

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

Case No.: 8:09-cv-0087-T-26TBM

ARTHUR NADEL,
SCOOP CAPITAL, LLC,
SCOOP MANAGEMENT, INC.,

Defendants,

SCOOP REAL ESTATE, L.P.,
VALHALLA INVESTMENT PARTNERS, L.P.,
VALHALLA MANAGEMENT, INC.,
VICTORY FUND, LTD,
VIKING IRA FUND, LLC,
VIKING FUND, LLC, AND
VIKING MANAGEMENT, LLC.

Relief Defendants.

**RECEIVER'S DECLARATION IN SUPPORT OF THE THIRD
UNOPPOSED MOTION TO EXPAND THE SCOPE OF RECEIVERSHIP**

Burton W. Wiand declares as follows:

1. I am an attorney with Fowler White Boggs P.A. ("Fowler White") in Tampa, Florida.
2. In the January 21, 2009, Order Appointing Receiver (Doc. 8), the Court appointed me Receiver over (a) defendants Scoop Capital, LLC ("Scoop Capital") and Scoop Management, Inc. ("Scoop Management") and (b) relief defendants Scoop Real Estate, L.P.; Valhalla Investment Partners, L.P.; Valhalla Management, Inc.; Victory IRA Fund, Ltd.;

Victory Fund, Ltd.; Viking IRA Fund, LLC; Viking Fund, LLC; and Viking Management (Scoop Real Estate, Valhalla Investment, Victory IRA, Victory Fund, Viking IRA, and Viking Fund are collectively referred to as the “Hedge Funds;” Scoop Capital, Scoop Management, Valhalla Management, and Viking Management are collectively referred to as the “Investment Managers”).

3. In a January 27, 2009, Order (Doc. 17), the Court also appointed me Receiver over Venice Jet Center, LLC, and Tradewind, LLC.

4. In a February 11, 2009, Order (Doc. 44), the Court also appointed me Receiver over Laurel Mountain Preserve, LLC; Laurel Preserve, LLC; the Marguerite J. Nadel Revocable Trust UAD 8/2/07; and the Laurel Mountain Preserve Homeowners Association, Inc. (all of the entities and the trust in receivership are referred to collectively as the “Receivership Entities”).

5. Since my appointment as Receiver, I and professionals that I have retained (including lawyers and accountants) have continued our investigation, which has included communicating with people associated with Nadel and/or the Receivership Entities and persons responsible for maintaining the financial books of Receivership Entities and of other businesses controlled by Nadel; operating other businesses controlled by Nadel or for assisting those businesses with their transactions; performing accounting services; and administering the Hedge Funds.

6. We have also reviewed documents located in the offices of the Hedge Funds and Investment Managers (the “Office”) (located at 1618 Main Street, Sarasota, FL 34236); documents obtained from the accountant for Receivership Entities; information stored on

Receivership Entities' computer network; documents obtained from other businesses controlled by Nadel; documents obtained from financial institutions and other third parties, including lawyers and others who assisted Nadel's business with their transactions; and information available in the public record.

The Fraudulent Investment Scheme

7. On January 26, 2009, I submitted the Receiver's Declaration in Support of the Receiver's Unopposed Motion to Expand the Scope of Receivership (the "Receiver's January Declaration") (Doc. 16) to include Venice Jet Center, LLC, and Tradewind, LLC.

8. As shown in the Receiver's January Declaration and in Plaintiff's Emergency Motion and Memorandum of Law in Support of Temporary Restraining Order and Other Emergency Relief (the "SEC Emergency Motion") (Doc. 2) and supporting papers, Nadel defrauded investors in the six Hedge Funds from at least 2003 through the time he fled in mid-January by "massively overstating the value of investors' interests in them." (SEC Emerg. Mot. at 2, 6.) Specifically, from at least 2003 through 2008, the value of the Hedge Funds as represented to investors was significantly overstated. The investment returns and performance as represented to investors were based on the overstated numbers and thus were also false.

9. As shown by the SEC, Nadel defrauded investors through his control of the Hedge Funds' advisers and managers, Scoop Capital and Scoop Management, which are now in receivership. (*Id.* at 4-6.) Through those entities, Nadel was ultimately responsible for controlling the Hedge Funds' investment activities.

10. Evidence also showed that the Hedge Funds directly or indirectly paid substantial fees to Scoop Capital and Scoop Management, and to other Receivership Entities, in the form of management, advisory, and/or profit incentive fees. (*Id.* at 5-6.) According to the Hedge Funds' documents, in 2003 the Hedge Funds paid a total of \$7,045,509.31 in fees; in 2004, they paid \$14,156,501.17 in fees; in 2005, they paid \$20,349,897.02 fees; in 2006 they paid \$18,257,590.52 in fees; in 2007 they paid \$19,873,365.00 in fees; and in 2008 they paid \$15,854,930.76 in fees.

11. Consistent with our earlier findings, our investigation has continued to reveal information showing that additional entities over which Nadel exerted full or partial control or in which he had a full or partial interest were purchased and/or funded with money derived from Nadel's fraudulent investment scheme (the "scheme").

12. This occurred through direct payments from Scoop Capital or Scoop Management financial accounts.

13. This also occurred through payments from accounts held in the name of Nadel or Nadel and his wife, which accounts were funded with money from the scheme, including with the large sums of "management" and "advisory" fees that Nadel paid himself for purporting to manage money through Receivership Entities. For example, as demonstrated by the copies of checks attached as Exhibit A to the Receiver's January Declaration, in 2008 Nadel signed checks transferring at least \$1,003,500.00 from Scoop Capital to himself and his wife. Overall, to date we have uncovered at least \$6,426,000.00 that was transferred from Scoop Capital or Scoop Management accounts into personal accounts controlled by Nadel and/or his wife between 2003 and 2009.

14. To date we have not uncovered any source of income for Nadel or his wife that was not in some manner funded with money from the scheme (whether through “management fees” or otherwise). Discussions with Nadel’s wife, Marguerite “Peg” Nadel, and others have confirmed that, during the time one or more of the Hedge Funds and Investment Managers were in operation (i.e., beginning in at least 1999), essentially all of Nadel and Mrs. Nadel’s income was derived directly from those entities.

15. As detailed in the Receiver’s January Declaration and the SEC Emergency Motion, the Hedge Funds and Investment Managers were operated as part of a fraudulent scheme from at least 2003 forward. As such, the source of Nadel and Mrs. Nadel’s income during that period was Nadel’s scheme.

16. The information gathered during our investigation shows that money derived from Nadel’s scheme was used to fund the Guy-Nadel Foundation, Inc.

Guy-Nadel Foundation, Inc.

17. The Guy-Nadel Foundation, Inc. (the “Foundation”), is a Florida non-profit corporation formed in December 2003 for “charitable, educational and scientific purposes.” *See* Article II of the Foundation’s Articles of Incorporation, dated December 2, 2003, attached hereto as **Exhibit A**, filed with the Florida Secretary of State. Nadel is the Foundation’s incorporator and its registered agent. (Ex. A Arts. V, VI, IX.)

18. The Foundation’s directors are Nadel, Mrs. Nadel, and Mrs. Nadel’s son and daughter, Geoff Quisenberry and Alexandra Quisenberry, respectively. *See* the Foundation’s Annual Reports for the years 2004, 2005, 2006, 2007, and 2008, attached hereto collectively as **Exhibit B**, filed with the Florida Secretary of State. Further, according to its 2006 federal

tax return, the Foundation's President is Nadel. *See* 2006 Tax Return of the Foundation, attached hereto as **Exhibit C**.

19. The Foundation's current principal address is the Office. (Ex. B 2008 Annual Report; Ex. C at 1.)

20. The information we have gathered indicates the Foundation was funded with proceeds of Nadel's scheme, which were transferred directly from Scoop Capital or indirectly through transfers from the Nadel's personal accounts. Specifically, we have uncovered the following transfers of money from Scoop Capital and the Nadel's personal accounts to the Foundation between 2004 and 2008:

DATE	PAYOR ACCOUNT	AMOUNT
12/20/2004	Arthur & Peg Nadel	\$500,000.00
12/6/2005	Arthur & Peg Nadel	\$1,000,000.00
4/17/2006	Arthur & Peg Nadel	\$250,000.00
11/1/2006	Arthur & Peg Nadel	\$500,000.00
12/22/2006	Arthur & Peg Nadel	\$500,000.00
12/12/2008	Arthur & Peg Nadel	\$50,000.00
12/23/2008	Scoop Capital	\$50,000.00
	TOTAL:	\$2,850,000.00

21. In addition, in December 2004 and December 2003, the Foundation was deeded several real estate lots located in North Carolina from (i) Laurel Mountain Preserve, LLC (one of the receivership entities) and (ii) Nadel and his wife. A true and correct copy of each of these deeds is attached hereto as **Exhibit D** and **Exhibit E**, respectively. The records we have reviewed for Laurel Mountain Preserve and the Nadel's show that these lots are essentially adjacent to each other. The lots appear to have been purchased by Laurel Mountain Preserve and the Nadel's as part of the same general transaction in which Laurel

Mountain Preserve purchased a large tract of land in North Carolina. (*See* Receiver's Decl. in Support of Second Unopposed Mot. to Expand the Scope of Receivership (Doc. 37) ¶ 21.)

22. As noted in the Receiver's Second Unopposed Motion to Expand the Scope of Receivership (Doc. 36 at 5-6) and the Receiver's declaration in support thereof (Doc. 37 ¶¶ 16-22), Laurel Mountain Preserve was funded with proceeds of Nadel's scheme and is now in receivership. The December 2004 deed (Ex. D) granted a tract of land from Laurel Mountain Preserve, LLC, to the Foundation.

23. The tract the Nadels deeded to the Foundation was purchased by them in December 2003. A true and correct copy of the deed granting the land to the Nadels is attached hereto as **Exhibit F**. The same month, they deeded it to the Foundation. (*See* Ex. E.) As explained above at paragraphs 7 through 16, at the time of those transactions, Nadel was already perpetrating his scheme, and essentially all of the Nadels' income was derived from that scheme.

I declare under the penalty of perjury that the foregoing is true and correct and is executed this 4 day of March, 2009.



Burton W. Wiand, as Receiver
c/o FOWLER WHITE BOGGS P.A.
501 E. Kennedy Blvd.
Suite 1700
Tampa, FL 33602
Tel. 813.228.7411
Fax 813.229.8313
bwiand@fowlerwhite.com

DEC-05-2003 11:15

NORTON HAMMERSLEY LOPEZ

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**ARTICLES OF INCORPORATION
OF**

GUY-NADEL FOUNDATION, INC.

A Florida Non-Profit Corporation

These articles of incorporation are signed by the incorporators for the purpose of forming a corporation not for profit under the provisions of Florida Statutes, Chapter 617, as follows:

ARTICLE I. - NAME

The name of this corporation is GUY-NADEL FOUNDATION, INC. The principal office and the mailing address of the corporation is 1668 Main Street, Sarasota, FL 34236.

ARTICLE II. - PURPOSE

The corporation is organized and shall be operated exclusively for charitable, educational and scientific purposes, including, but not limited to:

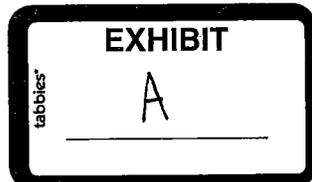
(a) Conducting its affairs, carrying on its operations, and having offices and exercising the powers granted by the Florida Not For Profit Corporation Act in any state or in any foreign country;

(b) Administering for charitable purposes property donated to the corporation;

(c) Distributing property for such purposes in accordance with the terms of gifts, bequests or devises to the corporation not inconsistent with its purposes, as set forth in these articles of incorporation, or in accordance with the determination made by the board of directors pursuant to these articles of incorporation;

(d) Receiving gifts and bequests and to use the principal and income generated from the investment of the gifts and bequests for the benefit of the corporation, or such other charitable, religious or educational organizations that are described in §501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and exempt from taxation under §501(a);

(e) Reserving the power to modify any restriction or condition on the distribution of funds for any specified charitable



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purposes or to specified organizations if in the sole judgment of the board of directors (without the necessity of the approval of any trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable need; and

(f) Engaging in any and all lawful activities necessary or desirable for the accomplishment of any of the above described powers.

ARTICLE III. - MEMBERSHIP

The corporation shall have no members.

ARTICLE IV. - TERM OF EXISTENCE

This corporation shall have perpetual existence.

ARTICLE V. - BOARD OF DIRECTORS

The affairs of the corporation shall be managed by a board of directors consisting of no less than three directors. The board of directors shall be elected or appointed as provided in the bylaws. The initial directors of this corporation shall be ARTHUR NADEL, MARGUERITE J. NADEL, and GEOFFREY QUISENBERRY. The board of directors shall have the requisite power and authority, which is customarily vested in corporate directors over the business and affairs of the corporation.

ARTICLE VI.

REGISTERED OFFICE AND REGISTERED AGENT

The registered office of this corporation shall be: 1668 Main Street, Sarasota, FL 34236. The registered agent shall be: ARTHUR NADEL.

ARTICLE VII. - COMPENSATION AND ACTIVITIES

No part of the net earnings of the corporation shall inure to the benefit of or be distributed to its directors or officers, or any individual, but the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and

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to make payments and distributions in furtherance of the purposes set forth in Article II hereof. The corporation shall not carry on propaganda or otherwise attempt to influence legislation to such extent as would result in the loss of the exemption under Section 501(c)(3) of the Code. The corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these articles of incorporation, the corporation shall not carry on any other activities not permitted to be carried on:

- (a) by a corporation exempt from taxation under the Code; or
- (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

ARTICLE VIII. - INDEMNIFICATION

The corporation shall indemnify any director or officer, or any former director or officer, to the full extent permitted by law.

ARTICLE IX. - INCORPORATORS

The name and address of the incorporator are as follows:

ARTHUR NADEL
1668 Main Street
Sarasota, FL 34236

ARTICLE X - OFFICERS

The board of directors shall be governed by a president, vice president, secretary, treasurer and any other officers which may be established by the bylaws of the corporation. The officers will be elected by the directors at the annual meeting in accordance with the bylaws.

ARTICLE XI. - BYLAWS

The bylaws of this corporation shall be made, altered, or rescinded by the board of directors at any regular or special meeting held in accordance with the bylaws.

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ARTICLE XII. - AMENDMENT OF ARTICLES OF INCORPORATION

These articles of incorporation may be amended from time to time by a resolution adopted by a two-thirds vote of the board of directors present at a meeting at which a quorum is present; provided, however, that these articles of incorporation shall not be amended to permit the corporation to engage in any activity prohibited in Article VII.

ARTICLE XIII. - DISSOLUTION

Upon the dissolution of the corporation, the board of directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation by distributing those assets exclusively for charitable purposes in such manner or to such organization or organizations organized and operated exclusively for religious, charitable or scientific purposes as shall, at the time, qualify as exempt under Section 501(c)(3) of the Code, as the board of directors shall determine. Any assets not so disposed of shall be disposed of by the circuit court which has general jurisdiction for the county in which the principal office of the corporation shall then be located, exclusively for such charitable purposes or such charitable organization or organizations described in Section 501(c)(3) of the Code as the court shall select.

ARTICLE XIV. - DEFINITIONS

For purposes of these articles, "charitable purposes" include educational, religious, scientific, public and other purposes, contributions to which are deductible under Section 170(c) of the Code. Any reference in these articles to a section of the Internal Revenue Code of 1986 shall be deemed to include the corresponding provision or provisions of any applicable future Internal Revenue Code.

IN WITNESS WHEREOF, the incorporator has signed these articles of incorporation on December 2, 2003.



ARTHUR NADEL

Incorporator

DEC-05-2003 11:16

NORTON HAMMERSLEY LOPEZ

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ACCEPTANCE OF REGISTERED AGENT

Having been named as registered agent and to accept service of process at the place designated in the articles, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

DATED: December 7, 2003

Arthur Nadel
ARTHUR NADEL

03 DEC -5 AM 8:34
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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H030003302243

2004 NOT-FOR-PROFIT CORPORATION ANNUAL REPORT

FILED
Mar 02, 2004
Secretary of State

DOCUMENT# N03000010590

Entity Name: GUY-NADEL FOUNDATION, INC.

Current Principal Place of Business:

1668 MAIN STREET
SARASOTA, FL 34236

New Principal Place of Business:

Current Mailing Address:

1668 MAIN STREET
SARASOTA, FL 34236

New Mailing Address:

FEI Number: 20-0458438 FEI Number Applied For () FEI Number Not Applicable () Certificate of Status Desired ()

Name and Address of Current Registered Agent:

NADEL, ARTHUR
1668 MAIN STREET
SARASOTA, FL 34236

Name and Address of New Registered Agent:

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: _____

Electronic Signature of Registered Agent

_____ Date

OFFICERS AND DIRECTORS:

Title: D () Delete
Name: NADEL, ARTHUR
Address: 1668 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D () Delete
Name: NADEL, MARGUERITE J
Address: 1668 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D () Delete
Name: QUISENBERRY, GEOFFREY
Address: 1668 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: () Delete
Name:
Address:
City-St-Zip:

ADDITIONS/CHANGES TO OFFICERS AND DIRECTORS:

Title: () Change () Addition
Name:
Address:
City-St-Zip:

Title: () Change () Addition
Name:
Address:
City-St-Zip:

Title: () Change () Addition
Name:
Address:
City-St-Zip:

Title: D () Change (X) Addition
Name: QUISENBERRY, ALEXANDRA
Address: 1668 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

I hereby certify that the information supplied with this filing does not qualify for the for the exemption stated in Section 119.07(3)(i), Florida Statutes. I further certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 617, Florida Statutes; and that my name appears above, or on an attachment with an address, with all other like empowered.

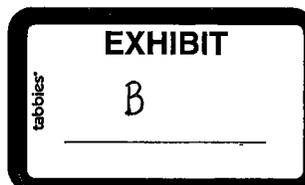
SIGNATURE: ARTHUR NADEL

D

03/02/2004

Electronic Signature of Signing Officer or Director

_____ Date



2005 NOT-FOR-PROFIT CORPORATION ANNUAL REPORT

FILED
Feb 04, 2005
Secretary of State

DOCUMENT# N03000010590

Entity Name: GUY-NADEL FOUNDATION, INC.

Current Principal Place of Business:

1668 MAIN STREET
SARASOTA, FL 34236

New Principal Place of Business:

1618 MAIN STREET
SARASOTA, FL 34236

Current Mailing Address:

1668 MAIN STREET
SARASOTA, FL 34236

New Mailing Address:

1618 MAIN STREET
SARASOTA, FL 34236

FEI Number: 20-0458438 FEI Number Applied For () FEI Number Not Applicable () Certificate of Status Desired ()

Name and Address of Current Registered Agent:

NADEL, ARTHUR
1668 MAIN STREET
SARASOTA, FL 34236 US

Name and Address of New Registered Agent:

NADEL, ARTHUR
1618 MAIN STREET
SARASOTA, FL 34236 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: ARTHUR NADEL

02/04/2005

Electronic Signature of Registered Agent

Date

OFFICERS AND DIRECTORS:

ADDITIONS/CHANGES TO OFFICERS AND DIRECTORS:

Title: D () Delete
Name: NADEL, ARTHUR
Address: 1668 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D (X) Change () Addition
Name: NADEL, ARTHUR
Address: 1618 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D () Delete
Name: NADEL, MARGUERITE J
Address: 1668 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D (X) Change () Addition
Name: NADEL, MARGUERITE J
Address: 1618 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D () Delete
Name: QUISENBERRY, GEOFFREY
Address: 1668 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D (X) Change () Addition
Name: QUISENBERRY, GEOFFREY
Address: 1618 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D () Delete
Name: QUISENBERRY, ALEXANDRA
Address: 1668 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D (X) Change () Addition
Name: QUISENBERRY, ALEXANDRA
Address: 1618 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

I hereby certify that the information supplied with this filing does not qualify for the for the exemption stated in Section 119.07(3)(i), Florida Statutes. I further certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 617, Florida Statutes, and that my name appears above, or on an attachment with an address, with all other like empowered.

SIGNATURE: ARTHUR NADEL

D

02/04/2005

Electronic Signature of Signing Officer or Director

Date

2007 NOT-FOR-PROFIT CORPORATION ANNUAL REPORT

FILED
Jan 18, 2007
Secretary of State

DOCUMENT# N03000010590

Entity Name: GUY-NADEL FOUNDATION, INC.

Current Principal Place of Business:

1618 MAIN STREET
SARASOTA, FL 34236

New Principal Place of Business:

Current Mailing Address:

1618 MAIN STREET
SARASOTA, FL 34236

New Mailing Address:

FEI Number: 20-0458438 FEI Number Applied For () FEI Number Not Applicable () Certificate of Status Desired ()

Name and Address of Current Registered Agent:

NADEL, ARTHUR
1618 MAIN STREET
SARASOTA, FL 34236 US

Name and Address of New Registered Agent:

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: _____
Electronic Signature of Registered Agent Date

OFFICERS AND DIRECTORS:

Title: D () Delete
Name: NADEL, ARTHUR
Address: 1618 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D () Delete
Name: NADEL, MARGUERITE J
Address: 1618 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D () Delete
Name: QUISENBERRY, GEOFFREY
Address: 1618 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

Title: D () Delete
Name: QUISENBERRY, ALEXANDRA
Address: 1618 MAIN STREET
City-St-Zip: SARASOTA, FL 34236

ADDITIONS/CHANGES TO OFFICERS AND DIRECTORS:

Title: () Change () Addition
Name:
Address:
City-St-Zip:

Title: () Change () Addition
Name:
Address:
City-St-Zip:

Title: () Change () Addition
Name:
Address:
City-St-Zip:

Title: () Change () Addition
Name:
Address:
City-St-Zip:

I hereby certify that the information supplied with this filing does not qualify for the for the exemption stated in Chapter 119, Florida Statutes. I further certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 617, Florida Statutes; and that my name appears above, or on an attachment with an address, with all other like empowered.

SIGNATURE: ARTHUR NADEL D 01/18/2007
Electronic Signature of Signing Officer or Director Date

Form **990-PF**

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

OMB No 1545-0052

2006

Department of the Treasury
Internal Revenue Service

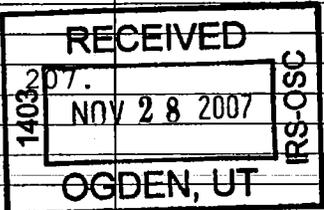
Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year **2006**, or tax year beginning **2006**, and ending **20**

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation GUY-NADEL FOUNDATION, INC		A Employer identification number
	Number/street (or P.O. box no. if mail is not delivered to street address) Room/suite 1618 MAIN STREET		B Telephone number (see the instructions) 941-366-0975
City or town, state, and ZIP code SARASOTA FL 34236-5811			C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 3,443,959.			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
(Part I, column (d) must be on cash basis)			

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), & (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)	1,250,061.			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temp cash investments	8,328.	8,328.	8,328.	
	4 Dividends and interest from securities				
	5a Gross rents				
	b (Net rental income or (loss) _____)				
	6a Net gain/(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)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns & allowances 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	1,258,389.	8,328.	8,328.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)				
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	43.			
	24 Total operating and administrative expenses. Add lines 13 through 23	250.			
	25 Contributions, gifts, grants paid	655,300.			655,300.
26 Total exp & disbursements. Add lines 24 and 25.	655,550.			655,300.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	602,839.				
b Net investment income (if neg, enter -0-)		8,328.			
c Adjusted net income (if neg, enter -0-)			8,328.		



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For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

990-PF (2006)

EXHIBIT

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Page 2

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See inst)		
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	2,136,970.	739,531.	739,531.
	3 Accounts receivable ▶			
	Less allowance for doubtful accts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state gov't obligations (attach schedule)			
	b Investments - corporate stock (attach schedule)			
	c Investments - corporate bonds (attach schedule)			
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation (attach schedule) ▶				
12 Investments - mortgage loans				
13 Investments - other (attach schedule)	704,150.	2,704,428.	2,704,428.	
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)	2,841,120.	3,443,959.	3,443,959.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, ck. here <input type="checkbox"/>			
	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 (see the instructions)				
31 Total liabilities and net assets/fund balances (see the instructions)	2,841,120.	1,448,996.		

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	2,841,120.
2 Enter amount from Part I, line 27a	2	602,839.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	3,443,959.
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,443,959.

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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)
1 a				
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			
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) (see the instructions)
If (loss), enter -0- in Part I, line 8 3

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ... Yes No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

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

(a) Base period years Calendar year (or tax year beg in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2005	447,400.	169,017.	1.0000
2004	31,506.	73,824.	0.4268
2003			
2002			
2001			

2 Total of line 1, column (d)	2	1.4268
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	0.7134
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5	4	176,969.
5 Multiply line 4 by line 3	5	126,250.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	83.
7 Add lines 5 and 6	7	126,333.
8 Enter qualifying distributions from Part XII, line 4	8	655,300.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> & enter "N/A" on line 1... Date of ruling letter _____ (attach copy of ruling letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> & enter 1% of Part I, line 27b.	1	83.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign foundations 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	83.
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	83.
6	Credits/Payments		
a	2006 estimated tax payments and 2005 overpayment credited to 2006	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	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	83.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter amount of line 10 to be Credited to 2007 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10	X	

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Part VII-A Statements Regarding Activities Continued

11a	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).	11a	X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?	11b	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?	12	X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X
Website address ▶			
14	The books are in care of ▶ ARTHUR NADEL	Telephone no ▶	941-366-0975
	Located at ▶ 1618 MAIN STREET SARASOTA FL	ZIP+4 ▶	34236-5811
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	

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2006?	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 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20 __, 20 __, 20 __, 20 __		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see the instructions)	2b	X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20 __, 20 __, 20 __, 20 __		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2006 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 2006.)	3b	X
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 2006?	4b	X

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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 propoganda, 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 509(a)(1), (2), or (3), or section 4940(d)(2)? (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 the instructions)? Yes No
 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? Yes No
 If you answered "Yes" to 6b, also 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? Yes No

5b
6b X
7b X

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

1 List all officers, directors, trustees, foundation managers and their compensation (see the 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 comp	(e) Expense account, other allowances
ARTHUR NADEL SARASOTA FL 34233	PRES DIREC	0		
MARGUERITE NADEL SARASOTA FL 34233	SECTY DIRE	0		
GEIFFREY NADEL SARASOTA FL 34232	DIRECTOR	0		

2 Compensation of five highest-paid employees (other than those included on line 1 - see the 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
N/A				

Total number of other employees paid over \$50,000

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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 the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
N/A		

Total number of others receiving over \$50,000 for professional services

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 CONTRIBUTIONS TO CHARITIES IN BY-LAWS OF FOUNDATION	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount

1	
2	
3 All other program-related investments See instructions	
Total Add lines 1 through 3	

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see the 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	
b Average of monthly cash balances	1b	119,854.
c Fair market value of all other assets (see the instructions)	1c	142,024.
d Total (add lines 1a, b, and c)	1d	261,878.
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	261,878.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	3,928.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	257,950.
6 Minimum investment return. Enter 5% of line 5	6	12,898.

Part XI Distributable Amount (see the 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	12,898.
2 a Tax on investment income for 2006 from Part VI, line 5	2a	83.
b Income tax for 2006 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	83.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	12,815.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	12,815.
6 Deduction from distributable amount (see the instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	12,815.

Part XII Qualifying Distributions (see the 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	655,300.
b Program-related investments-total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	655,300.
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 the instructions)	5	83.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	655,217.

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

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Part XIII Undistributed Income (see the instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7				12,815.
2 Undistributed income, if any, as of end 2005				
a Enter amount for 2005 only				
b Total for prior yrs 20 __, 20 __, 20 __				
3 Excess distrib carryover, if any, to 2006				
a From 2001				
b From 2002				
c From 2003				
d From 2004				
e From 2005				
f Total of lines 3a through e				
4 Qualifying distributions for 2006 from Part XII, line 4 ▶ \$ 655,300.				
a Applied to 2005, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see the instr) . . .				
c Treated as distributions out of corpus (Election required - see the instructions) . . .				
d Applied to 2006 distributable amount				12,815.
e Remaining amt distributed out of corpus	642,485.			
5 Excess distrib carryover applied to 2006 (If an amount appears in column (d), the same amount must be shown in col (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, & 4e Subtract line 5	642,485.			
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 the instructions				
e Undistributed income for 2005. Subtract line 4a from line 2a Taxable amount - see the instructions				
f Undistributed income for 2006 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2007				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see the instructions)				
8 Excess distributions carryover from 2001 not applied on line 5 or line 7 (see the instructions)				
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	642,485.			
10 Analysis of line 9				
a Excess from 2002				
b Excess from 2003				
c Excess from 2004	27,815.			
d Excess from 2005	439,239.			
e Excess from 2006	642,485.			

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2006, 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) 2006	(b) 2005	(c) 2004	(d) 2003	
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 the 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))

ARTHUR NADEL, MARGUERITE NADEL

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 (see the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

MARGUERITE NADEL, 1618 MAIN STREET, SARASOTA FL 34236-5811

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

LETTER OF REQUEST STATING AMOUNT AND USE OF FUNDS, REASON FOR REQUEST

c Any submission deadlines

N/A

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

ONLY RESTRICTION IS THAT CHARITY MUST BE AN IRS 501 C 3 CHARITY

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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 SEE SCHEDULE ATTACHED				655,300.
Total ▶ 3a				655,300.
b Approved for future payment				
Total ▶ 3b				

Schedule B
 (Form 990, 990-EZ,
 or 990-PF)
 Department of the Treasury
 Internal Revenue Service

Schedule of Contributors

OMB No 1545-0047

Supplementary Information for
 line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

2006

Name of organization **GUY-NADEL FOUNDATION, INC** Employer identification number

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 foundation

Check 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 organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor (Complete Parts I and II)

Special Rules -

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc , purposes, but these contributions did not aggregate to 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 Do not complete any of the Parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc , contributions of \$5,000 or more during the year) ▶ \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

For Paperwork Reduction Act Notice, see the Instructions for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

Page 1 of 1 of Part I

Name of organization

Employer identification number

GUY-NADEL FOUNDATION, INC

Part I Contributors (See Specific Instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	ARTHUR AND MARGUERITE NADEL 3966 COUNTRY VIEW DRIVE SARASOTA FL 34233	\$ 1,250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
1	MARGUERITE NADEL 3966 COUNTRY VIEW DRIVE SARASOTA FL 34233	\$ 61.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

GUY-NADEL FOUNDATION, INC.
T.I.N.

FORM 990-PF
PART XV – SUPPLEMENTARY INFORMATION
#3 – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR
TAX YEAR – 2006

Recipient	Status	Purpose of Contributions	Amount	
Angel Flight of Georgia 2000 Airport Road Atlanta GA 30341	Social Agency	Operations	\$ 2,000.	
Backlot Arts, Inc. 2205 Industrial Blvd. Sarasota FL 34234		Theatre	Operations	\$ 75,000.
			Operations	\$ 5,000.
			Jazz Concert	\$ 20,000
			Jazz Concert	\$ 35,000
Carolina Mountain Land Concervancy 317 No. Washington St. Hendersonville NC 28793	Nature Conservancy	Seminar	\$ 2,500.	
Children's Haven & Adult Community Services 4405 DeSoto Rd. Sarasota FL 34235	Social Agency	Holiday Hope Campaign	\$ 10,000	
Community Aids Network 1231 So. Tuttle Ave. Sarasota FL 34243	Social Agency	Operations	\$ 1,000.	
Designing Women Boutique 1226 No. Tamiami Trail Sarasota FL 34236	Charity Resale Store	Fashion Week	\$ 2,500.	
Faith Baptist Church 8751 Fruitville Rd. Sarasota FL 34240	Church	Youth Bus	\$ 5,000.	
Firelands Assn for the Visual Arts 39 So. Main Street Oberlin OH 44075	Arts Association	Endowment Fund	\$ 3,000.	

GUY-NADEL FOUNDATION, INC.
T.I.N

FORM 990-PF
PART XV – SUPPLEMENTAL INFORMATION
#3 – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR
TAX YEAR – 2006

Recipient	Status	Purpose of Contributions	Amount
Flats Creek Baptist Church Flats Creek NC	Church	Christmas Giving	\$ 3,000
Girls' Inc. 204 So. Tuttle Ave. Sarasota FL 34237	Social Agency	Operations	\$100,000.
Habitat for Humanity 1757 East Ave. No. Sarasota FL 34234	Construct'n Affordable Housing	Purchase of Land	\$ 50,000.
Humane Society of Sarasota County 2331 15 th Street Sarasota FL 34237	Animal Shelter	Operations	\$ 2,000.
Jazz Club of Sarasota 330 Pineapple Ave. So. Sarasota FL 34236	Arts Association	Operations Operations Jazz Concert	\$ 5,000. \$ 1,000. \$ 1,500.
Jewish Family & Children's Svce. 2688 Fruitville Rd. Sarasota FL 34237	Social Agency	Building Stronger Families Program	\$ 50,000.
Oasis Animal Shelter P.O. Box 11 Oberlin OH 44074	Animal Shelter	Operations	\$ 2,000.
Oberlin Community Service Center 285 So. Professor St. Oberlin MA 44074	Social Agency	Operations	\$ 5,000.

GUY-NADEL FOUNDATION, INC.
T.I.N.

FORM 990-PF
PART XV – SUPPLEMENTAL INFORMATION
#3 – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR
TAX YEAR – 2006

Recipient	Status	Purpose of Contributions	Amount
St. Jude R.C. Church 3930 17 th Street Sarasota FL 34235	Church	Spanish Ministry	\$100,000.
		Operations	\$ 5,000.
		Noche de Celebracion	\$ 5,000.
		Operations	\$ 4,500.
		Christmas Offering	\$ 10,000.
St. John's Presbyterian Church 5020 W. Bellfort Houston TX 77025	Church	Memorial Gift	\$ 1,000.
St. Martha's R..C. Church 200 No. Orange Ave. Sarasota FL 34236	Church	Easter Offering	\$ 5,000.
St. Margaret Mary R.. Church 102 Andrews Place Swannanoa NC 28778	Church	Operations	\$ 5,000.
		Christmas Offering	\$ 300.
St. Thomas More R.C. Church 2506 Gulfgate Dr. Sarasota FL 34231	Church	Operations	\$ 1,000.
Sarasota Opera 50 Central Avenue Sarasota FL 34236	Arts Association	Produce Opera	\$ 12,000.
		Building Endow- ment	\$100,000.
Sarasota Youth Opera 50 Central Avenue Sarasotsa FL 34236	Arts Association	Youth Chorus	\$ 2,000.
SPAARC 2139 Main Street Sarasota FL 34236	Social	Operations	\$ 5,000.

GUY-NADEL FOUNDATION, INC.
T.I.N.

FORM 990-PF
PART XV – SUPPLEMENTARY INFORMATION
#3 – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR
TAX YER – 2006

Recipient	Status	Purpose of Contributions	Amount
University of South Florida 4202 East Fowler Ave. Tampa FL 33620	Education	Operations	\$ 5,000.
YMCA Foundation One So. School Ave. Sarasota FL 34237	Social	Operations	\$ 14,000.
TOTAL CONTRIBUTIONS			<u><u>\$655,300.</u></u>

3

Workflow No. 1846553 KT

Doc ID: 015312080003 Type: CRP
 Recorded: 01/03/2005 at 03:31:07 PM
 Fee Amt: \$20.00 Page 1 of 3
 Excise Tax: \$0.00
 Workflow# 1846553
 Buncombe County, NC
 Otto W. DeBruhl Register of Deeds
 BK **3886** PG **864-866**

Excise Tax \$ 0.00

Recording Time, Book and Page

Tax Lot No. _____ Parcel Identifier No. _____
 Verified by _____ County on the _____ day of _____, 20____
 by _____

Mail after recording to Box 81 Cogburn Goosmann Brazil & Rose, P.A., PO Box 7436, Asheville, NC 28802
 This instrument was prepared by Cogburn Goosmann Brazil & Rose, P.A., PO Box 7436, Asheville, NC 28802

Brief Description for the index

[Redacted Box]

03-5243 JRR/TPH dh

NORTH CAROLINA GENERAL WARRANTY DEED

THIS DEED made December 23, 2004, by and between

GRANTOR

GRANTEE

Laurel Mountain Preserve, LLC
a Delaware limited liability company

GUY-NADEL FOUNDATION, INC.,
a Not-for-Profit Florida Corporation

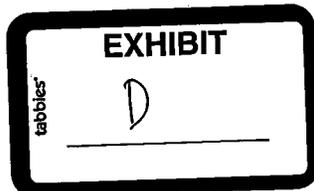
1618 Main Street
Sarasota, Florida 34236
ATTN: Art Nadel

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g., corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of _____, Broad River Township, Buncombe County, North Carolina and more particularly described as follows:

See Exhibit "A" attached hereto and incorporated herein by reference.



The property hereinabove described was acquired by Grantor by instrument recorded in Book _____, Page _____.

A map showing the above described property is recorded in Plat Book _____, Page _____.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.

Title to the property hereinabove described is subject to the following exceptions:

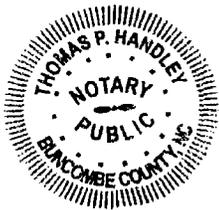
Easements, restrictions, rights of way of record and to any utility lines in existence over or under the subject property. Ad valorem taxes for the current year (prorated to the date of closing). Further, the Grantor warrants that restrictive covenants, if any, have not been materially violated and they do not materially affect the value of the property; that all labor or materials, if any, furnished to the property within 120 days prior to the date of delivery of this deed have been paid; and that upon delivery of this deed, no tenant or any person other than the Grantor will have any right to use or possess the property.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

Laurel Mountain Preserve, LLC,
a Delaware limited liability company

Arthur Nadel (SEAL)
Arthur Nadel, Managing Member

SEAL-STAMP



NORTH CAROLINA
BUNCOMBE COUNTY

I, a Notary Public of the County and State aforesaid, certify that Arthur Nadel, personally came before me this day and acknowledged that he is the Managing Member of Laurel Mountain Preserve, LLC, a Delaware limited liability company and as the act of the company in its ordinary course of business, the foregoing instrument was signed in its name with the full authority of its Members.

Witness my hand and official seal, this the 23rd day of December, 2004.

My commission expires: 3/27/2008

Thomas P. Handley
Notary Public

The foregoing Certificate(s) of Thomas P. Handley is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

Otto W. DeBruhl REGISTER OF DEEDS FOR Buncombe COUNTY

By: Karen A. Faber Deputy/Assistant Register of Deeds.

Exhibit A

A tract of land lying in the Broad River Township of Buncombe County, North Carolina being more particularly described as follows:

Beginning at an existing 1/2 inch rebar with ID cap marking the terminus of the first call of that property described in deed recorded in Book 3780, at Page 112 of the Buncombe County, NC register's Office and runs thence from such Beginning point established South 59° 49' 46" West 10.28 feet to an unmarked point in the center of that proposed 45 foot wide right of way for Laurel Cottage Lane; thence with the centerline of Laurel Cottage Lane North 14° 18' 31" East 28.28 feet to an unmarked point; thence leaving Laurel Cottage Lane North 74° 03' 34" West 250.54 feet to a No. 5 rebar with cap set in the margin of the aforesaid Laurel Cottage Lane; thence continuing North 74° 03' 34" West 22.89 feet to an unmarked point in the center of Laurel Cottage Lane; thence with the centerline of Laurel Cottage Lane the following twenty (20) calls: North 26° 34' 38" East 35.27 feet; North 9° 50' 22" East 63.79 feet; North 15° 06' 54" East 89.52 feet; North 15° 06' 54" East 77.07 feet; North 38° 56' 09" East 59.63 feet; North 38° 56' 09" East 79.70 feet; North 59° 56' 54" East 85.33 feet; North 55° 49' 03" East 91.27 feet; North 64° 57' 07" East 35.61 feet; North 83° 23' 07" East 36.55 feet; South 80° 23' 23" East 55.18 feet; South 69° 21' 24" East 86.74 feet; South 62° 34' 43" East 120.46 feet; South 50° 43' 23" East 42.75 feet; South 33° 15' 16" East 41.23 feet; South 10° 15' 20" East 37.84 feet; South 16° 03' 08" West 21.47 feet; South 49° 22' 19" West 28.70 feet; South 78° 26' 14" West 114.07 feet; and South 70° 52' 00" West 100.57 feet; thence leaving Laurel Cottage Lane South 38° 07' 29" East 23.80 feet to a No. 5 rebar with cap set in the margin of the aforesaid Laurel Cottage Lane; thence continuing South 38° 07' 29" East 321.09 feet to a 3/4 inch existing iron pin in the western line of Lot 110 as shown on that plat recorded in Plat Book 46, at Page 163 of the Buncombe County, NC Register's Office; thence South 86° 57' 26" West 357.15 feet to a No. 5 rebar with cap set in the margin of the aforesaid Laurel Cottage Lane; thence South 86° 57' 26" West 15.89 feet to the place and point of Beginning; being Lots B, C, D and E as shown on that survey entitled "Survey for Laurel Mountain Preserve" prepared by David E. Summey, PLLC dated November 24, 2004 bearing File Number 4157-14, said survey incorporated herein and referred to for a more particular description of said property.

Together With and Subject To the benefits and burdens of that certain proposed 45 foot wide private right of way for Laurel Cottage Lane, said right of way being identified and referenced to in the description above of the property being conveyed herein.

Lots B, C and D are conveyed Together With and Subject To the rights, easements, and obligations associated with the shared well and "Well House Easement" located on property retained by Laurel Mountain Preserve, LLC, identified as "A Remainder of Lot 2" lying to the southeast of the above described property as shown the above referenced survey. The costs of maintaining said well, including but not limited to the costs of electricity or other utilities required to properly supply water to the dwellings, and all costs associated with the maintenance and repair of common elements of the shared water system shall be borne on a pro rata basis among the users of said well and water system. In addition, the users of said well agree to allow entry upon their property whenever reasonably necessary for the purpose of inspecting, maintaining, repairing, and replacing any elements of the shared well and/or the water system connected thereto.

And being a portion of that property described in deeds recorded in Record Book 3780, at Page 112 and in Record Book 3705, at Page 151 of the Buncombe County, NC register's Office.

Workflow 9999-00255847

BOOK 3501
PAGES 52 - 53

Buncombe County, NC
Recorded 12/19/2003 02:00:58pm
No 9999-00255847 1 of 2 pages
Otto W. DeBruhl, Register of Deeds

Excise Tax: \$0.00

Tax Lot No. _____ Parcel Identifier No. _____
Verified by _____ County on the _____ day of _____, 19____
by _____

Mail after recording to: **Cogburn Goosmann Brazil & Rose, PA** Box 81
This instrument was prepared by **Cogburn Goosmann Brazil & Rose, PA (03-5243)**

Brief Description for the index

NORTH CAROLINA GENERAL WARRANTY DEED

THIS DEED made **DECEMBER**, **2003**, by and between

GRANTOR

GRANTEE

ARTHUR NADEL and wife,
MARGUERITE J. NADEL

GUY-NADEL FOUNDATION, INC., a Not-for-
Profit Florida Corporation

Address: 1668 Main Street

Sarasota, FL 34236

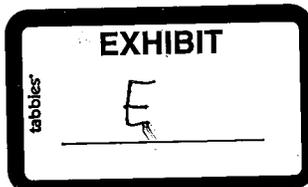
ATTN: Art Nadel

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g., corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of _____, **Buncombe County**, North Carolina and more particularly described as follows:

Being Lots 105, 107, 108 and 110 as shown in a plat recorded in Plat Book 46 at Page 163, Buncombe County Registry, reference to which is made for a more particular description.



2

The property hereinabove described was acquired by Grantor by instrument recorded in Book _____, Page ____.

A map showing the above described property is recorded in Plat Book 46, Page 163

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.

Title to the property hereinabove described is subject to the following exceptions:

Easements, restrictions and rights of way of record and to any utility lines in existence over or under the subject property.

Ad Valorem taxes for the current year.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

Arthur Nadel
ARTHUR NADEL (SEAL)

Marguerite J. Nadel
MARGUERITE J. NADEL (SEAL)

USE BLACK INK ONLY

NORTH CAROLINA
STATE OF ~~NORTH~~ CAROLINA, COUNTY OF BUNCOMBE

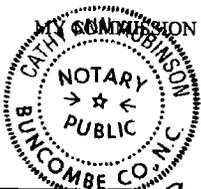
SEAL-STAMP

USE BLACK INK

I, CATHY ANN ROBINSON a Notary Public for said County and State do hereby certify that Arthur Nadel and wife, Marguerite J. Nadel, personally came before me this date and acknowledged the due execution of the foregoing instrument.

Witness my hand and official stamp or seal, this the 19th day of December, 2003.

MY COMMISSION EXPIRES: 2/29/2004



Cathy Ann Robinson
NOTARY PUBLIC
CATHY ANN ROBINSON

The foregoing Certificate(s) of Cathy Ann Robinson is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

By Otto W. DeBruhl County REGISTER OF DEEDS
Debra B. Rogers Deputy/Assistant-Register of Deeds.

Workflow 9999-00252899

BOOK 3487

PAGES 7 - 8

Buncombe County, NC
Recorded 12/08/2003 01:09:37pm
No 9999-00252899 1 of 2 pages
Excise Tax: \$440.00
Otto W. DeBruhl, Register of Deeds

Excise Tax \$440.00 ✓

Do NOT write above this line.

Recording: Time, Book and Page

NORTH CAROLINA GENERAL WARRANTY DEED

This instrument prepared by: Wilder Wadford, Attorney at Law Return to: See below

Brief description for the Index:

This Deed made this 4 Day of DECEMBER, 2003, by and between Grantor and Grantee: Enter in appropriate block for each party: Name, address, county, state and if appropriate entity (i.e. corporation, partnership). The designation Grantor and Grantee as used herein shall include all parties, their heirs, successors and assigns and shall include singular, plural, masculine, feminine or neuter as required by context.

Grantor: ECOHAB DEVELOPMENT COMPANY, LLC

Grantee: ARTHUR NADEL and wife, MARGUERITE J. NADEL

1668 Main Street, Sarasota, FL 34236

Transfer of Ownership: Grantor, for a valuable consideration paid by Grantee, the receipt of which is hereby acknowledged, conveys to Grantee in fee simple, the Property described below:

Property: City of _____
Township of NO. 28 County of BUNCOMBE, North Carolina.

This property was acquired by Grantor by an instrument recorded in Book _____, Page _____, _____ County.

A map showing the property is recorded in Plat Book _____, Page _____, _____ County.

The legal description of the Property is:

BEING Lots 105, 107, 108 and 110 as shown in a plat recorded in Plat Book 46 at Page 163, Buncombe county Registry, reference to which is made for a more particular description.

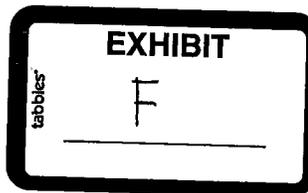
REFERENCE is made to Deed Book 2457 at Page 726 Buncombe County Registry.

TOGETHER WITH AND SUBJECT TO easements, restrictions and rights of way of record.

Continued on Page 2

After recording mail to: (Box 81) (JRR)
John R. Rose 03-5243A
Attorney at Law
P. O. Box 7436
Asheville, NC 28802

Tax Lot No: _____
Parcel Identifier No. _____
Verified By _____ County
On the _____ Day of _____, 2003.
By _____
Page 1 of 2



2

Continued from Page 1

TO HAVE AND TO HOLD the said Property and all privileges and appurtenances (rights) belonging to Grantee, in fee simple.

Promises by Grantor: Grantor promises (covenants) with Grantee, that Grantor has title to the Property in fee simple; has the right to convey the title in fee simple; that the title is marketable and free and clear of all liens and encumbrances (i.e. mortgages and judgements), and Grantor will warrant and defend the title against the lawful claims of all persons, except for the following exceptions:

TOGETHER WITH AND SUBJECT TO easements, restrictions, rights of way of record and ad valorem taxes for 2003..

Signatures: Grantor has duly executed the foregoing instrument, as of the day and year first written above.

Entity	Individual
Name: <u>EcoHab Development Company, LLC</u>	_____ (SEAL)
By: <u><i>Allen W. Tucker</i></u>	_____ (SEAL)
Title: <u>Manager</u>	_____ (SEAL)
Name: _____	_____ (SEAL)
By: _____	_____ (SEAL)
Title: _____	_____ (SEAL)

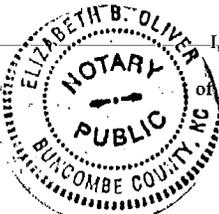
INDIVIDUAL

STATE OF _____ COUNTY OF _____
 I, a Notary Public of the County and State aforesaid, certify that _____
 Grantor personally came before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of _____, 2003.
 My Commission Expires: _____ Notary Public

INDIVIDUAL

STATE OF _____ COUNTY OF _____
 I, a Notary Public of the County and State aforesaid, certify that _____
 Grantor personally came before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of _____, 2003.
 My Commission Expires: _____ Notary Public

ENTITY: Corporation, Limited Liability Company, General Partnership, or Limited Partnership
 STATE OF North Carolina COUNTY OF Buncombe
 I, a Notary Public of the County and State aforesaid, certify that ALLEN W. TUCKER personally came before me this day and acknowledged that he is The Manager of EcoHab Development Company, LLC, a North Carolina limited liability company and that by authority duly given and as an act of the Entity, has signed the foregoing instrument in its name and on its behalf as its act and deed. Witness my hand and official stamp or seal, this 5 day of December, 2003.
 My Commission Expires: 12/5/04 Elizabeth B. Oliver Notary Public



The foregoing Certificate(s) of Elizabeth B. Oliver

is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page Shown on the first page hereof.

BY Otto W. DeBuhl REGISTER OF DEEDS FOR Buncombe COUNTY
Debra B. Rogers Deputy/Assistant-Register of Deeds