EXTENDED TO NOVEMBER 15, 2017

Form 990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning , and ending

Name of foundation: SAMARITAN HOUSING FOUNDATION, INC.

A Employer identification number: 31-1644805

Number and street (or P O box number if mail is not delivered to street address): 17001 SEARSTONE DRIVE | Room/suite

B Telephone number: 866-261-1814

City or town, state or province, country, and ZIP or foreign postal code: CARY, NC 27513

C If exemption application is pending, check here ▶ [ ]

G Check all that apply: [ ] Initial return [ ] Initial return of a former public charity [ ] Final return [ ] Amended return [ ] Address change [ ] Name change

D 1 Foreign organizations, check here ▶ [ ]

2 Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

H Check type of organization: [X] Section 501(c)(3) exempt private foundation [ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 141,957,826.

J Accounting method: [ ] Cash [X] 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 ▶ [X]

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))

		(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	710.			
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	160,751.	160,751.		STATEMENT 1
	4 Dividends and interest from securities				
	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 50,245.				STATEMENT 2
	b Less Cost of goods sold				
	c Gross profit or (loss)	50,245.		50,245.	
	11 Other income	10,267,084.	0.	10,267,084.	STATEMENT 3
	12 **Total** Add lines 1 through 11	10,478,790.	160,751.	10,317,329.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	243,200.	0.	0.	243,200.
	14 Other employee salaries and wages	3,184,500.	0.	3,184,500.	0.
	15 Pension plans, employee benefits	430,900.	0.	430,900.	0.
	16a Legal fees STMT 4	62,291.	0.	62,291.	0.
	b Accounting fees STMT 5	95,580.	0.	95,580.	0.
	c Other professional fees STMT 6	1,420,382.	0.	1,420,382.	0.
	17 Interest	5,527,099.	0.	2,986,547.	2,540,552.
	18 Taxes STMT 7	292,230.	0.	0.	0.
	19 Depreciation and depletion	4,017,087.	0.	0.	
	20 Occupancy	620,560.	0.	620,560.	0.
	21 Travel, conferences, and meetings	18,808.	0.	18,808.	0.
	22 Printing and publications				
	23 Other expenses STMT 8	1,497,761.	0.	1,497,761.	0.
	24 **Total operating and administrative expenses** Add lines 13 through 23	17,410,398.	0.	10,317,329.	2,783,752.
	25 Contributions, gifts, grants paid	512,542.			512,542.
	26 **Total expenses and disbursements.** Add lines 24 and 25	17,922,940.	0.	10,317,329.	3,296,294.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-7,444,150.			
	b **Net investment income** (if negative, enter -0-)		160,751.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

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SCANNED JUN 29 2017

623501 11-23-16 LHA For Paperwork Reduction Act Notice, see instructions. Form 990-PF (2016)

14410619 797738 311644805 2016.03050 SAMARITAN HOUSING FOUNDAT 31164481

Part II Balance Sheets Attached schedules and amounts in the description column should be for end of-year amounts only

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	1,004,787.	1,585,663.	1,585,663.
	2	Savings and temporary cash investments	887,770.	3,400,186.	3,400,186.
	3	Accounts receivable ▶ 1,353,604.			
		Less: allowance for doubtful accounts ▶	287,183.	1,353,604.	1,353,604.
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ▶ 585,151.			
		Less: allowance for doubtful accounts ▶ 0.	555,069.	585,151.	585,151.
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	67,237.	153,334.	153,334.
	10a	Investments - U.S. and state government obligations			
	b	Investments - corporate stock STMT 10	18,815,627.	14,208,680.	14,208,680.
	c	Investments - corporate bonds			
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other			
	14	Land, buildings, and equipment: basis ▶ 116,285,330.			
		Less accumulated depreciation ▶ 9,281,662.	101,150,521.	107,003,668.	107,003,668.
	15	Other assets (describe ▶ STATEMENT 11)	14,062,767.	13,667,540.	13,667,540.
	16	**Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	136,830,961.	141,957,826.	141,957,826.
Liabilities	17	Accounts payable and accrued expenses	997,184.	1,598,869.	
	18	Grants payable			
	19	Deferred revenue	9,599,533.	10,058,831.	
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe ▶ STATEMENT 12)	181,252,678.	183,039,317.	
	23	**Total liabilities** (add lines 17 through 22)	191,849,395.	194,697,017.	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31**			
	24	Unrestricted	-55,018,434.	-52,739,191.	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ [ ] and complete lines 27 through 31			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances**	-55,018,434.	-52,739,191.	
	31	**Total liabilities and net assets/fund balances**	136,830,961.	141,957,826.	

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	-55,018,434.
2	Enter amount from Part I, line 27a	2	-7,444,150.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 9	3	9,723,393.
4	Add lines 1, 2, and 3	4	-52,739,191.
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	-52,739,191.

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				
b	NONE			
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				
b				
c				
d				
e				

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

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

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).
If (loss), enter -0- in Part I, line 8 } 3

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col (c))
2015	6,862,956.	8,433,561.	.813767
2014	10,486,577.	7,870,810.	1.332338
2013	1,769,917.	21,410,828.	.082665
2012	46,588.	0.	.000000
2011			

2	Total of line 1, column (d)	2	2.228770
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.557193
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	13,271,284.
5	Multiply line 4 by line 3	5	7,394,667.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,608.
7	Add lines 5 and 6	7	7,396,275.
8	Enter qualifying distributions from Part XII, line 4	8	3,296,294.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	0.
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	0.
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	0.
6	Credits/Payments:		
a	2016 estimated tax payments and 2015 overpayment credited to 2016 — 6a		
b	Exempt foreign organizations - tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments. Add lines 6a through 6d	7	0.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	**Tax due** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	0.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be: **Credited to 2017 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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 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		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6		X
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ GA,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*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9	X	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ WWW.SEARSTONE.COM

14 The books are in care of ▶ JASON A. CHAUTIN Telephone no. ▶ 919-234-0408

Located at ▶ 17001 SEARSTONE DR, CARY, NC ZIP+4 ▶ 27513

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 N/A

			Yes	No
16	At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ▶			

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?	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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____ , ____ , ____ , ____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____ , ____ , ____ , ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2016 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b		X

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? N/A | 5b |

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53 4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X |

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A | 7b |

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
SEE STATEMENT 13		243,200.	29,404.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
SODEXO, INC - 9801 WASHINGTONIAN BLVD, GAITHERSBURG, MD 20878	FOOD SERVICES	762,615.
SEARSTONE-RLA - 7200 CREEDMOOR ROAD, STE 102, RALEIGH,, NC 27613	MANAGEMENT	286,026.
K&L GATES, LLP 210 SIXTH AVE, PITTSBURGH, PA 15222	LEGAL SERVICES	195,606.
LOVE & COMPANY 1209 N. EAST STREET, FREDERICK, MD 21701	MARKETING SERVICES	145,952.
MINTZ, LEVIN, COHN, GLOVSKY, AND POPEO, P.C. ONE FINANCIAL CENTER, BOSTON, MA 02111	LEGAL SERVICES	125,000.
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 SEE STATEMENT 14	17,410,898.
2 SEE STATEMENT 15	512,042.
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ▶	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	16,512,134.
b	Average of monthly cash balances	1b	3,439,203.
c	Fair market value of all other assets	1c	14,795,834.
d	**Total** (add lines 1a, b, and c)	1d	34,747,171.
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	21,273,786.
3	Subtract line 2 from line 1d	3	13,473,385.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	202,101.
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	13,271,284.
6	**Minimum investment return.** Enter 5% of line 5	6	663,564.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ [X] and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2016 from Part VI, line 5 — 2a		
b	Income tax for 2016. (This does not include the tax from Part VI.) — 2b		
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
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	

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	3,296,294.
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	3,296,294.
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	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	3,296,294.

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)

N/A

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				
2 Undistributed income if any, as of the end of 2016				
a Enter amount for 2015 only				
b Total for prior years: ______ , ______ , ______				
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015				
f **Total** of lines 3a through e				
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ $				
a Applied to 2015, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2016 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount - see instructions				
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount - see instr.				
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2011 not applied on line 5 or line 7				
9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015				
e Excess from 2016				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section [ ] 4942(j)(3) or [X] 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					N/A
b 85% of line 2a					N/A
c Qualifying distributions from Part XII, line 4 for each year listed	3,296,294.	6,864,678.	10,488,449.	1,770,047.	22,419,468.
d Amounts included in line 2c not used directly for active conduct of exempt activities	0.	0.	0.	0.	0.
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	3,296,294.	6,864,678.	10,488,449.	1,770,047.	22,419,468.
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter: (1) Value of all assets					N/A
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					N/A
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	442,376.	281,119.	262,361.	713,694.	1,699,550.
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)					N/A
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					N/A
(3) Largest amount of support from an exempt organization					N/A
(4) Gross investment income					N/A

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).)

NONE

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.

NONE

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

Check here ▶ [X] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:

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*				
SCHOLARSHIPS TO INDIVIDUALS				500.
LUTHERAN SERVICES CAROLINAS P.O. BOX 947 SALISBURY, NC 28145-0947	NONE	501(C)(3)	OPERATIONAL SUPPORT	512,042.
Total			▶ 3a	512,542.
b *Approved for future payment* NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a PATIENT SERVICE REVENUE					9,056,892.
b AMORTIZATION OF ADVANCE					
c FEES					846,835.
d RESIDENT SERVICES					363,357.
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	160,751.	
4 Dividends and interest from securities					
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			18	50,245.	
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		210,996.	10,267,084.

13 **Total** Add line 12, columns (b), (d), and (e) 13 10,478,080.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
1	THE PROGRAM SERVICES REVENUES ARE THE PRIMARY MEANS BY WHICH THE ORGANIZATION ACCOMPLISHED ITS MISSION BY OPERATING THE CONTINUING CARE RETIREMENT COMMUNITY.

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

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of:			
(1) Cash	1a(1)		X
(2) Other assets	1a(2)		X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

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

Signature of officer or trustee — Date: 06/21/2017 — Title: CFO

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
AMY BIBBY	Amy Bibby	06/19/17		P00445891
Firm's name ▶ DIXON HUGHES GOODMAN LLP			Firm's EIN ▶ 56-0747981	
Firm's address ▶ 500 RIDGEFIELD COURT ASHEVILLE, NC 28806			Phone no. (828) 254-2254	

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
INTEREST INCOME	160,751.	160,751.	0.
TOTAL TO PART I, LINE 3	160,751.	160,751.	0.

FORM 990-PF	INCOME AND COST OF GOODS SOLD INCLUDED ON PART I, LINE 10	STATEMENT 2

INCOME

1. GROSS RECEIPTS	50,245	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		50,245
4. COST OF GOODS SOLD (LINE 15)		
5. GROSS PROFIT (LINE 3 LESS LINE 4)		50,245
6. OTHER INCOME		
7. GROSS INCOME (ADD LINES 5 AND 6)		50,245

COST OF GOODS SOLD

8. INVENTORY AT BEGINNING OF YEAR	
9. MERCHANDISE PURCHASED	
10. COST OF LABOR	
11. MATERIALS AND SUPPLIES	
12. OTHER COSTS	
13. ADD LINES 8 THROUGH 12	
14. INVENTORY AT END OF YEAR	
15. COST OF GOODS SOLD (LINE 13 LESS LINE 14)	

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
PATIENT SERVICE REVENUE	9,056,892.	0.	9,056,892.
AMORTIZATION OF ADVANCE FEES	846,835.	0.	846,835.
RESIDENT SERVICES	363,357.	0.	363,357.
TOTAL TO FORM 990-PF, PART I, LINE 11	10,267,084.	0.	10,267,084.

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	62,291.	0.	62,291.	0.
TO FM 990-PF, PG 1, LN 16A	62,291.	0.	62,291.	0.

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	95,580.	0.	95,580.	0.
TO FORM 990-PF, PG 1, LN 16B	95,580.	0.	95,580.	0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CONTRACT SERVICES	1,420,382.	0.	1,420,382.	0.
TO FORM 990-PF, PG 1, LN 16C	1,420,382.	0.	1,420,382.	0.

FORM 990-PF — TAXES — STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	292,230.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	292,230.	0.	0.	0.

FORM 990-PF — OTHER EXPENSES — STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVERTISING	185,857.	0.	185,857.	0.
OFFICE EXPENSE	494,774.	0.	494,774.	0.
INFORMATION TECHNOLOGY	144,589.	0.	144,589.	0.
CONFERENCES EXPENSE	16,674.	0.	16,674.	0.
INSURANCE	116,286.	0.	116,286.	0.
RESIDENT EXPENSE	499,949.	0.	499,949.	0.
MISCELLANEOUS	39,632.	0.	39,632.	0.
TO FORM 990-PF, PG 1, LN 23	1,497,761.	0.	1,497,761.	0.

FORM 990-PF — OTHER INCREASES IN NET ASSETS OR FUND BALANCES — STATEMENT 9

DESCRIPTION	AMOUNT
CHANGE IN FUTURE SERVICE OBLIGATION	9,723,393.
TOTAL TO FORM 990-PF, PART III, LINE 3	9,723,393.

FORM 990-PF — CORPORATE STOCK — STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
ASSETS LIMITED TO USE	14,208,680.	14,208,680.
TOTAL TO FORM 990-PF, PART II, LINE 10B	14,208,680.	14,208,680.

FORM 990-PF	OTHER ASSETS		STATEMENT 11
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
OTHER RECEIVABLES	1,855,267.	1,803,177.	1,803,177.
DEFERRED MARKETING COSTS	9,164,433.	8,247,990.	8,247,990.
DEFERRED FINANCING COSTS	3,032,670.	3,610,413.	3,610,413.
ACCRUED INTEREST RECEIVABLE	10,397.	5,960.	5,960.
TO FORM 990-PF, PART II, LINE 15	14,062,767.	13,667,540.	13,667,540.

FORM 990-PF	OTHER LIABILITIES	STATEMENT 12
DESCRIPTION	BOY AMOUNT	EOY AMOUNT
~~RESIDENT DEPOSITS~~	~~2,028,524.~~	~~1,322,814.~~
BONDS PAYABLE	64,518,035.	63,618,040.
SUBORDINATE OBLIGATIONS	11,143,097.	17,006,027.
LIQUIDITY SUPPORT DEPOSITS	2,034,507.	2,000,000.
REFUNDABLE ADVANCE FEES	72,189,505.	79,476,819.
FUTURE SERVICE OBLIGATION	29,339,010.	19,615,617.
TOTAL TO FORM 990-PF, PART II, LINE 22	181,252,678.	183,039,317.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 13

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
STANLEY BRADING 1201 WEST PEACHTREE STREET ATLANTA, GA 30309	PRESIDENT 25.00	243,200.	29,404.	0.
REV. LUTHER BREWER 1201 WEST PEACHTREE STREET ATLANTA, GA 30309	DIRECTOR 2.00	0.	0.	0.
LINDA COLEMAN 1201 WEST PEACHTREE STREET ATLANTA, GA 30309	DIRECTOR 2.00	0.	0.	0.
DARRYL MILLS 1201 WEST PEACHTREE STREET ATLANTA, GA 30309	DIRECTOR 2.00	0.	0.	0.
JAMES PIERCE, CPA 1201 WEST PEACHTREE STREET ATLANTA, GA 30309	DIRECTOR 2.00	0.	0.	0.
MACK LEATH 1201 WEST PEACHTREE STREET ATLANTA, GA 30309	DIRECTOR 2.00	0.	0.	0.
CHARLES H. HENDERSON 1201 WEST PEACHTREE STREET ATLANTA, GA 30309	DIRECTOR 2.00	0.	0.	0.
CHUCK NORMAN 1201 WEST PEACHTREE STREET ATLANTA, GA 30309	DIRECTOR 2.00	0.	0.	0.
MARC HEWITT 1201 WEST PEACHTREE STREET ATLANTA, GA 30309	DIRECTOR 2.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		243,200.	29,404.	0.

FORM 990-PF	SUMMARY OF DIRECT CHARITABLE ACTIVITIES	STATEMENT 14

ACTIVITY ONE

SAMARITAN HOUSING FOUNDATION, INC. D/B/A SEARSTONE RETIREMENT COMMUNITY (A DEVELOPMENT STAGE NOT-FOR-PROFIT ORGANIZATION) (THE "ORGANIZATION") IS A NONPROFIT ORGANIZATION ESTABLISHED TO PROVIDE AN ENHANCED RETIREMENT ENVIRONMENT FEATURING FULL SERVICE LIFE CARE FOR RESIDENTS OF SIXTY-TWO PLUS (62+) YEARS OF AGE, WHILE EMPHASIZING AN ACTIVE LIFESTYLE, INDIVIDUAL INDEPENDENCE, PERSONAL IGNITY, AND FAMILY ESTATE PRESERVATION. WE SUBSCRIBE TO THE FOLLOWING STATEMENT:

DURING 2016, SEARSTONE CONTINUED ITS EFFORTS TO PROVIDE AN EXCEPTIONAL LIVING ENVIRONMENT FOR ALL OF ITS RESIDENTS BASED ON THE OBJECTIVES IN ITS MISSION STATEMENT. THIS INCLUDED SERVICES IN THE INDEPENDENT, ASSISTED, AND SKILLED LIVING LEVELS OF CARE. SEARSTONE ALSO STRIVED TO ESTABLISH ITSELF IN THE LOCAL COMMUNITY AS A VIBRANT PLACE TO LIVE AND FLOURISH. WITH MANY RESIDENTS BEING INVOLVED IN VOLUNTEER EFFORTS THROUGHOUT THE AREA.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 1	17,410,898.

FORM 990-PF	SUMMARY OF DIRECT CHARITABLE ACTIVITIES	STATEMENT 15

ACTIVITY TWO

AT THE END OF 2016, SEARSTONE WAS THE NEW, PERMANENT HOME FOR 261 RESIDENTS. DURING 2016, SEARSTONE MADE CONTRIBUTIONS OF $512,042 TO LUTHERAN SERVICES CAROLINAS. THESE DONATIONS WERE FOR DISTRIBUTION TO MULTIPLE NON-PROFITS IN THE COMMUNITY WHICH OFFERED SERVICES TO THE ELDERLY, AND/OR LESS FORTUNATE RESIDENTS OF THE COMMUNITY.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 2	512,042.