Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [X] the first return/report;
- [ ] the final return/report;
- [X] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [ ] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
CAL-AM PROPERTIES INC 401(K) PROFIT SHARING PLAN & TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2004

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

CAL-AM PROPERTIES

385 CLINTON ST
COSTA MESA, CA 92626-6011

2b Employer Identification Number (EIN)
95-4142711

2c Sponsor's telephone number
714-432-4800

2d Business code (see instructions)
531310

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	12/30/2013	CAL-AM PROPERTIES
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	734
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	627
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	21
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	648
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	648
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	51
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2G 2J 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [ ] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
CAL-AM PROPERTIES INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CAL-AM PROPERTIES

D Employer Identification Number (EIN)
95-4142711

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	266406	257881
(2) U.S. Government securities	1c(2)	0	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	
(B) All other	1c(3)(B)	0	
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	
(B) Common	1c(4)(B)	0	
(5) Partnership/joint venture interests	1c(5)	0	
(6) Real estate (other than employer real property)	1c(6)	0	
(7) Loans (other than to participants)	1c(7)	0	
(8) Participant loans	1c(8)	3152	14886
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	451558	519376
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	0	
(2) Employer real property	1d(2)	0	
e Buildings and other property used in plan operation	1e	0	
f Total assets (add all amounts in lines 1a through 1e)	1f	721116	792143
Liabilities			
g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	0	
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	721116	792143

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	0	
(B) Participants	2a(1)(B)	194145	
(C) Others (including rollovers)	2a(1)(C)	3874	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		198019
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	26	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	563	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		589
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	15514	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		15514
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		49432
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		263554
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	153784	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		153784
f Corrective distributions (see instructions)	2f		37553
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1190	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		1190
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		192527
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		71027
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: LINK, MURREL & COMPANY, LLP **(2)** EIN: 33-0158349

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e		X	
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
CAL-AM PROPERTIES INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CAL-AM PROPERTIES

D Employer Identification Number (EIN)
95-4142711

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 16-1470238

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a	The current year	**14a**	
b	The plan year immediately preceding the current plan year	**14b**	
c	The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a	The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b	The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a	Enter the number of employers who withdrew during the preceding plan year	**16a**	
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

CAL-AM PROPERTIES 401(k) PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

DECEMBER 31, 2012 AND 2011

WITH INDEPENDENT AUDITORS'
REPORT THEREON

CAL-AM PROPERTIES 401(k) PLAN

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Link, Murrel & Company, LLP

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
CAL-AM Properties 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the CAL-AM Properties 401(k) Plan (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2012, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by The Hartford Life Insurance Company (from January 1, 2011 through January 19, 2011), and Mid Atlantic Trust Company (from January 20, 2011 through December 31, 2012), the Trustees of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter – Supplemental Schedule

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, Line 4i, Schedule of Assets (Held at End of Year), which is the responsibility of plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the 2012 financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Other Matter – 2011 Financial Statements

The financial statements of the Plan as of December 31, 2011, were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed the other auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by The Hartford Life Insurance Company (from January 1, 2011 through January 19, 2011), and Mid Atlantic Trust Company (from January 20, 2011 through December 31, 2012), the Trustees of the Plan. Their report dated October 10, 2012 indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole, and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Link, Murrel & Company, LLP

Link, Murrel & Company, LLP

Irvine, California
October 4, 2013

CAL-AM PROPERTIES 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2012 AND 2011

	2012	2011
Assets:		
Investments at fair value:		
Participant directed investments	$ 519,377	$ 451,558
Interest bearing cash	257,880	266,406
Total investments	777,257	717,964
Receivables:		
Loans to participants	14,886	3,152
Total assets	792,143	721,116
Liabilities:		
Corrective distributions payable	65,289	37,802
Net Assets Available for Benefits	$ 726,854	$ 683,314

See accompanying notes.

CAL-AM PROPERTIES 401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2012

Additions:	
Investment income:	
Unrealized gain on investment	$ 52,364
Dividends	15,514
Interest income	563
Total investment income	68,441
Contributions:	
Participant	129,105
Rollovers	968
Total contributions	130,073
Total additions	198,514
Deductions:	
Distributions to participants	153,784
Administrative expenses	1,190
Total deductions	154,974
Increase in Net Assets Available for Plan Benefits	43,540
Net Assets Available for Benefits, Beginning of Year	683,314
Net Assets Available for Benefits, End of Year	$ 726,854

See accompanying notes.

1. DESCRIPTION OF PLAN

CAL-AM Properties 401(k) Plan (the Plan) is a defined contribution plan to which CAL-AM Properties, Inc. (the Company) contributes such amounts annually as determined by the Board of Directors. The Plan also provides for voluntary contributions by employees. Participants should refer to the Plan agreement for more complete information.

Major provisions of the Plan are as follows:

Eligibility and Participation

All employees age 21 and over are eligible to participate in the Plan after one full year of employment and 1,000 hours of service.

Contributions

Employee salary deferrals cannot exceed a maximum dollar amount determined by the federal government each year. The Company will make employer contributions to the Plan at its discretion.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of Plan earnings or losses. Earnings or losses are allocated on the basis of the ratio each account balance bears to the total account balances of all participants in the same investment. The benefit, to which a participant is entitled, is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their account is determined as follows:

Years of Service	Vested Percentage
Less than 2	0%
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 but less than 6	80%
6 or more	100%

In addition, participants are 100% vested at normal retirement as defined by the Plan, disability or death.

1. **DESCRIPTION OF PLAN** (Continued)

Investment Options

Upon enrollment in the Plan, a participant may direct employee contributions to any of the investment options through The Hartford Life Insurance Company (from January 1, 2011 through January 19, 2011) and Mid Atlantic Trust Company (from January 20, 2011 through December 31, 2012), the Trustees of the Plan.

If participants choose not to select an investment option, the Trustee will select investment options through Mid Atlantic Trust Company, the Trustee of the Plan.

Participant Loans

Loans are permitted from a percentage of the participants' vested benefits in accordance with loan provisions defined in the Plan.

Payment of Benefits

Participants may withdraw all or a portion of the vested interest in their account upon retirement, termination of employment, or financial hardship.

Administrative Costs

Administrative costs of the Plan are generally paid from participant accounts, unless the employer elects to pay.

Forfeitures

Forfeitures occurring in any Plan year which were directly attributable to employer contributions will be used to reduce future employer contributions.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act (ERISA).

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are valued at quoted market prices which represent the fair value of shares held by the Plan at year end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Risk and Uncertainties

The Plan invests in various investment securities. Investments securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Subsequent Events

The Company has evaluated subsequent events through October 4, 2013, which was the date the financial statements were available to be issued. Management determined that no material subsequent events have occurred that would require disclosure or recognition in the accompanying financial statements for the year ended December 31, 2012.

3. TAX STATUS

The Plan is currently being operated under a volume submitted letter issued by the Internal Revenue Service (IRS) dated March 31, 2008 and has received an acceptable determination letter.

Accounting principles generally accepted in the United States of America requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

4. INFORMATION CERTIFIED BY TRUSTEE

The following is a summary of the unaudited information regarding the Plan, included in the Plan's financial statements and supplemental schedule, which was prepared by the Trustees of the Plan and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the Trustees that such information is complete and accurate:

	December 31, 2012	December 31, 2011
a. Fair Value of Investments at December 31:		
Participant directed investments	$ 519,377	$ 451,558
Interest bearing cash	257,880	266,406
	$ 777,257	$ 717,964

	For The Year Ended December 31, 2012
b. Investment Activity for the Year Ended December 31:	
Unrealized gain on investments	$ 52,364
Dividends	15,514
Interest income	563
	$ 68,441

c. Schedule H, Line 4i, Schedule of Assets (Held at End of Year) as of December 31, 2012.

5. INVESTMENTS EXCEEDING 5% OF NET ASSETS

The following summary of the Plan's investments that exceeded 5% of net assets available for benefits, as of December 31, 2012 and 2011, was derived from information certified by the Trustees and furnished to the Plan Administrator (see Note 4). The Plan Administrator has obtained certifications from the Trustees that such information is complete and accurate.

	2012	2011
Fidelity Advisor New Insights Fund	$ -	$ 34,743
Schwab S&P 500 Index Fund	204,235	166,298
Federated Automated Cash Management Trust	257,880	266,406
Vanguard Inflation-Protected Securities Fund Investor Shares	82,728	63,487

6. FAIR VALUE ACCOUNTING

With respect to its financial and non-financial assets and liabilities, the Plan adopted a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly for substantially the full term of the asset or liability;

Level 3 prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual Funds: Valued at the daily closing price as reported by the fund.

The following table sets forth the Plan's assets measured at fair value by level within the fair value hierarchy. As required, assets are classified in their entirety based on the lowest level of output that is significant to the fair value measurement.

6. FAIR VALUE ACCOUNTING (Continued)

	Fair Value at December 31, 2012			
	Total	Level 1	Level 2	Level 3
Assets:				
Mutual funds	$ 519,377	$ 519,377	$ -	$ -
Money market fund	257,880	257,880	-	-
Total Assets at Fair Value	$ 777,257	$ 777,257	$ -	$ -

	Fair Value at December 31, 2011			
	Total	Level 1	Level 2	Level 3
Assets:				
Mutual funds	$ 451,558	$ 451,558	$ -	$ -
Money market fund	266,406	266,406	-	-
Total Assets at Fair Value	$ 717,964	$ 717,964	$ -	$ -

7. CORRECTIVE DISTRIBUTIONS

The Plan failed the non-discrimination test for 2012 and 2011 thereby requiring certain highly compensated employees to get a portion of their 401(k) deferrals returned and liabilities of $65,289 and $37,802 were recorded as of December 31, 2012 and 2011, respectively. All corrective distributions were paid by the March 15, 2013 and 2012 deadline.

8. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500:

	December 31, 2012
Net Assets Available for Benefits per the Financial Statements	$ 726,854
Add: Corrective Distributions Due to Excess Contributions	65,289
Net Assets Available for Benefits per Schedule H of Form 5500	$ 792,143

8. **RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500** (Continued)

The following is a reconciliation of participant contributions per the financial statements for the year ended December 31, 2012 to schedule H of Form 5500:

	December 31, 2012
Participant Contributions per the Financial Statements	$ 129,105
Add: Corrective Distributions Due to Excess Contributions	65,289
Less: Difference in Prior Year Accrued Distributions to Participants and Amounts Actually Paid	(249)
Participant Contributions per Schedule H of Form 5500	$ 194,145

Amounts for participant contributions are recorded on the financial statements but not reflected on the Schedule H of Form 5500 for the year ended December 31, 2012.

The following is a reconciliation of corrective distributions and benefits paid to participants per the financial statements for the year ended December 31, 2012 to schedule H of Form 5500:

Corrective Distribution per the Financial Statements	$ -
Add: Prior Year Accrued Distributions to Participants	37,802
Less: Difference in Prior Year Accrued Distributions to Participants and Amounts Actually Paid	(249)
Corrective Distributions per Schedule H of Form 5500	$ 37,553

Amounts for accrued distributions to participants are recorded on the financial statements, but not reflected on the Schedule H of Form 5500 for the year ended December 31, 2012.

SUPPLEMENTARY INFORMATION

CAL-AM PROPERTIES 401(k) PLAN
EIN: 95-4142711, PLAN: 001
SCHEDULE H, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2012

(a)	(b) Identity of Issuer	(c) Description of Investment	(d) ** Cost	(e) Current Value
	Federated	Automated Cash Management Trust	$ -	$ 257,880
	American Century Investments	Equity Income Investor Class	-	385
	Fidelity Investments	Advisor New Insights Fund Institutional Class	-	38,225
	Janus	Triton Funds Class I	-	166
	Lord Abbett	Value Opportunities Fund Class I	-	2,124
	Vanguard	Dividend Growth Fund Investor Shares	-	1,050
	Parnassus	Equity Income Fund Class Investor	-	23,630
	Prudential Investments	Jennison Mid-Cap Growth Fund Class Z	-	17,521
	Royce	Special Equity Fund Investment Class	-	10,773
	Schwab Funds	S&P 500 Index Fund	-	204,235
	Yacktman	Yacktman Fund Service Class	-	26,117
	Columbia	Acorn International Fund Class Z	-	7,327
	MFS	International Value Fund Class R4	-	5,259
	Manning & Napier	World Opportunities Fund Class A	-	13,830
	Virtus	Emerging Markets Fund Class I	-	2,387
	Metropolitan West Funds	Total Return Bond Fund Class Institutional	-	26,720
	Prudential Investments	High-Yield Fund Class Z	-	35,810
	Vanguard	Short-Term Federal Fund Investor Shares	-	583
	Vanguard	Intermediate-Term Treasury Fund Investor Shares	-	20,507
	Vanguard	Inflation-Protected Securities Fund Investor Shares	-	82,728
	Total investments		-	777,257
*	Participants	Participant Loans, interest 3.25% - 4.25%	-	14,886
	Total assets held at end of year		$ -	$ 792,143

* Party-in-interest

** Cost information is not required per Department of Labor's Rules and Regulations for reporting and disclosure when the accounts are participant directed

See accompanying notes.

CAL-AM PROPERTIES 401(k) PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

DECEMBER 31, 2012 AND 2011

WITH INDEPENDENT AUDITORS'
REPORT THEREON

CAL-AM PROPERTIES 401(k) PLAN

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Link, Murrel & Company, LLP

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
CAL-AM Properties 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the CAL-AM Properties 401(k) Plan (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2012, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by The Hartford Life Insurance Company (from January 1, 2011 through January 19, 2011), and Mid Atlantic Trust Company (from January 20, 2011 through December 31, 2012), the Trustees of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter – Supplemental Schedule

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, Line 4i, Schedule of Assets (Held at End of Year), which is the responsibility of plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the 2012 financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Other Matter – 2011 Financial Statements

The financial statements of the Plan as of December 31, 2011, were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed the other auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by The Hartford Life Insurance Company (from January 1, 2011 through January 19, 2011), and Mid Atlantic Trust Company (from January 20, 2011 through December 31, 2012), the Trustees of the Plan. Their report dated October 10, 2012 indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole, and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Link, Murrel & Company, LLP

Link, Murrel & Company, LLP

Irvine, California
October 4, 2013

CAL-AM PROPERTIES 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2012 AND 2011

	2012	2011
Assets:		
Investments at fair value:		
Participant directed investments	$ 519,377	$ 451,558
Interest bearing cash	257,880	266,406
Total investments	777,257	717,964
Receivables:		
Loans to participants	14,886	3,152
Total assets	792,143	721,116
Liabilities:		
Corrective distributions payable	65,289	37,802
Net Assets Available for Benefits	$ 726,854	$ 683,314

See accompanying notes.

CAL-AM PROPERTIES 401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2012

Additions:	
Investment income:	
Unrealized gain on investment	$ 52,364
Dividends	15,514
Interest income	563
Total investment income	68,441
Contributions:	
Participant	129,105
Rollovers	968
Total contributions	130,073
Total additions	198,514
Deductions:	
Distributions to participants	153,784
Administrative expenses	1,190
Total deductions	154,974
Increase in Net Assets Available for Plan Benefits	43,540
Net Assets Available for Benefits, Beginning of Year	683,314
Net Assets Available for Benefits, End of Year	$ 726,854

See accompanying notes.

1. DESCRIPTION OF PLAN

CAL-AM Properties 401(k) Plan (the Plan) is a defined contribution plan to which CAL-AM Properties, Inc. (the Company) contributes such amounts annually as determined by the Board of Directors. The Plan also provides for voluntary contributions by employees. Participants should refer to the Plan agreement for more complete information.

Major provisions of the Plan are as follows:

Eligibility and Participation

All employees age 21 and over are eligible to participate in the Plan after one full year of employment and 1,000 hours of service.

Contributions

Employee salary deferrals cannot exceed a maximum dollar amount determined by the federal government each year. The Company will make employer contributions to the Plan at its discretion.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of Plan earnings or losses. Earnings or losses are allocated on the basis of the ratio each account balance bears to the total account balances of all participants in the same investment. The benefit, to which a participant is entitled, is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their account is determined as follows:

Years of Service	Vested Percentage
Less than 2	0%
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 but less than 6	80%
6 or more	100%

In addition, participants are 100% vested at normal retirement as defined by the Plan, disability or death.

1. **DESCRIPTION OF PLAN** (Continued)

Investment Options

Upon enrollment in the Plan, a participant may direct employee contributions to any of the investment options through The Hartford Life Insurance Company (from January 1, 2011 through January 19, 2011) and Mid Atlantic Trust Company (from January 20, 2011 through December 31, 2012), the Trustees of the Plan.

If participants choose not to select an investment option, the Trustee will select investment options through Mid Atlantic Trust Company, the Trustee of the Plan.

Participant Loans

Loans are permitted from a percentage of the participants' vested benefits in accordance with loan provisions defined in the Plan.

Payment of Benefits

Participants may withdraw all or a portion of the vested interest in their account upon retirement, termination of employment, or financial hardship.

Administrative Costs

Administrative costs of the Plan are generally paid from participant accounts, unless the employer elects to pay.

Forfeitures

Forfeitures occurring in any Plan year which were directly attributable to employer contributions will be used to reduce future employer contributions.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act (ERISA).

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are valued at quoted market prices which represent the fair value of shares held by the Plan at year end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Risk and Uncertainties

The Plan invests in various investment securities. Investments securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Subsequent Events

The Company has evaluated subsequent events through October 4, 2013, which was the date the financial statements were available to be issued. Management determined that no material subsequent events have occurred that would require disclosure or recognition in the accompanying financial statements for the year ended December 31, 2012.

3. TAX STATUS

The Plan is currently being operated under a volume submitted letter issued by the Internal Revenue Service (IRS) dated March 31, 2008 and has received an acceptable determination letter.

Accounting principles generally accepted in the United States of America requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

4. INFORMATION CERTIFIED BY TRUSTEE

The following is a summary of the unaudited information regarding the Plan, included in the Plan's financial statements and supplemental schedule, which was prepared by the Trustees of the Plan and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the Trustees that such information is complete and accurate:

	December 31, 2012	December 31, 2011
a. Fair Value of Investments at December 31:		
Participant directed investments	$ 519,377	$ 451,558
Interest bearing cash	257,880	266,406
	$ 777,257	$ 717,964

	For The Year Ended December 31, 2012
b. Investment Activity for the Year Ended December 31:	
Unrealized gain on investments	$ 52,364
Dividends	15,514
Interest income	563
	$ 68,441

c. Schedule H, Line 4i, Schedule of Assets (Held at End of Year) as of December 31, 2012.

5. INVESTMENTS EXCEEDING 5% OF NET ASSETS

The following summary of the Plan's investments that exceeded 5% of net assets available for benefits, as of December 31, 2012 and 2011, was derived from information certified by the Trustees and furnished to the Plan Administrator (see Note 4). The Plan Administrator has obtained certifications from the Trustees that such information is complete and accurate.

	2012	2011
Fidelity Advisor New Insights Fund	$ -	$ 34,743
Schwab S&P 500 Index Fund	204,235	166,298
Federated Automated Cash Management Trust	257,880	266,406
Vanguard Inflation-Protected Securities Fund Investor Shares	82,728	63,487

6. FAIR VALUE ACCOUNTING

With respect to its financial and non-financial assets and liabilities, the Plan adopted a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly for substantially the full term of the asset or liability;

Level 3 prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual Funds: Valued at the daily closing price as reported by the fund.

The following table sets forth the Plan's assets measured at fair value by level within the fair value hierarchy. As required, assets are classified in their entirety based on the lowest level of output that is significant to the fair value measurement.

6. FAIR VALUE ACCOUNTING (Continued)

	Fair Value at December 31, 2012			
	Total	Level 1	Level 2	Level 3
Assets:				
Mutual funds	$ 519,377	$ 519,377	$ -	$ -
Money market fund	257,880	257,880	-	-
Total Assets at Fair Value	$ 777,257	$ 777,257	$ -	$ -

	Fair Value at December 31, 2011			
	Total	Level 1	Level 2	Level 3
Assets:				
Mutual funds	$ 451,558	$ 451,558	$ -	$ -
Money market fund	266,406	266,406	-	-
Total Assets at Fair Value	$ 717,964	$ 717,964	$ -	$ -

7. CORRECTIVE DISTRIBUTIONS

The Plan failed the non-discrimination test for 2012 and 2011 thereby requiring certain highly compensated employees to get a portion of their 401(k) deferrals returned and liabilities of $65,289 and $37,802 were recorded as of December 31, 2012 and 2011, respectively. All corrective distributions were paid by the March 15, 2013 and 2012 deadline.

8. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500:

	December 31, 2012
Net Assets Available for Benefits per the Financial Statements	$ 726,854
Add: Corrective Distributions Due to Excess Contributions	65,289
Net Assets Available for Benefits per Schedule H of Form 5500	$ 792,143

8. **RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500** (Continued)

The following is a reconciliation of participant contributions per the financial statements for the year ended December 31, 2012 to schedule H of Form 5500:

	December 31, 2012
Participant Contributions per the Financial Statements	$ 129,105
Add: Corrective Distributions Due to Excess Contributions	65,289
Less: Difference in Prior Year Accrued Distributions to Participants and Amounts Actually Paid	(249)
Participant Contributions per Schedule H of Form 5500	$ 194,145

Amounts for participant contributions are recorded on the financial statements but not reflected on the Schedule H of Form 5500 for the year ended December 31, 2012.

The following is a reconciliation of corrective distributions and benefits paid to participants per the financial statements for the year ended December 31, 2012 to schedule H of Form 5500:

Corrective Distribution per the Financial Statements	$ -
Add: Prior Year Accrued Distributions to Participants	37,802
Less: Difference in Prior Year Accrued Distributions to Participants and Amounts Actually Paid	(249)
Corrective Distributions per Schedule H of Form 5500	$ 37,553

Amounts for accrued distributions to participants are recorded on the financial statements, but not reflected on the Schedule H of Form 5500 for the year ended December 31, 2012.

SUPPLEMENTARY INFORMATION

CAL-AM PROPERTIES 401(k) PLAN
EIN: 95-4142711, PLAN: 001
SCHEDULE H, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2012

(a)	(b) Identity of Issuer	(c) Description of Investment	(d) ** Cost	(e) Current Value
	Federated	Automated Cash Management Trust	$ -	$ 257,880
	American Century Investments	Equity Income Investor Class	-	385
	Fidelity Investments	Advisor New Insights Fund Institutional Class	-	38,225
	Janus	Triton Funds Class I	-	166
	Lord Abbett	Value Opportunities Fund Class I	-	2,124
	Vanguard	Dividend Growth Fund Investor Shares	-	1,050
	Parnassus	Equity Income Fund Class Investor	-	23,630
	Prudential Investments	Jennison Mid-Cap Growth Fund Class Z	-	17,521
	Royce	Special Equity Fund Investment Class	-	10,773
	Schwab Funds	S&P 500 Index Fund	-	204,235
	Yacktman	Yacktman Fund Service Class	-	26,117
	Columbia	Acorn International Fund Class Z	-	7,327
	MFS	International Value Fund Class R4	-	5,259
	Manning & Napier	World Opportunities Fund Class A	-	13,830
	Virtus	Emerging Markets Fund Class I	-	2,387
	Metropolitan West Funds	Total Return Bond Fund Class Institutional	-	26,720
	Prudential Investments	High-Yield Fund Class Z	-	35,810
	Vanguard	Short-Term Federal Fund Investor Shares	-	583
	Vanguard	Intermediate-Term Treasury Fund Investor Shares	-	20,507
	Vanguard	Inflation-Protected Securities Fund Investor Shares	-	82,728
	Total investments		-	777,257
*	Participants	Participant Loans, interest 3.25% - 4.25%	-	14,886
	Total assets held at end of year		$ -	$ 792,143

* Party-in-interest

** Cost information is not required per Department of Labor's Rules and Regulations for reporting and disclosure when the accounts are participant directed

See accompanying notes.