
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).)

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

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

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc., 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.

See Supplementary Information Statement

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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
National Eating Disorders Association 1500 Broadway Ste 1101 New York NY 10036	NONE	PC	Charity	80,000.
Ronald McDonald House Durham & Wake 506 Alexander Ave Durham NC 27705	NONE	PC	Charity	30,000.
YMCA of the Triangle Area, Inc 801 Corporate Center Dr Ste 200 Raleigh NC 27607	NONE	PC	Charity	4,000.
Transitions Guilding Lights Caregiver Support Center 3739 National Dr Ste 204 Raleigh NC 27612	NONE	PC	Charity	8,000.
CIMA -Companeors Inmigrantes de las Montanas Accion 528 Emma Road Asheville NC 28806	NONE	PC	Charity	76,000.
Emma Elementary School Teacher Love Fund 37 Brickyard Road Asheville NC 28806	NONE	NC	Charity	3,297.
Total			3a	201,297.
b Approved for future payment				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See instructions)
1	Program service revenue					
a	_____					
b	_____					
c	_____					
d	_____					
e	_____					
f	_____					
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	223.	
4	Dividends and interest from securities			14	65,553.	
5	Net rental income or (loss) from real estate.					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue. a _____					
b	_____					
c	_____					
d	_____					
e	_____					
12	Subtotal. Add columns (b), (d), and (e)				65,776.	
13	Total. Add line 12, columns (b), (d), and (e)				13	65,776.

(See worksheet in line 13 instructions to verify calculations.)

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

[illegible]

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

		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
(1)	Cash	1a(1)	X
(2)	Other assets	1a(2)	X
b	Other transactions:		
(1)	Sales of assets to a noncharitable exempt organization	1b(1)	X
(2)	Purchases of assets from a noncharitable exempt organization	1b(2)	X
(3)	Rental of facilities, equipment, or other assets	1b(3)	X
(4)	Reimbursement arrangements	1b(4)	X
(5)	Loans or loan guarantees	1b(5)	X
(6)	Performance of services or membership or fundraising solicitations	1b(6)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received		

[illegible]

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

b If "Yes," complete the following schedule.

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

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	 Signature of officer or trustee	11/30/20 Date	President Title
	May the IRS discuss this return with the preparer shown below? See instructions ☒ Yes ☐ No		

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Stephen C Corliss	Stephen C Corliss	11/30/2020		P01333317
	Firm's name ▶ CORLISS & SOLOMON, PLLC			Firm's EIN ▶ 20-2571677	
	Firm's address ▶ 242 CHARLOTTE ST SUITE #1			Phone no (828) 236-0206	

BAA ASHEVILLE NC 28801 Form 990-PF (2019)

See Explanation for Late Filing

Schedule B(Form 990, 990-EZ,
or 990-PF)
Department of the Treasury
Internal Revenue Service**Schedule of Contributors**▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2019

Name of the organization

Castelloe Family Foundation

Employer identification number

56-2148069

Organization type (check one).**Filers of:****Section:**

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000, or (2) 2% of the amount on (i) Form 990, Part VII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year. ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization Castelloe Family Foundation	Employer identification number 56-2148069
--	---

Part I Contributors (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Estate of Paul Edgar Castelloe 251 Jones Cove Rd Asheville NC 28805	\$ 3,991,980.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)

Name of organization

Employer identification number

Castelloe Family Foundation

56-2148069

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed

[illegible]

Name of organization

Employer identification number

Castelloe Family Foundation

56-2148069

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

Form 990-PF: Return of Private Foundation**Part XV, Line 2: Supplementary Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc.** Continuation Statement

Name and Address Information	Form Information	Submission Information	Restrictions
Castelloe Family Foundation, Inc c/o Paul E Castelloe Jr 39 Ashley Road Asheville, NC 28805 919-571-8863	Requests must specify the purpose for which the funds will be used	None	Grantee to furnish periodic accounting to show that the funds were expended for the purposes which were approved by the Board of Directors

Additional information from your Form 990-PF: Return of Private Foundation**Form 990-PF: Return of Private Foundation****Taxes****Continuation Statement**

Description	Revenue and Expense per Book	Net Investment Income	Adjusted Net Income	Disbursement for charitable purpose
Payroll Taxes	3,925.			3,925.
Total	3,925.			3,925.

Form 990-PF: Return of Private Foundation**Other Expenses****Continuation Statement**

Description	Revenue and Expense per Book	Net Investment Income	Adjusted Net Income	Disbursement for charitable purpose
Office Expenses	1,160.	0.		1,160.
Information Technology	2,217.			2,217.
Dues, Subscriptions & Literature	2,255.	0.		2,255.
Staff Development	1,000.			1,000.
Total	6,632.	0.		6,632.

Form 990-PF: Return of Private Foundation**Other Decreases****Continuation Statement**

Description	Amount
Stock Sales Losses	5,780.
Foreign Tax	114.
Total	5,894.

Form 990-PF: Return of Private Foundation**Late Filing Explanation****Explanation Statement**

Explanation
Dear Sir/Madam: We are writing to request an abatement of potential late filing penalties being assessed on behalf of our client, Castelloe Family Foundation. We acknowledge and deeply apologize for the late filing, however due to circumstances caused by the COVID-19 pandemic there was an inability to obtain relevant documents within the appropriate window to allow for a timely filed return. Again, we sincerely apologize and hope that you will consider the abatement of penalties owed for reasonable cause, as we made a good faith effort to file on time. Please also consider that we have promptly filed and made all other previous payments before the deadline. We are glad to provide any further clarification you may require. Please feel free to contact us at (828) 236-0206. Sincerely, Corliss & Solomon

Receivables

2019

Name
Castelloe Family Foundation

Employer Identification No
56-2148069

Lender Information:

Loan Receivable Type 4
Borrowers Name La Esperanza LLC
Borrower's Title Managing Member
Check Box, if Borrower is a Business . ☒ X
Relationship of Borrower (Other loans only) NONE
Repayment Terms 10 year interest free balloon
Borrower's Security None
Purpose of Loan Bridge loan
Description of Consideration Property purchase 528 Emma Rd
Original Amount 25,000.
Beginning Year Balance 0. Year End Balance 25,000.
FMV at Year End 25,000. FMV of Consideration 25,000.
Allowance for Doubtful Accounts(other loans only) 0.
Date of Note 04/15/19 Maturity Date 04/15/29 Interest Rate 0.00
Loan Receivable Type _____
Borrowers Name _____
Borrower's Title _____
Check Box, if Borrower is a Business . ☐
Relationship of Borrower (Other loans only) _____
Repayment Terms _____
Borrower's Security _____
Purpose of Loan _____
Description of Consideration _____
Original Amount _____
Beginning Year Balance _____ Year End Balance _____
FMV at Year End _____ FMV of Consideration _____
Allowance for Doubtful Accounts(other loans only) _____
Date of Note _____ Maturity Date _____ Interest Rate _____
Loan Receivable Type _____
Borrowers Name _____
Borrower's Title _____
Check Box, if Borrower is a Business ☐
Relationship of Borrower (Other loans only) _____
Repayment Terms _____
Borrower's Security _____
Purpose of Loan _____
Description of Consideration _____
Original Amount _____
Beginning Year Balance _____ Year End Balance _____
FMV at Year End _____ FMV of Consideration _____
Allowance for Doubtful Accounts(other loans only) _____
Date of Note _____ Maturity Date _____ Interest Rate _____

QuickZoom to Form 990-PF, Page 2 ▶

Name Castelloe Family Foundation	Employer Identification No 56-2148069
-------------------------------------	--

Line 10a - Investments - US and State Government Obligations:	End of Year		End of Year	
	State and Local Obligations Book Value	State and Local Obligations FMV	US Government Obligations Book Value	US Government Obligations FMV
Tot to Fm 990-PF, Pt II, Ln 10a				

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
Altria Group Inc	269,924.	349,370.
American Express Co	124,010.	124,490.
Bank of America Corp	446,271.	556,476.
See L-10b Stmt	1,820,697.	2,220,618.
Totals to Form 990-PF, Part II, Line 10b	2,660,902.	3,250,954.

Line 10c - Investments - Corporate Bonds:	End of Year	
	Book Value	Fair Market Value
Totals to Form 990-PF, Part II, Line 10c		

Line 12 - Investments - Mortgage loans:	End of Year	
	Book Value	Fair Market Value
Totals to Form 990-PF, Part II, Line 12		

Line 13 - Investments - Other:	End of Year	
	Book Value	Fair Market Value
Totals to Form 990-PF, Part II, Line 13		

Additional information from your 2019 Federal Exempt Tax Return

Form 990-PF: Return of Private Foundation

Line 1(a)

Itemization Statement

Description	Amount
Transfers In - Schwab Treasury Bonds	1,322,611.
Transfers In - Schwab Stock Equities	1,617,084.
Transfers In - Schwab Stock Equities	1,052,285.
Total	3,991,980.

Form 990-PF Part II Line 10, 12 and 13 Investments

L-10b Stmt

Continuation Statement

Line 10b Description	Line 10b Book	Line 10b FMV
Boston Scientific Co	419,350.	452,200.
Charles Schwab Corp	40,335.	47,560.
Chesapeake Energy Co	3,799.	1,651.
Duke Energy Co	5,776.	15,141.
Fifth Third Bancorp	219,040.	245,920.
Freeport-McMoran Inc	30,185.	26,240.
Keycorp Inc	305,029.	384,560.
Morgan Stanley	87,060.	102,240.
Nike Inc	333,130.	405,240.
Pfizer Inc	52,092.	47,016.
Philip Morris Intl	143,473.	170,180.
Teck Resources Ltd	73,942.	69,480.
Truist Financial Corp	72,077.	112,640.
Wabtec	736.	778.
Waste Management Inc	14,780.	113,960.
Wells Fargo Bk NA	9,238.	10,706.
Western Digital Corp	10,655.	15,106.
Total	1,820,697.	2,220,618.