

CLIENT 75005

SCHMIDT, BETTENCOURT & MEDEIROS, LLP
865 GEER ROAD
TURLOCK, CA 95380
(209) 668-4857

September 15, 2011

HENRY J. TOSTA, JR. FAMILY, L.P.



Dear Client:

Your 2010 Federal Partnership Income Tax return will be electronically filed with the Internal Revenue Service upon receipt of a signed Form 8879PE - IRS e-file Signature Authorization. No tax is payable with the filing of this return.

Enclosed is your 2010 California Partnership Return of Income. The original should be signed at the bottom of page one. There is a balance payable of \$800. Mail the California return on or before October 17, 2011 and make check payable to:

FRANCHISE TAX BOARD
P.O. BOX 942857
SACRAMENTO, CA 94257-0601

You must distribute a copy of the 2010 Schedule K-1 to each partner, if applicable. Be sure to give each partner a copy of the Partner's Instructions for Schedule K-1.

Sincerely,

MICHAEL F. SCHMIDT, C.P.A.

SCHMIDT, BETTENCOURT & MEDEIROS, LLP

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FEDERAL FORMS

Form 1065	2010 U.S. Return of Partnership Income
Schedule B-1	Information on Partners Owning 50% or More
Schedule F	Profit or Loss From Farming
Schedule K-1	Partner's Share of Income, Deductions, Credits
Form 4562	Depreciation and Amortization
Form 4797	Sale of Business Property
Form 8825	Rental Real Estate Income and Expenses
Form 8879-PE	IRS e-file Signature Authorization
	Depreciation Schedules

CALIFORNIA FORMS

Form 565	2010 California Partnership Return of Income
Schedule D-1	Sales of Business Property
Schedule K-1 (565)	Partner's Share of Income, Deductions, Credits
Form 3885P	Depreciation and Amortization
Form 8825	Rental Real Estate Income and Expenses
	California Depreciation Schedules

FEE SUMMARY

Preparation Fee

Form **1065**

Department of the Treasury
Internal Revenue Service

U.S. Return of Partnership Income
For calendar year 2010, or tax year beginning _____, 2010,
ending _____, 20____.
▶ See separate instructions.

OMB No. 1545-0099

2010

A Principal business activity
FARMING

B Principal product or service
MILK & GRAINS

C Business code number
112120

Print or type.
HENRY J. TOSTA, JR. FAMILY, L.P.

D Employer identification number
[REDACTED]

E Date business started
12/31/2006

F Total assets (see instrs)
\$ 6,158,223.

G Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return
(6) Technical termination — also check (1) or (2)

H Check accounting method: (1) Cash (2) Accrual (3) Other (specify) ▶ _____

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ **3**

J Check if Schedules C and M-3 are attached

Caution. Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

INCOME	1 a Gross receipts or sales	1 a		
	b Less returns and allowances	1 b		1 c
	2 Cost of goods sold (Schedule A, line 8)			2
	3 Gross profit. Subtract line 2 from line 1c			3
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)			4
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5 -305,932.
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)			6
	7 Other income (loss) (attach statement)			7
8 Total income (loss). Combine lines 3 through 7			8 -305,932.	
SEE INSTRUCTIONS FOR LIMITATIONS DEDUCTIONS	9 Salaries and wages (other than to partners) (less employment credits)			9
	10 Guaranteed payments to partners			10
	11 Repairs and maintenance			11
	12 Bad debts			12
	13 Rent			13
	14 Taxes and licenses			14 1,600.
	15 Interest			15
	16 a Depreciation (if required, attach Form 4562)	16 a	246,491.	
	b Less depreciation reported on Schedule A and elsewhere on return	16 b	246,491.	16 c
	17 Depletion (Do not deduct oil and gas depletion.)			17
	18 Retirement plans, etc.			18
	19 Employee benefit programs			19
	20 Other deductions (attach statement)			20
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20			21 1,600.	
22 Ordinary business income (loss). Subtract line 21 from line 8			22 -307,532.	

Sign Here

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

Signature of general partner or limited liability company member manager _____ Date _____

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

Paid Preparer Use Only

Print/Type preparer's name: **MICHAEL F. SCHMIDT, C.P.A.** Preparer's signature: _____ Date: _____ Check if self-employed PTN: **P00046136**

Firm's name ▶ **SCHMIDT, BETTENCOURT & MEDEIROS, LLP** Firm's EIN ▶ **77-0457760**

Firm's address ▶ **865 GEER ROAD**
TURLOCK, CA 95380 Phone no. **(209) 668-4857**

Schedule A Cost of Goods Sold (see the instructions)

1	Inventory at beginning of year	1	
2	Purchases less cost of items withdrawn for personal use	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach statement)	4	
5	Other costs (attach statement)	5	
6	Total. Add lines 1 through 5.	6	
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2.	8	

- 9a Check all methods used for valuing closing inventory:
- (i) Cost as described in Regulations section 1.471-3
 - (ii) Lower of cost or market as described in Regulations section 1.471-4
 - (iii) Other (specify method used and attach explanation) _____
- b Check this box if there was a writedown of 'subnormal' goods as described in Regulations section 1.471-2(c) Yes No
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) Yes No
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? Yes No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
If 'Yes,' attach explanation.

Schedule B Other Information

- 1 What type of entity is filing this return? Check the applicable box:
- | | | | |
|---|--|-----|----|
| a <input type="checkbox"/> Domestic general partnership | b <input checked="" type="checkbox"/> Domestic limited partnership | Yes | No |
| c <input type="checkbox"/> Domestic limited liability company | d <input type="checkbox"/> Domestic limited liability partnership | | |
| e <input type="checkbox"/> Foreign partnership | f <input type="checkbox"/> Other _____ | | |
- 2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person? Yes No
- 3 At the end of the tax year:
- a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership. Yes No
- b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership. Yes No
- 4 At the end of the tax year, did the partnership:
- a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (iv) below. Yes No

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

- b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (v) below. Yes No

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

	Yes	No
5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details		X
6 Does this partnership satisfy all four of the following conditions? a The partnership's total receipts for the tax year were less than \$250,000. b The partnership's total assets at the end of the tax year were less than \$1 million. c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return. d The partnership is not filing and is not required to file Schedule M-3 If 'Yes,' the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		X
8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?		X
9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		X
10 At any time during calendar year 2010, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If 'Yes,' enter the name of the foreign country. ▶		X
11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions.		X
12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding section 754 election.		X
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions.		X
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than entities wholly-owned by the partnership throughout the tax year). <input type="checkbox"/>		
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in a partnership property?		X
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions ▶		
16 Does the partnership have any foreign partners? If 'Yes,' enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. ▶		X
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return ▶		

Designation of Tax Matters Partner (see the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	HENRY J. TOSTA	Identifying number of TMP ▶	[REDACTED]
If the TMP is an entity, name of TMP representative ▶	[REDACTED]	Phone number of TMP ▶	[REDACTED]
Address of designated TMP ▶	[REDACTED]		

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1	-307,532.
	2 Net rental real estate income (loss) (attach Form 8825)	2	-38,458.
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach stmt)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Guaranteed payments	4	
	5 Interest income	5	
	6 Dividends: a Ordinary dividends	6a	
	b Qualified dividends	6b	
	7 Royalties	7	
	8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8	
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a		
b Collectibles (28%) gain (loss)	9b		
c Unrecaptured section 1250 gain (attach statement)	9c		
10 Net section 1231 gain (loss) (attach Form 4797)	10	125,979.	
11 Other income (loss) (see instructions) Type ▶	11		
Deductions	12 Section 179 deduction (attach Form 4562)	12	
	13a Contributions SEE STATEMENT. 1	13a	227.
	b Investment interest expense	13b	
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c (2)	
d Other deductions (see instructions) Type ▶	13d		
Self-Employment	14a Net earnings (loss) from self-employment	14a	-3,076.
	b Gross farming or fishing income	14b	2,813,120.
	c Gross nonfarm income	14c	
Credits	15a Low-income housing credit (section 42(j)(5))	15a	
	b Low-income housing credit (other)	15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	15c	
	d Other rental real estate credits (see instructions) Type ▶	15d	
	e Other rental credits (see instructions) Type ▶	15e	
	f Other credits (see instructions) Type ▶	15f	
Foreign Transactions	16a Name of country or U.S. possession ▶		
	b Gross income from all sources	16b	
	c Gross income sourced at partner level Foreign gross income sourced at partnership level	16c	
	d Passive category ▶ e General category ▶ f Other ▶	16f	
	Deductions allocated and apportioned at partner level		
	g Interest expense ▶ h Other ▶	16h	
	Deductions allocated and apportioned at partnership level to foreign source income		
	i Passive category ▶ j General category ▶ k Other ▶	16k	
	l Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16l	
m Reduction in taxes available for credit (attach statement)	16m		
n Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	17a Post-1986 depreciation adjustment	17a	2,365.
	b Adjusted gain or loss	17b	
	c Depletion (other than oil and gas)	17c	
	d Oil, gas, and geothermal properties — gross income	17d	
	e Oil, gas, and geothermal properties — deductions	17e	
	f Other AMT items (attach stmt)	17f	
Other Information	18a Tax-exempt interest income	18a	
	b Other tax-exempt income	18b	
	c Nondeductible expenses	18c	
	19a Distributions of cash and marketable securities	19a	24,178.
	b Distributions of other property	19b	
20a Investment income	20a		
b Investment expenses	20b		
c Other items and amounts (attach stmt) SEE STATEMENT. 2			

Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l.	1	-220,238.				
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other
a General partners.		-2,202.				
b Limited partners.						-218,036.

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				91,249.
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities				
6	Other current assets (attach stmt)				
7	Mortgage and real estate loans				
8	Other investments (attach stmt)				
9a	Buildings and other depreciable assets	5,767,261.		5,773,574.	
b	Less accumulated depreciation	3,468,236.	2,299,025.	3,734,954.	2,038,620.
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)		3,591,282.		3,591,282.
12a	Intangible assets (amortizable only)	41,643.		41,643.	
b	Less accumulated amortization	429.	41,214.	4,687.	36,956.
13	Other assets (attach stmt) SEE ST. 3.		360,176.		400,116.
14	Total assets		6,291,697.		6,158,223.
Liabilities and Capital					
15	Accounts payable				
16	Mortgages, notes, bonds payable in less than 1 year		795,825.		1,043,875.
17	Other current liabilities (attach stmt) SEE ST. 4.		62,613.		64,327.
18	All nonrecourse loans				
19	Mortgages, notes, bonds payable in 1 year or more		3,943,391.		3,799,126.
20	Other liabilities (attach stmt)				
21	Partners' capital accounts		1,489,868.		1,250,895.
22	Total liabilities and capital		6,291,697.		6,158,223.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1 Net income (loss) per books	-220,238.	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest	\$ _____
3 Guaranteed pmts (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13d, and 16l, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize):		a Depreciation	\$ _____
a Depreciation	\$ _____	8 Add lines 6 and 7	
b Travel and entertainment	\$ _____	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	-220,238.
5 Add lines 1 through 4	-220,238.		

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	1,489,868.	6 Distributions: a Cash	24,178.
2 Capital contributed: a Cash	5,443.	b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	-220,238.	8 Add lines 6 and 7	24,178.
4 Other increases (itemize):		9 Balance at end of year. Subtract line 8 from line 5	1,250,895.
5 Add lines 1 through 4	1,275,073.		

SCHEDULE F
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Farming

▶ Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.
▶ See Instructions for Schedule F (Form 1040).

OMB No. 1545-0074

2010

Attachment
Sequence No. **14**

Name of proprietor HENRY J. TOSTA, JR. FAMILY, L.P.	Social security number (SSN)
A Principal product. Describe in one or two words your principal crop or activity for the current tax year. MILK & GRAINS	B Enter code from Part IV ▶ 112120
C Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual	D Employer ID number (EIN), if any 94-2253813

E Did you 'materially participate' in the operation of this business during 2010? If 'No,' see instructions for limit on passive losses. Yes No

Part I Farm Income — Cash Method. Complete Parts I and II (Accrual method. Complete Parts II & III, & Part I, line 11.)
Do not include sales of livestock held for draft, breeding, sport, or dairy purposes. Report these sales on Form 4797.

1 Sales of livestock and other items you bought for resale.....	1			
2 Cost or other basis of livestock and other items reported on line 1.....	2			
3 Subtract line 2 from line 1.....			3	
4 Sales of livestock, produce, grains, and other products you raised.....			4	2,687,807.
5a Cooperative distributions (Form(s) 1099-PATR).....	5a	28,562.	5b Taxable amount.....	5b 28,562.
6a Agricultural program payments (see instructions).....	6a	14,028.	6b Taxable amount.....	6b 14,028.
7 Commodity Credit Corporation (CCC) loans (see instructions):				
a CCC loans reported under election.....			7a	
b CCC loans forfeited.....	7b		7c Taxable amount.....	7c
8 Crop insurance proceeds and federal crop disaster payments (see instructions):				
a Amount received in 2010.....	8a		8b Taxable amount.....	8b
c If election to defer to 2011 is attached, check here.....		<input type="checkbox"/>	8d Amount deferred from 2009.....	8d
9 Custom hire (machine work) income.....			9	
10 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions).....		SEE STATEMENT 5	10	82,723.
11 Gross income. Add amounts in the right column for lines 3 through 10. If you use the accrual method to figure your income, enter the amount from Part III, line 51.....			11	2,813,120.

Part II Farm Expenses — Cash and Accrual Method. Do not include personal or living expenses such as taxes, insurance, or repairs on your home.

12 Car and truck expenses (see instructions). Also attach Form 4562.....	12	4,144.	25 Pension and profit-sharing plans.....	25	
13 Chemicals.....	13	8,607.	26 Rent or lease (see instructions):		
14 Conservation expenses (see instructions).....	14		a Vehicles, machinery, and equipment.....	26a	800.
15 Custom hire (machine work).....	15	9,555.	b Other (land, animals, etc.).....	26b	28,200.
16 Depreciation and section 179 expense deduction not claimed elsewhere (see instructions).....	16	246,491.	27 Repairs and maintenance.....	27	169,342.
17 Employee benefit programs other than on line 25.....	17		28 Seeds and plants.....	28	40,776.
18 Feed.....	18	1,482,067.	29 Storage and warehousing.....	29	
19 Fertilizers and lime.....	19		30 Supplies.....	30	41,745.
20 Freight and trucking.....	20	12,680.	31 Taxes.....	31	84,242.
21 Gasoline, fuel, and oil.....	21	76,269.	32 Utilities.....	32	76,653.
22 Insurance (other than health).....	22	33,632.	33 Veterinary, breeding, and medicine.....	33	68,821.
23 Interest:			34 Other expenses (specify):		
a Mortgage (paid to banks, etc).....	23a		a SEE STATEMENT 6.....	34a	371,589.
b Other.....	23b	188,244.	b.....	34b	
24 Labor hired (less employment credits).....	24	175,195.	c.....	34c	
			d.....	34d	
			e.....	34e	
			f.....	34f	
35 Total expenses. Add lines 12 through 34f. If line 34f is negative, see instructions.....				35	3,119,052.
36 Net farm profit or (loss). Subtract line 35 from line 11. Partnerships, see instructions. • If a profit, enter the profit on both Form 1040, line 18, and Schedule SE, line 1a; on Form 1040NR, line 19; or on Form 1041, line 6. • If a loss, you must go on to line 37.				36	-305,932.

37 If you have a loss, you must check the box that describes your investment in this activity and whether you received any applicable subsidy (see instructions).
• If you checked 37a, enter the loss on both Form 1040, line 18, and Schedule SE, line 1a; on Form 1040NR, line 19; or on Form 1041, line 6.
• If you checked 37b, your loss may be limited. See instructions.

37a All investment is at risk and you did not receive a subsidy.
37b Some investment is not at risk or you received a subsidy.

Rental Real Estate Income and Expenses of a Partnership or an S Corporation

OMB No. 1545-1186

▶ See instructions.
▶ Attach to Form 1065, Form 1065-B, or Form 1120S.

Name HENRY J. TOSTA, JR. FAMILY, L.P.	Employer identification number <div style="background-color: black; width: 100px; height: 15px;"></div>
---	--

1	Show the type and address of each property. For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions. See page 2 to list additional properties.			
	Physical address of each property — street, city, state, ZIP code	Type — Enter code 1-8; see page 2 for list	Fair Rental Days	Personal Use Days
A	RIDGECREST DR. MANTECA, CA 95337	1	365	
B	SAMOA LANE LATHROP, CA 95330	1	365	
C	CANAL BLVD. TRACY, CA 95376	1	365	
D				

Rental Real Estate Income		Properties			
		A	B	C	D
2	Gross rents	2	14,810.	6,933.	15,900.
Rental Real Estate Expenses					
3	Advertising	3			
4	Auto and travel	4			
5	Cleaning and maintenance	5			
6	Commissions	6			
7	Insurance	7	900.	700.	1,300.
8	Legal and other professional fees	8			
9	Interest	9		17,657.	16,125.
10	Repairs	10	2,344.	7,101.	4,547.
11	Taxes	11	1,450.	1,700.	2,350.
12	Utilities	12			
13	Wages and salaries	13			
14	Depreciation (see instructions)	14	6,340.	6,353.	7,134.
15	Other (list) ▶ AMORTIZATION	15		100.	
16	Total expenses for each property. Add lines 3 through 15	16	11,034.	33,611.	31,456.
17	Income or (Loss) from each property. Subtract line 16 from line 2	17	3,776.	-26,678.	-15,556.
18a	Total gross rents. Add gross rents from line 2, columns A through H	18a			37,643.
18b	Total expenses. Add total expenses from line 16, columns A through H	18b			-76,101.
19	Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities	19			
20a	Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1)	20a			
	b Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed: (1) Name (2) Employer identification number				
21	Net rental real estate income (loss). Combine lines 18a through 20a. Enter the result here and on: • Form 1065 or 1120S: Schedule K, line 2, or • Form 1065-B: Part I, line 4	21			-38,458.

1 Show the type and address of each property. For each rental real estate property listed, report the number of days at fair rental value and days with personal use. See instructions.

Physical address of each property – street, city, state, ZIP code	Type – Enter code 1-8; see below for list	Fair Rental Days	Personal Use Days
E -----	-----	-----	-----
F -----	-----	-----	-----
G -----	-----	-----	-----
H -----	-----	-----	-----

Rental Real Estate Income		Properties			
		E	F	G	H
2	Gross rents	2			
Rental Real Estate Expenses					
3	Advertising	3			
4	Auto and travel	4			
5	Cleaning and maintenance	5			
6	Commissions	6			
7	Insurance	7			
8	Legal and other professional fees	8			
9	Interest	9			
10	Repairs	10			
11	Taxes	11			
12	Utilities	12			
13	Wages and salaries	13			
14	Depreciation (see instructions)	14			
15	Other (list) ▶ -----	15			

16	Total expenses for each property. Add lines 3 through 15	16			
17	Income or (Loss) from each property. Subtract line 16 from line 2	17			

Allowable Codes for Type of Property

- 1– Single Family Residence
- 2– Multi-Family Residence
- 3– Vacation or Short-term Rental
- 4– Commercial
- 5– Land
- 6– Royalties
- 7– Self-Rental
- 8– Other (include description with the code on Form 8825 or on a separate statement)

**SCHEDULE B-1
(Form 1065)**

(December 2009)
Department of the Treasury
Internal Revenue Service

**Information on Partners Owning 50% or
More of the Partnership**

▶ **Attach to Form 1065. See instructions.**

OMB No. 1545-0099

Name of partnership

HENRY J. TOSTA, JR. FAMILY, L.P.

Employer identification number (EIN)

[REDACTED]

Part I Entities Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3a)

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital
HENRY J. TOSTA, JR. TRUST	[REDACTED]	TRUST	U.S.	89.000

Part II Individuals or Estates Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3b)

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

BAA For Paperwork Reduction Act Notice, see the instructions for Form 1065.

Cat. No. 49842K

Schedule B-1 (Form 1065) (12-2009)

Schedule K-1 (Form 1065)

2010

Final K-1 Amended K-1

Department of the Treasury Internal Revenue Service

For calendar year 2010, or tax year beginning ending

Partner's Share of Income, Deductions, Credits, etc. See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number B Partnership's name, address, city, state, and ZIP code C IRS Center where partnership filed return D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number F Partner's name, address, city, state, and ZIP code G H I What type of entity is this partner? J Partner's share of profit, loss, and capital K Partner's share of liabilities at year end: L Partner's capital account analysis: M Did the partner contribute property with a built-in gain or loss?

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 3 columns: Line number, Description, and Amount. Rows include Ordinary business income (loss), Net rental real estate income (loss), Other net rental income (loss), Guaranteed payments, Interest income, Ordinary dividends, Qualified dividends, Royalties, Net short-term capital gain (loss), Net long-term capital gain (loss), Collectibles (28%) gain (loss), Unrecaptured section 1250 gain, Net section 1231 gain (loss), Other income (loss), Section 179 deduction, Other deductions, Self-employment earnings (loss), Distributions, and Other information.

*See attached statement for additional information. FOR IRS USE ONLY

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

	<i>Report on</i>	<i>Code</i>	<i>Report on</i>
1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		K Disabled access cred t	See the Partner s Instruct ons
Passive loss		L Empowerment zone and renewal community employment cred t	Form 8844, line 3
Passive income		M Cred t for ncreas ng research activ ties	See the Partner s Instruct ons
Nonpassive loss		N Cred t for employer soc al security and Medicare taxes	Form 8846, line 5
Nonpassive ncome		O Backup w tholding	Form 1040, line 61
2 Net rental real estate income (loss)		P Other cred ts	See the Partner s Instruct ons
3 Other net rental income (loss)		16 Foreign transactions	
Net income	Schedule E, line 28, column (g)	A Name of country or U.S. possess on	Form 1116, Part I
Net loss	See the Partner s Instruct ons	B Gross ncome from all sources	
4 Guaranteed payments	Schedule E, line 28, column (j)	C Gross ncome sourced at partner level	Form 1116, Part I
5 Interest income	Form 1040, line 8a	<i>Foreign gross income sourced at partnership level</i>	
6a Ordinary dividends	Form 1040, line 9a	D Passive category	Form 1116, Part I
6b Qualified dividends	Form 1040, line 9b	E General category	
7 Royalties	Schedule E, line 4	F Other	
8 Net short-term capital gain (loss)	Schedule D, line 5, column (f)	<i>Deductions allocated and apportioned at partner level</i>	
9a Net long-term capital gain (loss)	Schedule D, line 12, column (f)	G Interest expense	Form 1116, Part I
9b Collectibles (28%) gain (loss)	28% Rate Ga n Worksheet, line 4 (Schedule D Instruct ons)	H Other	Form 1116, Part I
9c Unrecaptured section 1250 gain	See the Partner s Instruct ons	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
10 Net section 1231 gain (loss)	See the Partner s Instruct ons	I Passive category	Form 1116, Part I
11 Other income (loss)		J General category	
<i>Code</i>		K Other	
A Other portfol o ncome (loss)	See the Partner s Instruct ons	<i>Other information</i>	
B Involuntary convers ons	See the Partner s Instruct ons	L Total foreign taxes pa d	Form 1116, Part II
C Section 1256 contracts and straddles	Form 6781, line 1	M Total foreign taxes accrued	Form 1116, Part II
D M n ng exploration costs recapture	See Pub 535	N Reduction in taxes available for credit	Form 1116, line 12
E Cancellat on of debt	Form 1040, line 21 or Form 982	O Foreign trading gross rece pts	Form 8873
F Other income (loss)	See the Partner s Instruct ons	P Extraterr tor al income exclus on	Form 8873
12 Section 179 deduction	See the Partner s Instruct ons	Q Other fore gn transactions	See the Partner s Instruct ons
13 Other deductions		17 Alternative minimum tax (AMT) items	
A Cash contr but ons (50%)	See the Partner s Instruct ons	A Post-1986 deprec ation adjustment	See the Partner s Instruct ons and the Instruct ons for Form 6251
B Cash contr but ons (30%)			
C Noncash contr but ons (50%)			
D Noncash contr but ons (30%)			
E Capital gain property to a 50% organizat on (30%)			
F Capital gain property (20%)			
G Contributions (100%)	Form 4952, line 1	18 Tax-exempt income and nondeductible expenses	
H Investment interest expense	Schedule E, line 18	A Tax-exempt interest income	Form 1040, line 8b
I Deduct ons — royalty income	See the Partner s Instruct ons	B Other tax-exempt income	See the Partner s Instruct ons
J Section 59(e)(2) expenditures	Schedule A, line 23	C Nondeductible expenses	See the Partner s Instruct ons
K Deduct ons — portfol o (2% floor)	Schedule A, line 28	19 Distributions	
L Deduct ons — portfolio (other)	Schedule A, line 1 or Form 1040, line 29	A Cash and marketable securities	See the Partner s Instruct ons
M Amounts paid for med cal nsurance	See the Partner s Instruct ons	B Distribut on subject to section 737	
N Educational assistance benefits	Form 2441, line 12	C Other property	
O Dependent care benefits	See the Partner s Instruct ons	20 Other information	
P Preproductive period expenses	See the Partner s Instruct ons	A Investment income	Form 4952, line 4a
Q Commercial rev talizat on deduct on from rental real estate activities	See Form 8582 Instructions	B Investment expenses	Form 4952, line 5
R Pens ons and RAs	See the Partner s Instruct ons	C Fuel tax credit information	Form 4136
S Reforestation expense deduction	See the Partner s Instruct ons	D Qualified rehabilitat on expenditures (other than rental real estate)	See the Partner s Instruct ons
T Domestic production activit es nformat on	See Form 8903 Instructions	E Basis of energy property	See the Partner s Instruct ons
U Qualified production activit es ncome	Form 8903, line 7b	F Recapture of low-ncome housing credit (section 42(j)(5))	Form 8611, line 8
V Employer s Form W-2 wages	Form 8903, line 17	G Recapture of low-ncome housing credit (other)	Form 8611, line 8
W Other deductions	See the Partner s Instruct ons	H Recapture of investment credit	Form 4255
14 Self-employment earnings (loss)		I Recapture of other credits	See the Partner s Instruct ons
Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.		J Look-back interest — completed long-term contracts	See Form 8697
A Net earn ngs (loss) from self-employment	Schedule SE, Sect on A or B	K Look-back interest — income forecast method	See Form 8866
B Gross farm ng or fishing ncome	See the Partner s Instruct ons	L Disposit ons of property w th section 179 deduct ons	See the Partner s Instruct ons
C Gross non-farm income	See the Partner s Instruct ons	M Recapture of section 179 deduction	
15 Credits		N Interest expense for corporate partners	
A Low-income housing cred t (sect on 42(j)(5)) from pre-2008 buildings	See the Partner s Instruct ons	O Section 453(l)(3) nformat on	
B Low-income housing cred t (other) from pre-2008 build ngs	See the Partner s Instruct ons	P Section 453A(c) nformat on	
C Low-income housing cred t (sect on 42(j)(5)) from post-2007 buildings	Form 8586, line 11	Q Section 1260(b) nformat on	
D Low-income housing cred t (other) from post-2007 buildings	Form 8586, line 11	R Interest allocable to production expend tures	
E Qualified rehabilitat ion expend tures (rental real estate)	See the Partner s Instruct ons	S CCF nonqualified withdrawals	
F Other rental real estate credits			
G Other rental cred ts	Form 1040, line 71; check box a	T Deplet on nformat on — oil and gas	
H Undistributed capital gains cred t	Form 6478, line 8	U Amortization of reforestation costs	
I Alcohol and cellulosic biofuel fuels credit	Form 5884, line 3	V Unrelated business taxable income	
J Work opportunity cred t		W Precontribution ga n (loss)	
		X Section 108(i) nformat on	
		Y Other information	

**BOX 2
RENTAL REAL ESTATE ACTIVITIES**

<u>PROPERTY ADDRESS</u>	<u>GROSS INCOME</u>	<u>NET EXPENSES</u>	<u>NET INCOME</u>	<u>PASSIVE NONPASS</u>	<u>SEC. 1231 TOTAL</u>
RIDGECREST DR. MANTECA, CA 95337	148.	110.	\$ 38.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	69.	336.	-267.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	159.	315.	-156.	PASSIVE	
ROUNDING OR SPECIALLY ALLOCATED NET INCOME (LOSS) ADJUSTMENT			1.		
		TOTAL	<u>\$ -384.</u>		

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION..... \$ 672.

Schedule K-1 (Form 1065)

2010

Final K-1 Amended K-1

Department of the Treasury Internal Revenue Service

For calendar year 2010, or tax year beginning ending, 2010

Partner's Share of Income, Deductions, Credits, etc.

See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
B Partnership's name, address, city, state, and ZIP code
HENRY J. TOSTA, JR. FAMILY, L.P.
C IRS Center where partnership filed return
E-FILE
D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
F Partner's name, address, city, state, and ZIP code
HENRY J. TOSTA, JR. TRUST
DATED OCTOBER 16, 2006
G General partner or LLC member-manager Limited partner or other LLC member
H Domestic partner Foreign partner
I What type of entity is this partner? FIDUCIARY
J Partner's share of profit, loss, and capital (see instructions):
Beginning Ending
Profit 89 % 89 %
Loss 89 % 89 %
Capital 89 % 89 %
K Partner's share of liabilities at year end:
Nonrecourse \$
Qualified nonrecourse financing \$ 4,310,271.
Recourse \$
L Partner's capital account analysis:
Beginning capital account \$ 1,325,982.
Capital contributed during the year \$ 4,844.
Current year increase (decrease) \$ -196,012.
Withdrawals and distributions \$ (21,518.)
Ending capital account \$ 1,113,296.
M Did the partner contribute property with a built-in gain or loss?
Yes No
If Yes, attach statement (see instructions)

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 3 columns: Line number, Description, and Amount. Rows include: 1 Ordinary business income (loss) -273,703.; 2 Net rental real estate income (loss) -34,228.; 3 Other net rental income (loss); 4 Guaranteed payments; 5 Interest income; 6a Ordinary dividends; 6b Qualified dividends; 7 Royalties; 8 Net short-term capital gain (loss); 9a Net long-term capital gain (loss) 2,105.; 9b Collectibles (28%) gain (loss); 9c Unrecaptured section 1250 gain; 10 Net section 1231 gain (loss) 112,121.; 11 Other income (loss); 12 Section 179 deduction; 13 Other deductions 202.; 14 Self-employment earnings (loss) 2,503,677.; 19 Distributions 21,518.; 20 Other information STMT.

*See attached statement for additional information.

FOR IRS USE ONLY

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

	<i>Report on</i>	<i>Code</i>	<i>Report on</i>
1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		K Disabled access cred t	See the Partner s Instruct ons
Passive loss		L Empowerment zone and renewal community employment cred t	Form 8844, line 3
Passive income		M Cred t for ncreas ng research activ ties	See the Partner s Instruct ons
Nonpassive loss		N Cred t for employer soc al security and Medicare taxes	Form 8846, line 5
Nonpassive ncome		O Backup w thholding	Form 1040, line 61
2 Net rental real estate income (loss)		P Other cred ts	See the Partner s Instruct ons
3 Other net rental income (loss)		16 Foreign transactions	
Net income	Schedule E, line 28, column (g)	A Name of country or U.S. possess on	Form 1116, Part I
Net loss	See the Partner s Instruct ons	B Gross ncome from all sources	
4 Guaranteed payments	Schedule E, line 28, column (j)	C Gross ncome sourced at partner level	Form 1116, Part I
5 Interest income	Form 1040, line 8a	<i>Foreign gross income sourced at partnership level</i>	
6a Ordinary dividends	Form 1040, line 9a	D Passive category	Form 1116, Part I
6b Qualified dividends	Form 1040, line 9b	E General category	
7 Royalties	Schedule E, line 4	F Other	
8 Net short-term capital gain (loss)	Schedule D, line 5, column (f)	<i>Deductions allocated and apportioned at partner level</i>	
9a Net long-term capital gain (loss)	Schedule D, line 12, column (f)	G Interest expense	Form 1116, Part I
9b Collectibles (28%) gain (loss)	28% Rate Ga n Worksheet, line 4 (Schedule D Instruct ons)	H Other	Form 1116, Part I
9c Unrecaptured section 1250 gain	See the Partner s Instruct ons	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
10 Net section 1231 gain (loss)	See the Partner s Instruct ons	I Passive category	Form 1116, Part I
11 Other income (loss)		J General category	
<i>Code</i>		K Other	
A Other portfol o ncome (loss)	See the Partner s Instruct ons	<i>Other information</i>	
B Involuntary convers ons	See the Partner s Instruct ons	L Total foreign taxes pa d	Form 1116, Part II
C Section 1256 contracts and straddles	Form 6781, line 1	M Total foreign taxes accrued	Form 1116, Part II
D M n ng exploration costs recapture	See Pub 535	N Reduction in taxes available for credit	Form 1116, line 12
E Cancellat on of debt	Form 1040, line 21 or Form 982	O Foreign trading gross rece pts	Form 8873
F Other income (loss)	See the Partner s Instruct ons	P Extraterr tor al income exclus on	Form 8873
12 Section 179 deduction	See the Partner s Instruct ons	Q Other fore gn transactions	See the Partner s Instruct ons
13 Other deductions		17 Alternative minimum tax (AMT) items	
A Cash contr but ons (50%)	See the Partner s Instruct ons	A Post-1986 deprec ation adjustment	See the Partner s Instruct ons and the Instruct ons for Form 6251
B Cash contr but ons (30%)			
C Noncash contr but ons (50%)			
D Noncash contr but ons (30%)			
E Capital gain property to a 50% organizat on (30%)			
F Capital gain property (20%)			
G Contributions (100%)	Form 4952, line 1	18 Tax-exempt income and nondeductible expenses	
H Investment interest expense	Schedule E, line 18	A Tax-exempt interest income	Form 1040, line 8b
I Deduct ons — royalty income	See the Partner s Instruct ons	B Other tax-exempt income	See the Partner s Instruct ons
J Section 59(e)(2) expenditures	Schedule A, line 23	C Nondeductible expenses	See the Partner s Instruct ons
K Deduct ons — portfol o (2% floor)	Schedule A, line 28	19 Distributions	
L Deduct ons — portfolio (other)	Schedule A, line 1 or Form 1040, line 29	A Cash and marketable securities	See the Partner s Instruct ons
M Amounts paid for med cal nsurance	See the Partner s Instruct ons	B Distribut on subject to section 737	
N Educational assistance benefits	Form 2441, line 12	C Other property	
O Dependent care benefits	See the Partner s Instruct ons	20 Other information	
P Preproductive period expenses	See the Partner s Instruct ons	A Investment income	Form 4952, line 4a
Q Commercial rev talizat on deduct on from rental real estate activities	See Form 8582 Instructions	B Investment expenses	Form 4952, line 5
R Pens ons and RAs	See the Partner s Instruct ons	C Fuel tax credit information	Form 4136
S Reforestation expense deduction	See the Partner s Instruct ons	D Qualified rehabilitat on expenditures (other than rental real estate)	See the Partner s Instruct ons
T Domestic production activit es nformat on	See Form 8903 Instructions	E Basis of energy property	See the Partner s Instruct ons
U Qualified production activit es ncome	Form 8903, line 7b	F Recapture of low-ncome housing credit (section 42(j)(5))	Form 8611, line 8
V Employer s Form W-2 wages	Form 8903, line 17	G Recapture of low-ncome housing credit (other)	Form 8611, line 8
W Other deductions	See the Partner s Instruct ons	H Recapture of investment credit	Form 4255
14 Self-employment earnings (loss)		I Recapture of other credits	See the Partner s Instruct ons
Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.		J Look-back interest — completed long-term contracts	See Form 8697
A Net earn ngs (loss) from self-employment	Schedule SE, Sect on A or B	K Look-back interest — income forecast method	See Form 8866
B Gross farm ng or fishing ncome	See the Partner s Instruct ons	L Disposit ons of property w th section 179 deduct ons	See the Partner s Instruct ons
C Gross non-farm income	See the Partner s Instruct ons	M Recapture of section 179 deduction	
15 Credits		N Interest expense for corporate partners	
A Low-income housing cred t (sect on 42(j)(5)) from pre-2008 buildings	See the Partner s Instruct ons	O Section 453(l)(3) nformat on	
B Low-income housing cred t (other) from pre-2008 build ngs	See the Partner s Instruct ons	P Section 453A(c) nformat on	
C Low-income housing cred t (sect on 42(j)(5)) from post-2007 buildings	Form 8586, line 11	Q Section 1260(b) nformat on	
D Low-income housing cred t (other) from post-2007 buildings	Form 8586, line 11	R Interest allocable to production expend tures	
E Qualified rehabilitat on expend tures (rental real estate)	See the Partner s Instruct ons	S CCF nonqualified withdrawals	
F Other rental real estate credits			
G Other rental cred ts	Form 1040, line 71; check box a	T Deplet on nformat on — oil and gas	
H Undistributed capital gains cred t	Form 6478, line 8	U Amortization of reforestation costs	
I Alcohol and cellulosic biofuel fuels credit	Form 5884, line 3	V Unrelated business taxable income	
J Work opportunity cred t		W Precontribution ga n (loss)	
		X Section 108(i) nformat on	
		Y Other information	

**BOX 2
RENTAL REAL ESTATE ACTIVITIES**

<u>PROPERTY ADDRESS</u>	<u>GROSS INCOME</u>	<u>NET EXPENSES</u>	<u>NET INCOME</u>	<u>PASSIVE NONPASS</u>	<u>SEC. 1231 TOTAL</u>
RIDGECREST DR. MANTECA, CA 95337	13,181.	9,820.	\$ 3,361.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	6,170.	29,914.	-23,744.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	14,151.	27,996.	-13,845.	PASSIVE	
		TOTAL	\$ -34,228.		

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION \$ 59,812.

SUPPLEMENTAL INFORMATION

PARTNER HEALTH INSURANCE PREMIUMS = \$6,245

Schedule K-1 (Form 1065)

2010

Final K-1 Amended K-1

Department of the Treasury Internal Revenue Service

For calendar year 2010, or tax year beginning _____, 2010 ending _____

Partner's Share of Income, Deductions, Credits, etc.

See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
B Partnership's name, address, city, state, and ZIP code
HENRY J. TOSTA, JR. FAMILY, L.P.
C IRS Center where partnership filed return
E-FILE
D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
F Partner's name, address, city, state, and ZIP code
HENRY J. TOSTA, JR IRREVOCABLE FAMILY TRUST DTD NOV. 21, 2006
G General partner or LLC member-manager Limited partner or other LLC member
H Domestic partner Foreign partner
I What type of entity is this partner? FIDUCIARY
J Partner's share of profit, loss, and capital (see instructions):
Beginning Ending
Profit 10 % 10 %
Loss 10 % 10 %
Capital 10 % 10 %
K Partner's share of liabilities at year end:
Nonrecourse \$
Qualified nonrecourse financing \$ 484,300.
Recourse \$
L Partner's capital account analysis:
Beginning capital account \$ 148,986.
Capital contributed during the year \$ 544.
Current year increase (decrease) \$ -22,024.
Withdrawals and distributions \$ (2,418.)
Ending capital account \$ 125,088.
M Did the partner contribute property with a built-in gain or loss?
Yes No
If Yes, attach statement (see instructions)

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 3 columns: Line number, Description, and Amount. Rows include: 1 Ordinary business income (loss) -30,753. 2 Net rental real estate income (loss) -3,846. 3 Other net rental income (loss) 16 Foreign transactions. 4 Guaranteed payments. 5 Interest income. 6a Ordinary dividends. 6b Qualified dividends. 7 Royalties. 8 Net short-term capital gain (loss). 9a Net long-term capital gain (loss) 17 Alternative minimum tax (AMT) items 237. 9b Collectibles (28%) gain (loss). 9c Unrecaptured section 1250 gain. 10 Net section 1231 gain (loss) 18 Tax-exempt income and nondeductible expenses 12,598. 11 Other income (loss). 12 Section 179 deduction. 13 Other deductions 23. 14 Self-employment earnings (loss) 281,312. 19 Distributions 2,418. 20 Other information STMT

*See attached statement for additional information.

FOR IRS USE ONLY

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

	<i>Report on</i>	<i>Code</i>	<i>Report on</i>
1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		K Disabled access cred t	See the Partner s Instruct ons
Passive loss		L Empowerment zone and renewal community employment cred t	Form 8844, line 3
Passive income		M Cred t for ncreas ng research activ ties	See the Partner s Instruct ons
Nonpassive loss		N Cred t for employer soc al security and Medicare taxes	Form 8846, line 5
Nonpassive ncome		O Backup w thholding	Form 1040, line 61
2 Net rental real estate income (loss)		P Other cred ts	See the Partner s Instruct ons
3 Other net rental income (loss)		16 Foreign transactions	
Net income	Schedule E, line 28, column (g)	A Name of country or U.S. possess on	Form 1116, Part I
Net loss	See the Partner s Instruct ons	B Gross ncome from all sources	
4 Guaranteed payments	Schedule E, line 28, column (j)	C Gross ncome sourced at partner level	Form 1116, Part I
5 Interest income	Form 1040, line 8a	<i>Foreign gross income sourced at partnership level</i>	
6a Ordinary dividends	Form 1040, line 9a	D Passive category	Form 1116, Part I
6b Qualified dividends	Form 1040, line 9b	E General category	
7 Royalties	Schedule E, line 4	F Other	
8 Net short-term capital gain (loss)	Schedule D, line 5, column (f)	<i>Deductions allocated and apportioned at partner level</i>	
9a Net long-term capital gain (loss)	Schedule D, line 12, column (f)	G Interest expense	Form 1116, Part I
9b Collectibles (28%) gain (loss)	28% Rate Ga n Worksheet, line 4 (Schedule D Instruct ons)	H Other	Form 1116, Part I
9c Unrecaptured section 1250 gain	See the Partner s Instruct ons	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
10 Net section 1231 gain (loss)	See the Partner s Instruct ons	I Passive category	Form 1116, Part I
11 Other income (loss)		J General category	
<i>Code</i>		K Other	
A Other portfol o ncome (loss)	See the Partner s Instruct ons	<i>Other information</i>	
B Involuntary convers ons	See the Partner s Instruct ons	L Total foreign taxes pa d	Form 1116, Part II
C Section 1256 contracts and straddles	Form 6781, line 1	M Total foreign taxes accrued	Form 1116, Part II
D M n ng exploration costs recapture	See Pub 535	N Reduction in taxes available for credit	Form 1116, line 12
E Cancellat on of debt	Form 1040, line 21 or Form 982	O Foreign trading gross rece pts	Form 8873
F Other income (loss)	See the Partner s Instruct ons	P Extraterr tor al income exclus on	Form 8873
12 Section 179 deduction	See the Partner s Instruct ons	Q Other fore gn transactions	See the Partner s Instruct ons
13 Other deductions		17 Alternative minimum tax (AMT) items	
A Cash contr but ons (50%)	See the Partner s Instruct ons	A Post-1986 deprec ation adjustment	See the Partner s Instruct ons and the Instruct ons for Form 6251
B Cash contr but ons (30%)			
C Noncash contr but ons (50%)			
D Noncash contr but ons (30%)			
E Capital gain property to a 50% organizat on (30%)			
F Capital gain property (20%)			
G Contributions (100%)	Form 4952, line 1	18 Tax-exempt income and nondeductible expenses	
H Investment interest expense	Schedule E, line 18	A Tax-exempt interest income	Form 1040, line 8b
I Deduct ons — royalty income	See the Partner s Instruct ons	B Other tax-exempt income	See the Partner s Instruct ons
J Section 59(e)(2) expenditures	Schedule A, line 23	C Nondeductible expenses	See the Partner s Instruct ons
K Deduct ons — portfol o (2% floor)	Schedule A, line 28	19 Distributions	
L Deduct ons — portfolio (other)	Schedule A, line 1 or Form 1040, line 29	A Cash and marketable securities	See the Partner s Instruct ons
M Amounts paid for med cal nsurance	See the Partner s Instruct ons	B Distribut on subject to section 737	
N Educational assistance benefits	Form 2441, line 12	C Other property	
O Dependent care benefits	See the Partner s Instruct ons	20 Other information	
P Preproductive period expenses	See the Partner s Instruct ons	A Investment income	Form 4952, line 4a
Q Commercial rev talizat on deduct on from rental real estate activities	See Form 8582 Instructions	B Investment expenses	Form 4952, line 5
R Pens ons and RAs	See the Partner s Instruct ons	C Fuel tax credit information	Form 4136
S Reforestation expense deduction	See the Partner s Instruct ons	D Qualified rehabilitat on expenditures (other than rental real estate)	See the Partner s Instruct ons
T Domestic production activit es nformat on	See Form 8903 Instructions	E Basis of energy property	See the Partner s Instruct ons
U Qualified production activit es ncome	Form 8903, line 7b	F Recapture of low-ncome housing credit (section 42(j)(5))	Form 8611, line 8
V Employer s Form W-2 wages	Form 8903, line 17	G Recapture of low-ncome housing credit (other)	Form 8611, line 8
W Other deductions	See the Partner s Instruct ons	H Recapture of investment credit	Form 4255
14 Self-employment earnings (loss)		I Recapture of other credits	See the Partner s Instruct ons
Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.		J Look-back interest — completed long-term contracts	See Form 8697
A Net earn ngs (loss) from self-employment	Schedule SE, Sect on A or B	K Look-back interest — income forecast method	See Form 8866
B Gross farm ng or fishing ncome	See the Partner s Instruct ons	L Disposit ons of property w th section 179 deduct ons	See the Partner s Instruct ons
C Gross non-farm income	See the Partner s Instruct ons	M Recapture of section 179 deduction	
15 Credits		N Interest expense for corporate partners	
A Low-income housing cred t (sect on 42(j)(5)) from pre-2008 buildings	See the Partner s Instruct ons	O Section 453(l)(3) nformat on	
B Low-income housing cred t (other) from pre-2008 build ngs	See the Partner s Instruct ons	P Section 453A(c) nformat on	
C Low-income housing cred t (sect on 42(j)(5)) from post-2007 buildings	Form 8586, line 11	Q Section 1260(b) nformat on	
D Low-income housing cred t (other) from post-2007 buildings	Form 8586, line 11	R Interest allocable to production expend tures	
E Qualified rehabilitat on expend tures (rental real estate)	See the Partner s Instruct ons	S CCF nonqualified withdrawals	
F Other rental real estate credits			
G Other rental cred ts		T Deplet on nformat on — oil and gas	
H Undistributed capital gains cred t	Form 1040, line 71; check box a	U Amortization of reforestation costs	
I Alcohol and cellulosic biofuel fuels credit	Form 6478, line 8	V Unrelated business taxable income	
J Work opportunity cred t	Form 5884, line 3	W Precontribution ga n (loss)	
		X Section 108(i) nformat on	
		Y Other information	

**BOX 2
RENTAL REAL ESTATE ACTIVITIES**

<u>PROPERTY ADDRESS</u>	<u>GROSS INCOME</u>	<u>NET EXPENSES</u>	<u>NET INCOME</u>	<u>PASSIVE NONPASS</u>	<u>SEC. 1231 TOTAL</u>
RIDGECREST DR. MANTECA, CA 95337	1,481.	1,103.	\$ 378.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	693.	3,361.	-2,668.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	1,590.	3,146.	-1,556.	PASSIVE	
		<u>TOTAL</u>	<u>\$ -3,846.</u>		

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION..... \$ 6,721.

**Depreciation and Amortization
(Including Information on Listed Property)**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return

HENRY J. TOSTA, JR. FAMILY, L.P.

Identifying number

Business or activity to which this form relates

FORM 1065, SCHEDULE F - MILK & GRAINS

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs) ..	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12	▶ 13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	14,725.

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	227,256.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

Section B – Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/ investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deducted
19a 3-year property						
b 5-year property		3,300.	5	HY	150DB	495.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C – Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	4,015.
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	246,491.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									24b If 'Yes,' is the evidence written? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation on deduct on	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions).....								25			
26 Property used more than 50% in a qualified business use:											
2005 CHEVY P	2/08/05	100.0	40,975.	40,975.	5.0	150DB HY	4,015.				
27 Property used 50% or less in a qualified business use:											
								28	4,015.		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.....								28	4,015.		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.....								29	0.		

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No										
30 Total business/investment miles driven during the year (do not include commuting miles).....												
31 Total commuting miles driven during the year.....												
32 Total other personal (noncommuting) miles driven.....												
33 Total miles driven during the year. Add lines 30 through 32.....												
34 Was the vehicle available for personal use during off-duty hours?.....												
35 Was the vehicle used primarily by a more than 5% owner or related person?.....												
36 Is another vehicle available for personal use?.....												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?.....		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.....		
39 Do you treat all use of vehicles by employees as personal use?.....		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?.....		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.).....		

Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year	
42 Amortization of costs that begins during your 2010 tax year (see instructions):						
43 Amortization of costs that began before your 2010 tax year.....					43	1,545.
44 Total. Add amounts in column (f). See the instructions for where to report.....					44	1,545.

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

Name(s) shown on return

HENRY J. TOSTA, JR. FAMILY, L.P.

Identifying number

[REDACTED]

1 Enter the gross proceeds from sales or exchanges reported to you for 2010 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) **1** 125,979.

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft – Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)

3 Gain, if any, from Form 4684, line 42 **3**

4 Section 1231 gain from installment sales from Form 6252, line 26 or 37 **4**

5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824 **5**

6 Gain, if any, from line 32, from other than casualty or theft **6** 125,979.

7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows. **7** 125,979.

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years (see instructions) **8**

9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions) **9**

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

10	(a) Description of property	(b) Date acquired	(c) Date sold	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss)

11 Loss, if any, from line 7 **11**

12 Gain, if any, from line 7 or amount from line 8, if applicable **12**

13 Gain, if any, from line 31 **13**

14 Net gain or (loss) from Form 4684, lines 34 and 41a **14**

15 Ordinary gain from installment sales from Form 6252, line 25 or 36 **15**

16 Ordinary gain or (loss) from like-kind exchanges from Form 8824 **16**

17 Combine lines 10 through 16 **17**

18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:

a If the loss on line 11 includes a loss from Form 4684, line 38, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from 'Form 4797, line 18a.' See instructions **18a**

b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14 **18b**

BAA For Paperwork Reduction Act Notice, see separate instructions.

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19(a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)
A RAISED LIVESTOCK (2+ YEARS OLD)	VARIOUS	VARIOUS
B		
C		
D		

These columns relate to the properties on lines 19A through 19D.		Property A	Property B	Property C	Property D
20 Gross sales price (Note: See line 1 before completing.)	20	125,979.			
21 Cost or other basis plus expense of sale.	21				
22 Depreciation (or depletion) allowed or allowable.	22				
23 Adjusted basis. Subtract line 22 from line 21.	23				
24 Total gain. Subtract line 23 from line 20.	24	125,979.			
25 If section 1245 property:					
a Depreciation allowed or allowable from line 22.	25a				
b Enter the smaller of line 24 or 25a.	25b	0.			
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a Additional depreciation after 1975 (see instrs).	26a				
b Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions).	26b				
c Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e.	26c				
d Additional depreciation after 1969 & before 1976.	26d				
e Enter the smaller of line 26c or 26d.	26e				
f Section 291 amount (corporations only).	26f				
g Add lines 26b, 26e, and 26f.	26g				
27 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).					
a Soil, water, and land clearing expenses.	27a				
b Line 27a multiplied by applicable percentage (see instructions).	27b				
c Enter the smaller of line 24 or 27b.	27c				
28 If section 1254 property:					
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions).	28a				
b Enter the smaller of line 24 or 28a.	28b				
29 If section 1255 property:					
a Applicable percentage of payments excluded from income under section 126 (see instructions).	29a				
b Enter the smaller of line 24 or 29a (see instrs).	29b				

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties. Add property columns A through D, line 24.	30	125,979.
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13.	31	0.
32 Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 36. Enter the portion from other than casualty or theft on Form 4797, line 6.	32	125,979.

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years.	33	
34 Recomputed depreciation (see instructions).	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report.	35	

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

03:53PM

STATEMENT 1
FORM 1065, SCHEDULE K, LINE 13A
CHARITABLE CONTRIBUTIONS

CASH CONTRIBUTIONS - 50% LIMITATION.....		\$	227.
	TOTAL	\$	<u>227.</u>

STATEMENT 2
FORM 1065, SCHEDULE K, LINE 20C
OTHER REPORTABLE ITEMS

DOMESTIC PRODUCTION ACTIVITIES DEDUCTION.....	\$	67,205.
---	----	---------

STATEMENT 3
FORM 1065, SCHEDULE L, LINE 13
OTHER ASSETS

	<u>BEGINNING</u>	<u>ENDING</u>
RECEIVABLE - BANTA INN.....	\$ 158,376.	\$ 188,376.
RECEIVABLE - LEE BROWN.....	201,800.	211,740.
TOTAL	\$ <u>360,176.</u>	\$ <u>400,116.</u>

STATEMENT 4
FORM 1065, SCHEDULE L, LINE 17
OTHER CURRENT LIABILITIES

	<u>BEGINNING</u>	<u>ENDING</u>
BANK OVERDRAFT.....	\$ 10,347.	\$ 0.
CREDIT CARD LIABILITIES.....	45,972.	54,834.
PAYROLL LIABILITIES.....	6,294.	9,493.
TOTAL	\$ <u>62,613.</u>	\$ <u>64,327.</u>

STATEMENT 5
SCHEDULE F, LINE 10
OTHER INCOME

MISCELLANEOUS.....	\$	9,700.
RENT INCOME.....		73,023.
TOTAL	\$	<u>82,723.</u>

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

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**STATEMENT 6
SCHEDULE F, LINE 34
OTHER EXPENSES**

ACCOUNTING FEES	\$	3,175.
ADVERTISING		700.
AMORTIZATION		1,545.
BANK CHARGES		2,133.
CALF RAISING EXPENSES		156,468.
COMMISSIONS		6,571.
DUES & SUBSCRIPTIONS		387.
HARVESTING		22,142.
HOOF TRIMMING		14,226.
IRRIGATION		2,300.
LICENSES AND PERMITS		12,181.
MARKETING & ASSESSMENTS		125,984.
MISCELLANEOUS		510.
OTHER FARMING COSTS		13,089.
TELEPHONE		4,018.
TESTING		5,435.
TRAINING		725.
TOTAL	\$	<u>371,589.</u>

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HENRY J. TOSTA, JR. FAMILY, L.P.



9/15/11

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**FARMS (SCHEDULE F)
TAXABLE COOPERATIVE DISTRIBUTIONS
MILK & GRAINS**

DAIRY FARMERS OF AMERICA, INC.....	\$	28,562.
TOTAL	\$	<u>28,562.</u>

**FARMS (SCHEDULE F)
TAXES
MILK & GRAINS**

PAYROLL.....	\$	16,611.
IRRIGATION.....		24,598.
PROPERTY.....		41,701.
OTHER.....		1,332.
TOTAL	\$	<u>84,242.</u>

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
RENTAL REAL ESTATE - RESIDENTIAL RENTAL																
1416 RIDGECREST DR, MANTECA																
1	LAND - STEP-UP	8/30/03		100,000							100,000					0
2	HOUSE	11/01/79		75,000							75,000	75,000	S/L	30		0
3	HOUSE - STEP-UP	8/30/03		174,345							174,345	40,415	S/L	MM	27.5 .04734	6,340
TOTAL 1416 RIDGECREST DR, MA				349,345		0	0	0	0	0	349,345	115,415				6,340
TOTAL DEPRECIATION				349,345		0	0	0	0	0	349,345	115,415				6,340

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

568 SOMOA LN, LATHROP

4	LAND - STEP-UP	8/30/03		100,000							100,000					0
5	HOUSE	9/01/76		25,500							25,500	25,500	S/L	30		0
6	HOUSE - STEP-UP	8/30/03		174,700							174,700	40,498	S/L	MM	27.5 .04734	6,353
68	LOAN FEES	12/26/06		3,013							3,013	300	S/L	30		100
TOTAL 568 SOMOA LN, LATHROP				303,213		0	0	0	0	0	303,213	66,298				6,453
TOTAL DEPRECIATION				303,213		0	0	0	0	0	303,213	66,298				6,453

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

12/31/10

2010 FEDERAL DEPRECIATION SCHEDULE

PAGE 2

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
6188 W CANAL, TRACY																
7	LAND - STEP-UP	8/30/03		150,000							150,000					0
8	HOUSE	11/24/92		133,259							133,259	82,980	S/L MM	27.5	.09639	4,846
9	HOUSE - STEP-UP	8/30/03		62,926							62,926	14,586	S/L MM	27.5	.04734	2,288
TOTAL 6188 W CANAL, TRACY				346,185		0	0	0	0	0	346,185	97,566				7,134
TOTAL DEPRECIATION				346,185		0	0	0	0	0	346,185	97,566				7,134
FORM 1065, SCHEDULE F - MILK & GRAINS																
AMORTIZATION																
73	REFINANCE COSTS	12/01/09		38,630							38,630	129	S/L	25		1,545
TOTAL AMORTIZATION				38,630		0	0	0	0	0	38,630	129				1,545
AUTO / TRANSPORT EQUIPMENT																
10	FORD 2-TON TRUCK	12/01/83		1,550							1,550	1,550	S/L	5		0
11	VEHICLES	6/01/82		32,665							32,665	32,665	S/L	10		0
12	1993 CHEVY P/U	6/19/93		24,046							24,046	24,046	150DB HY	5		0
13	1994 CHEVY P/U	12/26/96		24,265							24,265	24,265	150DB HY	5		0
14	1988 CHEVY P/U	9/12/99		4,000							4,000	4,000	150DB HY	5		0
15	GOOSENECK TRAILER	8/31/04		6,800							6,800	5,550	150DB HY	7	.66670	833
57	2005 CHEVY P/U	2/08/05		40,975							40,975	36,960	150DB HY	5		4,015
58	FORD CABOVER	12/14/05		600							600	394	150DB HY	7	.40000	82
59	MANURE TRUCK	6/22/06		39,999							39,999	30,004	150DB HY	5	.66670	6,664

12/31/10

2010 FEDERAL DEPRECIATION SCHEDULE

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CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
70	FEED TRUCK / MIXER	11/29/07		65,000							65,000	34,345	150DB MQ	5	.34780	10,662
TOTAL AUTO / TRANSPORT EQUIP				239,900		0	0	0	0	0	239,900	193,779				22,256
BUILDINGS																
16	BELOTTA - 2 HOUSES	11/18/93		48,500							48,500	20,056	S/L MM	39	.04372	1,244
17	BELOTTA - 2 BARNS	11/18/93		71,000							71,000	29,351	S/L MM	39	.04372	1,821
18	MIDDLE - BARNS	12/01/00		377,173							377,173	87,444	S/L MM	39	.03338	9,671
19	MIDDLE - BLDGS	8/11/00		385,850							385,850	92,754	S/L MM	39	.03376	9,895
20	HWY 120 - HOUSE - STEP-UP	8/30/03		54,120							54,120	11,425	S/L	30		1,804
21	HWY 120 - BARNS - STEP-UP	8/30/03		17,500							17,500	3,692	S/L	30		583
22	HOMESTEAD BLDGS - STEP-UP	8/30/03		38,000							38,000	8,024	S/L	30		1,267
23	BELLOTTA HOUSES - STEP-UP	8/30/03		19,500							19,500	3,167	S/L	39		500
24	MIDDLE BARNS - STEP-UP	8/30/03		100,227							100,227	16,385	S/L MM	39	.03065	2,570
25	MIDDLE-PERS RES - STEP-UP	8/30/03		202,500							202,500					0
26	MIDDLE BLDGS - STEP-UP	8/30/03		615,948							615,948	100,689	S/L MM	39	.03065	15,793
65	COMMODITY BARN - SJ DAIRY	9/09/06		94,227							94,227	40,700	150DB HY	10	.15380	8,232
66	SHOP - CIP	12/31/06		57,982							57,982					0
TOTAL BUILDINGS				2,082,527		0	0	0	0	0	2,082,527	413,687				53,380
IMPROVEMENTS																
64	CONCRETE DITCH LINE	6/16/06		23,642							23,642	7,268	150DB HY	15	.10000	1,637
TOTAL IMPROVEMENTS				23,642		0	0	0	0	0	23,642	7,268				1,637
LAND																

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HENRY J. TOSTA, JR. FAMILY, L.P.

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27	BELLOTA LAND	11/18/93		260,000							260,000					0
28	MIDDLE LAND - 97 AC	8/11/00		275,530							275,530					0
29	HWY 120 LAND - STEP-UP	8/30/03		280,000							280,000					0
30	LAMMERS LAND - STEP-UP	8/30/03		481,250							481,250					0
31	HOMESTEAD LAND - STEP-UP	8/30/03		169,800							169,800					0
32	HOMESTEAD LAND - STEP-UP	8/30/03		372,950							372,950					0
33	BELLOTA LAND - STEP-UP	8/30/03		175,300							175,300					0
34	MIDDLE LAND - STEP-UP	8/30/03		211,920							211,920					0
35	MIDDLE LAND 36 AC STEP-UP	8/30/03		182,650							182,650					0
36	MIDDLE LAND 39 AC STEP-UP	8/30/03		270,000							270,000					0
67	KASSON LOT 4 - STEP-UP	8/30/03		561,882							561,882					0
TOTAL LAND				3,241,282		0	0	0	0	0	3,241,282	0				0
LIVESTOCK																
56	2013 COWS - STEP-UP	8/30/03		2,481,900							2,481,900	2,329,878	150DB HY	7		152,022
60	2 BULLS	3/31/06		923							923	693	150DB HY	5	.66670	153
61	2 BULLS	6/09/06		1,225							1,225	919	150DB HY	5	.66670	204
62	3 BULLS	6/22/06		2,850							2,850	2,138	150DB HY	5	.66670	475
63	BULL	7/10/06		925							925	694	150DB HY	5	.66670	154
69	4 BULLS	6/20/07		4,550							4,550	2,738	150DB MQ	5	.42110	763
72	4 BULLS	9/30/09		5,400							5,400	810	150DB HY	5	.30000	1,377
74	BULLS	8/19/10		3,300							3,300		150DB HY	5	.30000	495
TOTAL LIVESTOCK				2,501,073		0	0	0	0	0	2,501,073	2,337,870				155,643
MACHINERY AND EQUIPMENT																

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CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR	
37	TRACTOR	12/01/83		14,500							14,500	14,500	S/L	5		0	
38	PUMP	6/01/81		2,063							2,063	2,063	S/L	10		0	
39	SEMEN TANK	10/01/82		200							200	200	S/L	5		0	
40	AIR COMPRESSOR	6/01/82		1,590							1,590	1,590	S/L	5		0	
41	SPRINGTOOTH	5/01/86		874							874	874	S/L	5		0	
42	DISK & ROLLER	10/01/86		2,000							2,000	2,000	S/L	5		0	
43	WHITE TRACTOR	2/01/86		7,055							7,055	7,055	S/L	5		0	
44	FORD TRACTOR	11/01/86		2,000							2,000	2,000	S/L	5		0	
45	OAT CHOPPER	8/01/87		3,000							3,000	3,000	150DB HY	7		0	
46	GENERATOR	12/01/88		1,378							1,378	1,378	150DB HY	7		0	
47	WELDER	5/01/88		1,026							1,026	1,026	150DB HY	7		0	
48	WINDROWER	5/01/88		6,500							6,500	6,500	150DB HY	7		0	
49	RAKE	6/01/88		1,500							1,500	1,500	150DB HY	7		0	
50	INTL 1566 TRACTOR	9/01/89		5,006							5,006	5,006	150DB HY	7		0	
51	SCALE	10/31/90		3,675							3,675	3,675	150DB HY	7		0	
52	CHOPPER	4/29/03		18,500							18,500	17,707	150DB HY	7		793	
53	CASE 9250 TRACTOR	9/10/03		41,409							41,409	40,141	150DB HY	7		1,268	
54	3 USED TRACTORS	6/12/04		4,353							4,353	3,553	150DB HY	7	.66670	533	
71	QUAD	12/15/07		2,500							2,500	1,321	150DB MQ	5	.34780	410	
TOTAL MACHINERY AND EQUIPME				119,129			0	0	0	0	0	119,129	115,089				3,004
QUOTA																	
55	MILK QUOTA - STEP-UP	8/30/03		158,560							158,560	121,564	S/L	15		10,571	
TOTAL QUOTA				158,560			0	0	0	0	0	158,560	121,564				10,571
TOTAL DEPRECIATION				<u>8,366,113</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,366,113</u>	<u>3,189,257</u>				<u>246,491</u>

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CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.



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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
	GRAND TOTAL AMORTIZATION			38,630		0	0	0	0	0	38,630	129				1,545
	GRAND TOTAL DEPRECIATION			<u>9,364,856</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,364,856</u>	<u>3,468,536</u>				<u>266,418</u>

2010 Partnership Return of Income

565

For calendar year 2010 or fiscal year beginning month _____ day _____ year _____, and ending month _____ day _____ year _____	
Partnership name (type or print) Check box if name changed <input type="checkbox"/> HENRY J. TOSTA, JR. FAMILY, L.P.	
DBA	A FEIN ● [REDACTED]
Address (suite, room, PO Box, and PMB no.) [REDACTED]	B Secretary of State (SOS) file no. ● [REDACTED]
City _____ State _____ ZIP Code _____	C Principal business activity name (same as federal) FARMING
E Check accounting method ● (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (attach explanation)	D Principal product or service (same as federal) MILK & GRAINS
F Date business started in CA ● 12/31/06	I Principal business activity code (same as federal) ● 112120
G Enter total assets at end of year. See instructions. ● \$ 6,158,223.	H Check applicable box ● (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> FINAL RETURN (3) <input type="checkbox"/> Amended return

Caution: Include **only** trade or business income and expenses on line 1a through line 22 below. See the instructions for more information.

	1 a	Gross receipts or sales \$ _____	b	Less returns and allowances \$ _____		c	Balance ... ●		1 c
Income	2	Cost of goods sold (Schedule A, line 8)	3	GROSS PROFIT. Subtract line 2 from line 1c	●	4	Total ordinary income from other partnerships and fiduciaries. Attach schedule	●	5
	5	Total ordinary loss from other partnerships and fiduciaries. Attach schedule	●	6	Total farm profit. Attach federal Schedule F (Form 1040)	●	7	Total farm loss. Attach federal Schedule F (Form 1040)	●
	8	Total gains included on Schedule D-1, Part II, line 17 (gain only)	●	9	Total losses included on Schedule D-1, Part II, line 17 (loss only)	●	10	Other income. Attach schedule	●
	11	Other loss. Attach schedule	●	12	Total income (loss). Combine line 3 through line 11.	●	12		●
	13	Salaries and wages (other than to partners)	●	14	Guaranteed payments to partners	●	15	Bad debts	●
	16	Deductible interest expense not claimed elsewhere on return	●	17 a	Depreciation and amortization. Attach form FTB 3885P. ... \$ 249,286.	●	17 b	Less depreciation reported on Schedule A and elsewhere on return	●
	17 c	Balance	●	18	Depletion. Do not deduct oil and gas depletion	●	19	Retirement plans, etc.	●
	20	Employee benefit programs	●	21	Other deductions. Attach schedule	●	22	Total deductions. Add line 13 through line 21.	●
	23	Ordinary income (loss) from trade or business activities. Subtract line 22 from line 12.	●	23		●	23		●
	24	Tax — \$800.00 (LPs, LLPs, and REMICs only). See instructions.	●	25	Withholding (Form 592-B and/or 593)	●	26	Amount paid with extension of time to file return (form FTB 3538)	●
	27	Total payments. Add line 25 and line 26	●	27		●	28	Tax due. If line 24 is more than line 27, subtract line 27 from line 24.	●
	29	Use Tax. This is not a total line. See instructions.	●	29		●	30	Refund. If the total of line 24 and line 29 is less than line 27, subtract the total from line 27.	●
31	Penalties and interest	●	31		●	32	Total amount due. Add line 24, line 29, and line 31, then subtract line 27 from the result. Make the check or money order payable to the Franchise Tax Board.	●	
32		●	32		●	32		●	
Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.							Telephone	● (209) 836-1286
Paid Preparer's Use Only	Signature of general partner _____ Date _____		Paid Preparer's PT/N/SSN		● P00046136		FEIN		● 77-0457760
	General Partner's email address (optional) _____		Check if self-employed <input type="checkbox"/>		Telephone		● (209) 668-4857		
	Firm's name (or yours, if self-employed) and address		SCHMIDT, BETTENCOURT & MEDEIROS, LLP						
	865 GEER ROAD		TURLOCK, CA 95380						
May the FTB discuss this return with the preparer shown above (see instructions)? ● <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									

Schedule A Cost of Goods Sold



Table with 8 rows and 2 columns. Row 1: Inventory at beginning of year. Row 2: Purchases less cost of items withdrawn for personal use. Row 3: Cost of labor. Row 4: Additional IRC Section 263A costs. Attach schedule. Row 5: Other costs. Attach schedule. Row 6: Total. Add line 1 through line 5. Row 7: Inventory at end of year. Row 8: Cost of goods sold. Subtract line 7 from line 6. Enter here and on Side 1, line 2.

9a Check all methods used for valuing closing inventory:

- (1) Cost (2) Lower of cost or market as described in Treas. Reg. Section 1.471-4 (3) Write down of 'subnormal' goods as described in Treas. Reg. Section 1.471-2(c) (4) Other. Specify method used and attach explanation

b Check this box if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970

c Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the partnership?

d Was there any change (other than for IRC Section 263A purposes) in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation.

J What type of entity is filing this return? Check one only:

- 1 General partnership 2 LP required to pay annual tax (is doing business in California, is registered with SOS, or is organized in California) 3 LP, LLC, or other entity NOT required to pay annual tax (is not doing business in California, is not registered with SOS, and is not organized in California) 4 REMIC 5 LLP 6 Other (See instructions)

K Enter the maximum number of partners in this partnership at any time during the year. (Be sure to attach a California Schedule K-1 (565) for each partner)

PENALTIES MAY APPLY SEE INSTRUCTIONS

L Is any partner of the partnership related (as defined in IRC Section 267(c)(4)) to any other partner?

M Is any partner of the partnership a trust for the benefit of any person related (as defined in IRC Section 267(c)(4)) to any other partner?

N Are any partners in this partnership also partnerships or LLCs?

O Does the partnership meet all the requirements shown in the instructions for Question O?

P Is this partnership a partner in another partnership or LLC? If 'Yes,' attach a statement with the name(s) and FEIN(s) of each entity.

Q Was there a distribution of property or transfer (for example by sale or death) of a partnership interest during the taxable year? If 'Yes,' see the federal instructions concerning an election to adjust the basis of the partnership's assets under IRC Section 754

R Is this partnership a publicly traded partnership as defined in IRC Section 469(k)(2)?

S Is this partnership under audit by the IRS or has it been audited in a prior year?

T (1) For this taxable year, was there a change in control or majority ownership for this partnership (or any legal entity in which it holds a controlling or majority interest) that owned or (under certain circumstances) leased real property in California?

(2) For this taxable year, did this partnership (or any legal entity in which it holds a controlling or majority interest) acquire control or majority ownership of any other legal entity that owned or (under certain circumstances) leased real property in California?

(3) If this partnership (or any legal entity in which it holds a controlling or majority interest) owned or (under certain circumstances) leased real property in California, has more than 50 percent of the partnerships interest cumulatively transferred in one or more transactions since March 1, 1975, which was not reported on a previous year's tax return?

U (1) Does the partnership have any foreign (non U.S.) nonresident partners?

(2) Does the partnership have any domestic (non-foreign) nonresident partners?

(3) Were Form 592, Form 592-A, Form 592-B, and Form 592-F filed for these partners?

V Is this an investment partnership? See General Information, Investment Partnerships, in the instructions.

W Is the partnership apportioning income to California using Schedule R?

X Has the partnership included a Reportable Transaction or Listed Transaction within this return? (See instructions for definitions.) If 'Yes,' complete and attach federal Form 8886 for each transaction

Y Did this partnership file the Federal Schedule M-3 (Form 1065)?

Z Is this partnership a direct owner of an entity that filed a federal Schedule M-3?

AA Does this partnership have a beneficial interest in a trust or is it a grantor of a trust? Attach name, address, and FEIN

BB Does this partnership own an interest in a business entity disregarded for tax purposes? Attach schedule of disregarded entity names and identification numbers.

CC (1) Is the partnership deferring any income from the disposition of assets? (see instructions)

(2) If 'Yes' enter the year of asset disposition

DD Is the partnership reporting previously deferred income from: (see instructions) Installment Sale IRC Section 1031 IRC Section 1033 Other

EE (1) Did this partnership generate a New Jobs Credit?

(2) If 'Yes,' enter the generated amount

FF (1) Did this partnership or an entity in which this partnership has an ownership interest elect to defer income from the discharge of indebtedness as described in IRC 108(i) for Federal purposes?

(2) If 'Yes,' enter the portion of the discharge of indebtedness attributable to the partnership

Schedule K Partners' Shares of Income, Deductions, Credits, etc.

(a) Distributive share items			(b) Amounts from federal K (1065)	(c) California adjustments	(d) Total amounts using California law		
I N C O M E O R L O S S	1	Ord nary ncome (loss) from trade or business activ ties	1 ● -307,532.	350.	-307,182.		
	2	Net income (loss) from rental real estate activ ties. Attach federal Form 8825	2 -38,458.		-38,458.		
	3a	Gross ncome (loss) from other rental activ ties	3a				
		Less expenses. Attach schedule	3b				
	b	Net income (loss) from other rental activ ties. Subtract line 3b from line 3a	3c ●				
	4	Guaranteed payments to partners	4 ●				
	5	Interest ncome	5 ●				
	6	Div ends	6 ●				
	7	Royalties	7 ●				
	8	Net short-term cap tal gain (loss). Attach Schedule D (565).	8a ●				
	9	Net long-term cap tal gain (loss). Attach Schedule D (565)	9a ●				
10a	Total Gain under IRC Sect on 1231 (other than due to casualty or theft)	10a 125,979.	●	125,979.			
b	Total Loss under IRC Sect on 1231 (other than due to casualty or theft)	10b ●					
11a	Other portfol o ncome (loss). Attach schedule.	11a					
	Total other ncome. Attach schedule.	11b					
	Total other loss. Attach schedule.	11c					
D E D U C T I O N S	12	Expense deduction for recovery property (IRC Sect on 179 and R&TC Sect ons 17267.2, 17267.6, 17268). Attach schedule	12				
	13a	Char table contr butions. See nstructions. Attach schedule. STATEMENT 1	13a 227.		227.		
	b	Investment interest expense	13b ●				
	c 1	Total expend tures to which IRC Sect on 59(e) elect on may apply. Attach schedule.	13c 1				
	2	Type of expend tures	13c 2				
	d	Deduct ons related to portfolio income.	13d				
e	Other deductions. Attach schedule.	13e					
C R E D I T S	15a	Withhold ng on partnership allocated to all partners.	15a				
	b	Low-income housing cred t	15b				
	c	Cred ts other than the credit shown on Line 15b related to rental real estate activ ties	15c				
	d	Cred ts related to other rental activ ties	15d				
	e	Nonconsenting nonres dent members tax allocated to all partners.	15e				
	f	Other cred ts	15f ●				
	g	New Jobs Cred t	15g ●				
A L T E R N A T I V E M I N T E M S	17a	Depreciation adjustment on property placed in service after 1986	17a 2,365.	1,250.	3,615.		
	b	Adjusted ga n or loss	17b				
	c	Deplet on (other than oil and gas)	17c				
	d	Gross ncome from oil, gas, and geothermal properties	17d				
	e	Deductions allocable to oil, gas, and geothermal propert es	17e				
	f	Other alternative m n mum tax items	17f				
O T H E R I N F O	18a	Tax-exempt nterest income	18a				
	b	Other tax-exempt income	18b ●				
	c	Nondeductible expenses	18c 1,600.		1,600.		
	19a	Distr but ons of money (cash and marketable securit es)	19a 24,178.		24,178.		
	b	Distr but on of property other than money	19b				
20a	Investment income	20a					
b	Investment expenses	20b					
c	Other informat on. See instructions	20c STATEMENT 2		STATEMENT 3			
A N A L Y S I S	21 a	Total distr butive ncome/payment tems. Combine Lines 1, 2 and 3c through 11c. From the result, subtract the sum of Lines 12 through 13e.	21 a -220,238.	350. ●	-219,888.		
	b	Analysis by type of partner:	(a) Corporate	(b) Individual	(c) Partnership	(d) Exempt Organization	(e) Nom nee/Other
	(1)	General partners		i Active -2,198.			
(2)	Lim ted partners					-217,690.	

Schedule L Balance Sheets. See the instructions for Question O before completing Schedules L, M-1, and M-2.

Assets	Beginning of income year		End of income year	
	(a)	(b)	(c)	(d)
1 Cash				91,249.
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				●
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets. Att sch				●
7 Mortgage and real estate loans				
8 Other investments. Att sch				●
9a Buildings and other depreciable assets	5,767,261.		5,773,574.	
b Less accumulated depreciation	3,468,236.	2,299,025.	3,734,954.	● 2,038,620.
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)		3,591,282.		● 3,591,282.
12a Intangible assets (amortizable only)	41,643.		41,643.	
b Less accumulated amortization	429.	41,214.	4,687.	36,956.
13 Other assets. Att sch. SEE STATEMENT 4		360,176.		● 400,116.
14 Total assets		6,291,697.		6,158,223.
Liabilities and Capital				
15 Accounts payable				●
16 Mortgages, notes, bonds payable in less than 1 year		795,825.		● 1,043,875.
17 Other current liabilities. Att sch. SEE STMT 5		62,613.		64,327.
18 All nonrecourse loans				●
19 Mortgages, notes, bonds payable in 1 year or more		3,943,391.		● 3,799,126.
20 Other liabilities. Att sch				●
21 Partners' capital accounts		1,489,868.		● 1,250,895.
22 Total liabilities and capital		6,291,697.		6,158,223.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return. Use total amount under California law. If the partnership completed federal Schedule M-3 (Form 1065), see instructions.

1 Net income (loss) per books	-220,238.	6 Income recorded on books this year not included on Schedule K, line 1 through line 11c. Itemize:	
2 Income included on Schedule K, line 1 through line 11c, not recorded on books this year. Itemize:		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		b Other \$	
4 Expenses recorded on books this year not included on Schedule K, line 1 through line 13e. Itemize:		c Total. Add line 6a and line 6b \$	●
a Depreciation \$		7 Deductions included on Schedule K, line 1 through line 13e, not charged against book income this year. Itemize:	
b Travel & entertainment \$		a Depreciation \$ 1,250.	
c Limited partnership tax \$ 1,600.		b Other \$	
d Other \$		c Total. Add line 7a and line 7b \$ 1,250.	● 1,250.
e Total. Add line 4a-4d. \$ 1,600.	● 1,600.	8 Total. Add line 6c and line 7c	1,250.
5 Total of line 1 through line 4e	-218,638.	9 Income (loss) (Schedule K, line 21a). Subtract line 8 from line 5.	-219,888.

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	1,489,868.	5 Total of line 1 through line 4	1,275,073.
2 Capital contributed during year:		6 Distributions:	
a Cash	5,443.	a Cash	● 24,178.
b Property		b Property	●
3 Net income (loss) per books	-220,238.	7 Other decreases. Itemize:	
4 Other increases. Itemize:			
		8 Total of line 6 and line 7	24,178.
		9 Balance at end of year. Subtract line 8 from line 5.	1,250,895.

2010

(Also, involuntary conversions and recapture amounts under RC Sections 179 and 280F and California R&TC Sections 17267.2, 17267.6, 17268, 24356.5, 24356.6, 24356.7, and 24356.8.)

D-1

Complete and attach this schedule to your tax return only if your California gains or losses are different from your federal gains or losses.

Table with 2 columns: Name(s) as shown on return (HENRY J. TOSTA, JR. FAMILY, L.P.) and SSN, ITIN, SOS file no., California Corp. no., or FEIN (200633500006)

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty and Theft - Property Held More Than 1 Year

Use federal Form 4684, Casualties and Thefts, to report involuntary conversions from casualty and theft.

Main table for Part I with columns for description, date acquired, date sold, gross sales price, depreciation, cost, and gain/loss. Includes rows 1-9 and detailed instructions for lines 3, 4, 5, 6, 7, 8, and 9.

Part II Section A - Ordinary Gains and Losses

Table for Part II Section A with columns for line number and description. Includes rows 10-18b with instructions for each line.



Part II Section B – Adjusting California Ordinary Gain or Loss For individual returns (Form 540 and Long Form 540NR) only.

19	Enter ordinary federal gains and losses from federal Form 1040, line 14.	19	
20	Enter ordinary California gains and losses from Side 1, line 18b.	20	
21	Ordinary gain or loss adjustment: Compare line 19 and line 20. See instructions.		
a	If line 19 is more than line 20, enter the difference here and on Schedule CA (540 or 540NR), line 14, column B.	21 a	
b	If line 20 is more than line 19, enter the difference here and on Schedule CA (540 or 540NR), line 14, column C.	21 b	

Part III Gain from Disposition of Property Under IRC Sections 1245, 1250, 1252, 1254, and 1255

22	Description of IRC Sections, 1245, 1250, 1252, 1254, and 1255 property:	Date acquired (mo, day, yr)	Date sold (mo, day, yr)		
A	RAISED LIVESTOCK (2+ YEARS OLD)	VARIOUS	VARIOUS		
B					
C					
D					
Relate lines 22A through 22D to these columns ▶ ▶ ▶ ▶		Property A	Property B	Property C	Property D
23	Gross sales price.	23	125,979.		
24	Cost or other basis plus expense of sale.	24			
25	Depreciation (or depletion) allowed or allowable.	25			
26	Adjusted basis. Subtract line 25 from line 24.	26			
27	Total gain. Subtract line 26 from line 23.	27	125,979.		
28	If IRC Section 1245 property:				
a	Depreciation allowed or allowable.	28 a			
b	Enter the smaller of line 27 or line 28a.	28 b			
29	If IRC Section 1250 property: If straight-line depreciation was used, enter -0- on line 29g, except for a corporation subject to IRC Section 291:				
a	Additional depreciation after 12/31/76. See instructions.	29 a			
b	Applicable percentage multiplied by the smaller of line 27 or line 29a. See instructions.	29 b			
c	Subtract line 29a from line 27. If line 27 is not more than line 29a, skip line 29d and line 29e.	29 c			
d	Additional depreciation after 12/31/70 and before 1/1/77. See instructions.	29 d			
e	Enter the smaller of line 29c or line 29d.	29 e			
f	IRC Section 291 amount (for corporations only). See instructions.	29 f			
g	Add line 29b, line 29e, and line 29f.	29 g			
30	If IRC Section 1252 property: Skip this section if you did not dispose of farm land or if this form is being completed for a partnership.				
a	Soil, water, and land clearing expenses.	30 a			
b	Applicable percentage multiplied by line 30a. See instructions.	30 b			
c	Enter the smaller of line 27 or line 30b.	30 c			
31	If IRC Section 1254 property:				
a	Intangible drilling and development costs deducted after 12/31/76.	31 a			
b	Enter the smaller of line 27 or line 31a.	31 b			
32	If IRC Section 1255 property:				
a	Applicable percentage of payments excluded from income under IRC Section 126.	32 a			
b	Enter the smaller of line 27 or line 32a.	32 b			

Summary of Part III Gains. Complete property column A through column D for line 23 through line 32b before going to line 33.

33	Total gains for all properties. Add column A through column D of line 27.	33	125,979.
34	Add column A through column D of lines 28b, 29g, 30c, 31b, and 32b. Enter here and in Part II, line 13.	34	
35	Subtract line 34 from line 33. Enter the portion from other than casualty and theft here and on Part I, line 6. Enter the portion from casualty and theft on federal Form 4684, Section B, line 37.	35	125,979.

Part IV Recapture Amounts Under IRC Sections 179 and 280F When Business Use Drops to 50% or Less, or Under California R&TC Sections 17267.2, 17267.6, 17268, 24356.5, 24356.6, 24356.7, and 24356.8 for Property Which Ceases to be Qualified Property

	(a) Expense deductions	(b) Recovery deductions
36	Expense deductions or recovery deductions. See instructions.	36
37	Depreciation or recovery deductions. See instructions.	37
38	Recapture amount. Subtract line 37 from line 36. See instructions.	38

Partner's Share of Income, Deductions, Credits, etc.

K-1 (565)

For calendar year 2010 or fiscal year beginning month day year 2010, and ending month day year

Partner's identifying number [redacted] **Partnership's FEIN** [redacted]
 Partner's name, address, city, state, and ZIP Code **Secretary of State file number** [redacted]
 Partnership's name, address, city, state, and ZIP Code

H [redacted] J T [redacted] H [redacted] JR. FAMILY, L.P.

A Is this partner a: (1) general partner; or (2) limited partner?

B What type of entity is this partner? (1) Individual (2) S Corporation (3) Estate/Trust (4) C Corporation (5) General Partnership (6) Limited Partnership (7) LLP (8) LLC (9) IRA/Keogh/SEP (10) Exempt Organization (11) Disregarded Entity

C Is this partner a foreign partner? Yes No

D Enter partner's percentage (without regard to special allocations) of: (i) Before decrease or termination (ii) End of year

Profit sharing: 1.0000%
 Loss sharing: 1.0000%
 Ownership of capital: 1.0000%

E Partner's share of liabilities:
 Nonrecourse: \$
 Qualified nonrecourse financing: \$ 48,430.
 Other: \$ 64,327.

F Reportable transaction or tax shelter registration number(s):

G (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2)
 (2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1)

H Check here if this is: (1) A final Schedule K-1 (565) (2) An amended Schedule K-1 (565)

I Is this partner a nonresident of California? Yes No

J Analysis of partner's capital account: Check the box (1) Tax Basis (2) GAAP (3) Section 704(b) Book (4) Other (explain)

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of line 3, line 4, and line 7, Form 565, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine column (a) through column (d)
14,900.	55.	-2,202.	(242.)	12,511.

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities	-3,076.	4.	-3,072.	
	2 Net income (loss) from rental real estate activities PG. 4	-384.		-384.	
	3 Net income (loss) from other rental activities				
	4 Guaranteed payments to partners				
	5 Interest income				
	6 Dividends				
	7 Royalties				
	8 Net short-term capital gain (loss)				
	9 Net long-term capital gain (loss)				
	10a Total Gain under IRC Section 1231 (other than due to casualty or theft)	1,260.		1,260.	
	b Total Loss under IRC Section 1231 (other than due to casualty or theft)				
11a Other portfolio income (loss). Attach schedule					
b Total other income. Attach schedule					
c Total other loss. Attach schedule					

PARTNER 1

HENRY J. TOSTA, JR. FAMILY, L.P.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Deductions	12 Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6 and 17268)				
	13a Charitable contributions. P.G. 4	2.		2.	
	b Investment interest expense.				
	c 1 Total expenditures to which an IRC Section 59(e) election may apply				
	2 Type of expenditures				
	d Deductions related to portfolio income.				
	e Other deductions. Attach schedule.				
Credits	15a Total withholding (equals amount on Form 592-B if calendar year partnership)				
	b Low-income housing credit				
	c Credits other than line 15b related to rental real estate activities.				
	d Credits related to other rental activities.				
	e Nonconsenting nonresident partner's tax paid by partnership.				
	f Other credits-Attach required schedules or statements				
	g New jobs credit				
Alternative Minimum Tax (AMT) Items	17a Depreciation adjustment on property placed in service after 1986.	23.	13.	36.	
	b Adjusted gain or loss.				
	c Depletion (other than oil & gas).				
	d Gross income from oil, gas, and geothermal properties				
	e Deductions allocable to oil, gas, and geothermal properties.				
	f Other alternative minimum tax items.				
Tax-Exempt Income and Non-deductible Expenses	18a Tax-exempt interest income.				
	b Other tax-exempt income				
	c Nondeductible expenses.		16.	16.	
Distributions	19a Distributions of money (cash and marketable securities)	242.		242.	
	b Distributions of property other than money.				
Other Information	20a Investment income.				
	b Investment expenses				
	c Other information. See instructions	SEE ATTACHED		SEE ATTACHED	

PARTNER 1: HENRY J. TOSTA



Other Partner Information

Table 1 – Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partners):

Interest	\$ _____	Section 1231 Gains/Losses	\$ _____	Capital Gains/Losses	\$ _____
Dividends	\$ _____	Royalties	\$ _____	Other	\$ _____

FOR USE BY APPORTIONING UNITARY PARTNERS ONLY – See instructions.

Table 2 – Partner's share of distributive items.

- A** Partner's share of the partnership's business income. See instructions. \$ _____
- B** Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses	\$ _____	Rents/Royalties	\$ _____
Section 1231 Gains/Losses	\$ _____	Other	\$ _____

C Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$	\$
Ending	\$	\$
Annual rent expense	\$	\$
Payroll	\$	\$
Sales	\$	\$



**LINE 2, COLUMN (D)
RENTAL REAL ESTATE ACTIVITIES**

PROPERTY ADDRESS	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
RIDGECREST DR. MANTECA, CA 95337	\$ 148.	110.	\$ 38.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	69.	336.	-267.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	159.	315.	-156.	PASSIVE	
ROUNDING OR SPECIALLY ALLOCATED NET INCOME (LOSS) ADJUSTMENT			1.		
		TOTAL	\$ -384.		

**LINE 13A, COLUMN (D)
CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 2.
TOTAL	\$ 2.

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	\$ 672.
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**LINE 20C - COLUMN D
OTHER INFORMATION**

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 29,768.
TOTAL	\$ 29,768.

Partner's Share of Income, Deductions, Credits, etc.

K-1 (565)

For calendar year 2010 or fiscal year beginning month day year 2010, and ending month day year

Partner's identifying number [REDACTED] **Partnership's FEIN** [REDACTED]
 Partner's name, address, city, state, and ZIP Code **Secretary of State file number** [REDACTED]
 Partner's name, address, city, state, and ZIP Code

HENRY J. TOSTA, JR. TRUST
 D [REDACTED], 2006
 [REDACTED]

H [REDACTED] JR. FAMILY, L.P.
 [REDACTED]

A Is this partner a: (1) general partner; or (2) limited partner?

B What type of entity is this partner? ●
 (1) Individual (5) General Partnership (9) IRA/Keogh/SEP
 (2) S Corporation (6) Limited Partnership (10) Exempt Organization
 (3) Estate/Trust (7) LLP (11) Disregarded Entity
 (4) C Corporation (8) LLC

C Is this partner a foreign partner? ● Yes No

D Enter partner's percentage (without regard to special allocations) of:
 (i) Before decrease or termination (ii) End of year
 Profit sharing % ● 89.0000 %
 Loss sharing % ● 89.0000 %
 Ownership of capital % ● 89.0000 %

E Partner's share of liabilities:
 Nonrecourse ● \$ _____
 Qualified nonrecourse financing ● \$ 4,310,271.
 Other ● \$ _____

F Reportable transaction or tax shelter registration number(s)..... _____

G (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2).....

(2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1).....

H Check here if this is: ●
 (1) A final Schedule K-1 (565) (2) An amended Schedule K-1 (565)

I Is this partner a nonresident of California? Yes ● No

J Analysis of partner's capital account: Check the box ●

(1) Tax Basis (2) GAAP (3) Section 704(b) Book (4) Other (explain)

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of line 3, line 4, and line 7, Form 565, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine column (a) through column (d)
● 1,325,983.	● 4,844.	● -196,012.	● (21,518.)	● 1,113,297.

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities.....	-273,703.	311.	-273,392.	▶
	2 Net income (loss) from rental real estate activities..... PG. 4	-34,228.		-34,228.	▶
	3 Net income (loss) from other rental activities.....				▶
	4 Guaranteed payments to partners.....				▶
	5 Interest income.....				▶
	6 Dividends.....				▶
	7 Royalties.....				▶
	8 Net short-term capital gain (loss).....				▶
	9 Net long-term capital gain (loss).....				▶
	10a Total Gain under IRC Section 1231 (other than due to casualty or theft)...	112,121.		112,121.	▶
	b Total Loss under IRC Section 1231 (other than due to casualty or theft)...				▶
11a Other portfolio income (loss). Attach schedule.....				▶	
b Total other income. Attach schedule.....				▶	
c Total other loss. Attach schedule.....				▶	

PARTNER 2

HENRY J. TOSTA, JR. FAMILY, L.P.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Deductions	12 Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6 and 17268)				
	13a Charitable contributions P.G. 4	202.		202.	
	b Investment interest expense				
	c 1 Total expenditures to which an IRC Section 59(e) election may apply				
	2 Type of expenditures				
	d Deductions related to portfolio income				
	e Other deductions. Attach schedule				
Credits	15a Total withholding (equals amount on Form 592-B if calendar year partnership)				
	b Low-income housing credit				
	c Credits other than line 15b related to rental real estate activities				
	d Credits related to other rental activities				
	e Nonconsenting nonresident partner's tax paid by partnership				
	f Other credits-Attach required schedules or statements				
	g New jobs credit				
Alternative Minimum Tax (AMT) Items	17a Depreciation adjustment on property placed in service after 1986	2,105.	1,112.	3,217.	
	b Adjusted gain or loss				
	c Depletion (other than oil & gas)				
	d Gross income from oil, gas, and geothermal properties				
	e Deductions allocable to oil, gas, and geothermal properties				
	f Other alternative minimum tax items				
Tax-Exempt Income and Non-deductible Expenses	18a Tax-exempt interest income				
	b Other tax-exempt income				
	c Nondeductible expenses		1,424.	1,424.	
Distributions	19a Distributions of money (cash and marketable securities)	21,518.		21,518.	
	b Distributions of property other than money				
Other Information	20a Investment income				
	b Investment expenses				
	c Other information. See instructions	SEE ATTACHED		SEE ATTACHED	

PARTNER 2: HENRY J. TOSTA, JR. TRUST



Other Partner Information

Table 1 – Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partners):

Interest	\$ _____	Section 1231 Gains/Losses	\$ _____	Capital Gains/Losses	\$ _____
Dividends	\$ _____	Royalties	\$ _____	Other	\$ _____

FOR USE BY APPORTIONING UNITARY PARTNERS ONLY – See instructions.

Table 2 – Partner's share of distributive items.

- A** Partner's share of the partnership's business income. See instructions. \$ _____
- B** Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses	\$ _____	Rents/Royalties	\$ _____
Section 1231 Gains/Losses	\$ _____	Other	\$ _____

C Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$	\$
Ending	\$	\$
Annual rent expense	\$	\$
Payroll	\$	\$
Sales	\$	\$



**LINE 2, COLUMN (D)
RENTAL REAL ESTATE ACTIVITIES**

PROPERTY ADDRESS	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
RIDGECREST DR. MANTECA, CA 95337	\$ 13,181.	9,820.	\$ 3,361.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	6,170.	29,914.	-23,744.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	14,151.	27,996.	-13,845.	PASSIVE	
		TOTAL	\$ -34,228.		

**LINE 13A, COLUMN (D)
CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION.....	\$ 202.
TOTAL	\$ 202.

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION.....	\$ 59,812.
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**LINE 20C - COLUMN D
OTHER INFORMATION**

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS.....	\$ 2,649,300.
TOTAL	\$ 2,649,300.

Partner's Share of Income, Deductions, Credits, etc.

K-1 (565)

For calendar year 2010 or fiscal year beginning month day year 2010, and ending month day year

Partner's identifying number [REDACTED] **Partnership's FEIN** [REDACTED]
 Partner's name, address, city, state, and ZIP Code **Secretary of State file number** [REDACTED]
 Partnership's name, address, city, state, and ZIP Code

HENRY J. TOSTA, JR IRREVOCABLE
 F [REDACTED] 21, 2006

H [REDACTED] JR. FAMILY, L.P.

- A** Is this partner a: ● (1) general partner; or (2) limited partner?
- B** What type of entity is this partner? ●
- (1) Individual (5) General Partnership (9) IRA/Keogh/SEP
 (2) S Corporation (6) Limited Partnership (10) Exempt Organization
 (3) Estate/Trust (7) LLP (11) Disregarded Entity
 (4) C Corporation (8) LLC
- C** Is this partner a foreign partner? ● Yes No
- D** Enter partner's percentage (without regard to special allocations) of:
- (i) Before decrease or termination (ii) End of year
- Profit sharing % ● 10.0000 %
 Loss sharing % ● 10.0000 %
 Ownership of capital % ● 10.0000 %

- E** Partner's share of liabilities:
- Nonrecourse ● \$ _____
 Qualified nonrecourse financing ● \$ 484,300.
 Other ● \$ _____
- F** Reportable transaction or tax shelter registration number(s)..... _____
- G** (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2).....
 (2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1).....
- H** Check here if this is: ●
 (1) A final Schedule K-1 (565) (2) An amended Schedule K-1 (565)
- I** Is this partner a nonresident of California? Yes ● No

J Analysis of partner's capital account: Check the box ●

- (1) Tax Basis (2) GAAP (3) Section 704(b) Book (4) Other (explain)

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of line 3, line 4, and line 7, Form 565, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine column (a) through column (d)
● 148,985.	● 544.	● -22,024.	● (2,418.)	● 125,087.

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities.....	-30,753.	35.	-30,718.	▶
	2 Net income (loss) from rental real estate activities..... PG. 4	-3,846.		-3,846.	▶
	3 Net income (loss) from other rental activities.....				▶
	4 Guaranteed payments to partners.....				▶
	5 Interest income.....				▶
	6 Dividends.....				▶
	7 Royalties.....				▶
	8 Net short-term capital gain (loss).....				▶
	9 Net long-term capital gain (loss).....				▶
	10a Total Gain under IRC Section 1231 (other than due to casualty or theft).....	12,598.		12,598.	▶
	b Total Loss under IRC Section 1231 (other than due to casualty or theft).....				▶
11a Other portfolio income (loss). Attach schedule.....				▶	
b Total other income. Attach schedule.....				▶	
c Total other loss. Attach schedule.....				▶	

PARTNER 3

HENRY J. TOSTA, JR. FAMILY, L.P.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Deductions	12 Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6 and 17268)				
	13a Charitable contributions P.G. 4	23.		23.	
	b Investment interest expense				
	c 1 Total expenditures to which an IRC Section 59(e) election may apply				
	2 Type of expenditures				
	d Deductions related to portfolio income				
	e Other deductions. Attach schedule				
Credits	15a Total withholding (equals amount on Form 592-B if calendar year partnership)				
	b Low-income housing credit				
	c Credits other than line 15b related to rental real estate activities				
	d Credits related to other rental activities				
	e Nonconsenting nonresident partner's tax paid by partnership				
	f Other credits-Attach required schedules or statements				
	g New jobs credit				
Alternative Minimum Tax (AMT) Items	17a Depreciation adjustment on property placed in service after 1986	237.	125.	362.	
	b Adjusted gain or loss				
	c Depletion (other than oil & gas)				
	d Gross income from oil, gas, and geothermal properties				
	e Deductions allocable to oil, gas, and geothermal properties				
	f Other alternative minimum tax items				
Tax-Exempt Income and Non-deductible Expenses	18a Tax-exempt interest income				
	b Other tax-exempt income				
	c Nondeductible expenses		160.	160.	
Distributions	19a Distributions of money (cash and marketable securities)	2,418.		2,418.	
	b Distributions of property other than money				
Other Information	20a Investment income				
	b Investment expenses				
	c Other information. See instructions	SEE ATTACHED		SEE ATTACHED	

PARTNER 3: HENRY J. TOSTA, JR IRREVOCABLE



Other Partner Information

Table 1 – Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partners):

Interest	\$ _____	Section 1231 Gains/Losses	\$ _____	Capital Gains/Losses	\$ _____
Dividends	\$ _____	Royalties	\$ _____	Other	\$ _____

FOR USE BY APPORTIONING UNITARY PARTNERS ONLY – See instructions.

Table 2 – Partner's share of distributive items.

- A** Partner's share of the partnership's business income. See instructions. \$ _____
- B** Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses	\$ _____	Rents/Royalties	\$ _____
Section 1231 Gains/Losses	\$ _____	Other	\$ _____

C Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$	\$
Ending	\$	\$
Annual rent expense	\$	\$
Payroll	\$	\$
Sales	\$	\$



**LINE 2, COLUMN (D)
RENTAL REAL ESTATE ACTIVITIES**

PROPERTY ADDRESS	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
RIDGECREST DR. MANTECA, CA 95337	\$ 1,481.	1,103.	\$ 378.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	693.	3,361.	-2,668.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	1,590.	3,146.	-1,556.	PASSIVE	
		TOTAL	\$ -3,846.		

**LINE 13A, COLUMN (D)
CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 23.
TOTAL	\$ 23.

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	\$ 6,721.
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**LINE 20C - COLUMN D
OTHER INFORMATION**

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 297,674.
TOTAL	\$ 297,674.

2010 Depreciation and Amortization

3885P

Name as shown on return

HENRY J. TOSTA, JR. FAMILY, L.P.

FEN

Secretary of State (SOS) file number

Depreciation of Assets Assets placed in service after 12/31/09 (depreciation):

Table with 6 columns: (a) Description of property, (b) Date placed in service, (c) Cost or other basis, (d) Method of figuring depreciation, (e) Life or rate, (f) Depreciation for this year. Row 1: BULLS, 8/19/10, 3,300., 150DB, 5.00, 495.

Amortization of Property Intangibles placed in service after 12/31/09 (amortization):

Table with 6 columns: (a) Description of property, (b) Date placed in service, (c) Cost or other basis, (g) Code section, (h) Period or percentage, (i) Amortization to this year.

Depreciation

Be sure to make adjustments for any basis differences when calculating depreciation.

Summary table for Depreciation: Line 2 California depreciation for assets placed in service before January 1, 2010: 267,073. Line 3 Total California depreciation: 267,568.

Amortization

Be sure to make adjustments for any basis differences when calculating amortization.

Summary table for Amortization: Line 4 California amortization for intangibles placed in service before January 1, 2010: 1,645. Line 5 Total California amortization: 1,645. Line 6 Total depreciation and amortization: 269,213.

CALIFORNIA COPY - CALIFORNIA AMOUNTS
**Rental Real Estate Income and Expenses of a
Partnership or an S Corporation**

▶ See instructions.
▶ Attach to Form 1065, Form 1065-B, or Form 1120S.

Name: **HENRY J. TOSTA, JR. FAMILY, L.P.** Employer identification number: [REDACTED]

1	Show the type and address of each property. For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions. See page 2 to list additional properties.	Physical address of each property – street, city, state, ZIP code	Type – Enter code 1-8; see page 2 for list	Fair Rental Days	Personal Use Days
A	RIDGECREST DR. MANTECA, CA 95337	1	365		
B	SAMOA LANE LATHROP, CA 95330	1	365		
C	CANAL BLVD. TRACY, CA 95376	1	365		
D					

Rental Real Estate Income		Properties				
		A	B	C	D	
2	Gross rents	2	14,810.	6,933.	15,900.	
Rental Real Estate Expenses						
3	Advertising	3				
4	Auto and travel	4				
5	Cleaning and maintenance	5				
6	Commissions	6				
7	Insurance	7	900.	700.	1,300.	
8	Legal and other professional fees	8				
9	Interest	9		17,657.	16,125.	
10	Repairs	10	2,344.	7,101.	4,547.	
11	Taxes	11	1,450.	1,700.	2,350.	
12	Utilities	12				
13	Wages and salaries	13				
14	Depreciation (see instructions)	14	6,340.	6,353.	7,134.	
15	Other (list) ▶ AMORTIZATION	15		100.		
16	Total expenses for each property. Add lines 3 through 15	16	11,034.	33,611.	31,456.	
17	Income or (Loss) from each property. Subtract line 16 from line 2	17	3,776.	-26,678.	-15,556.	
18a	Total gross rents. Add gross rents from line 2, columns A through H	18a				37,643.
18b	Total expenses. Add total expenses from line 16, columns A through H	18b				-76,101.
19	Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities	19				
20a	Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1)	20a				
b Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed: (1) Name (2) Employer identification number						
21	Net rental real estate income (loss). Combine lines 18a through 20a. Enter the result here and on: • Form 1065 or 1120S: Schedule K, line 2, or • Form 1065-B: Part I, line 4	21				-38,458.

1 Show the type and address of each property. For each rental real estate property listed, report the number of days at fair rental value and days with personal use. See instructions.

Physical address of each property – street, city, state, ZIP code	Type – Enter code 1-8; see below for list	Fair Rental Days	Personal Use Days
E -----	-----	-----	-----
F -----	-----	-----	-----
G -----	-----	-----	-----
H -----	-----	-----	-----

Rental Real Estate Income		Properties			
		E	F	G	H
2	Gross rents	2			
Rental Real Estate Expenses					
3	Advertising	3			
4	Auto and travel	4			
5	Cleaning and maintenance	5			
6	Commissions	6			
7	Insurance	7			
8	Legal and other professional fees	8			
9	Interest	9			
10	Repairs	10			
11	Taxes	11			
12	Utilities	12			
13	Wages and salaries	13			
14	Depreciation (see instructions)	14			
15	Other (list) ▶ -----	15			

16	Total expenses for each property. Add lines 3 through 15	16			
17	Income or (Loss) from each property. Subtract line 16 from line 2	17			

Allowable Codes for Type of Property

- 1– Single Family Residence
- 2– Multi-Family Residence
- 3– Vacation or Short-term Rental
- 4– Commercial
- 5– Land
- 6– Royalties
- 7– Self-Rental
- 8– Other (include description with the code on Form 8825 or on a separate statement)

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

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STATEMENT 1
FORM 565, SCHEDULE K, LINE 13A
CHARITABLE CONTRIBUTIONS

CASH CONTRIBUTIONS - 50% LIMITATION.....		\$	227.
	TOTAL	\$	<u>227.</u>

STATEMENT 2
FORM 565, SCHEDULE K, LINE 20C - COLUMN B
OTHER REPORTABLE ITEMS FROM FORM 1065

DOMESTIC PRODUCTION ACTIVITIES DEDUCTION.....	\$	67,205.
---	----	---------

STATEMENT 3
FORM 565, SCHEDULE K, LINE 20C - COLUMN D
OTHER REPORTABLE ITEMS

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS.....	\$	2,976,742.
---	----	------------

STATEMENT 4
FORM 565, SCHEDULE L, LINE 13
OTHER ASSETS

	<u>BEGINNING</u>	<u>ENDING</u>
RECEIVABLE - BANTA INN.....	\$ 158,376.	\$ 188,376.
RECEIVABLE - LEE BROWN.....	201,800.	211,740.
TOTAL	<u>\$ 360,176.</u>	<u>\$ 400,116.</u>

STATEMENT 5
FORM 565, SCHEDULE L, LINE 17
OTHER CURRENT LIABILITIES

	<u>BEGINNING</u>	<u>ENDING</u>
BANK OVERDRAFT.....	\$ 10,347.	\$ 0.
CREDIT CARD LIABILITIES.....	45,972.	54,834.
PAYROLL LIABILITIES.....	6,294.	9,493.
TOTAL	<u>\$ 62,613.</u>	<u>\$ 64,327.</u>

SCHEDULE F
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Farming

▶ Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.
▶ See Instructions for Schedule F (Form 1040).

OMB No. 1545-0074

2010

Attachment
Sequence No. **14**

Name of proprietor HENRY J. TOSTA, JR. FAMILY, L.P.		Social security number (SSN)
A Principal product. Describe in one or two words your principal crop or activity for the current tax year. MILK & GRAINS		B Enter code from Part IV ▶ 112120
C Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual		D Employer ID number (EIN), if any 94-2253813

E Did you 'materially participate' in the operation of this business during 2010? If 'No,' see instructions for limit on passive losses. Yes No

Part I Farm Income — Cash Method. Complete Parts I and II (Accrual method. Complete Parts II & III, & Part I, line 11.)
Do not include sales of livestock held for draft, breeding, sport, or dairy purposes. Report these sales on Form 4797.

1 Sales of livestock and other items you bought for resale.....	1		
2 Cost or other basis of livestock and other items reported on line 1.....	2		
3 Subtract line 2 from line 1.....		3	
4 Sales of livestock, produce, grains, and other products you raised.....		4	2,687,807.
5a Cooperative distributions (Form(s) 1099-PATR).....	5a	28,562.	5b Taxable amount.....
5b Taxable amount.....			5b
6a Agricultural program payments (see instructions).....	6a	14,028.	6b Taxable amount.....
6b Taxable amount.....			6b
7 Commodity Credit Corporation (CCC) loans (see instructions):			
a CCC loans reported under election.....		7a	
b CCC loans forfeited.....	7b		7c Taxable amount.....
7c Taxable amount.....			7c
8 Crop insurance proceeds and federal crop disaster payments (see instructions):			
a Amount received in 2010.....	8a		8b Taxable amount.....
8b Taxable amount.....			8b
c If election to defer to 2011 is attached, check here..... <input type="checkbox"/>		8d	8d Amount deferred from 2009.....
8d Amount deferred from 2009.....			8d
9 Custom hire (machine work) income.....		9	
10 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions).....		10	82,723.
11 Gross income. Add amounts in the right column for lines 3 through 10. If you use the accrual method to figure your income, enter the amount from Part III, line 51.....		11	2,813,120.

Part II Farm Expenses — Cash and Accrual Method. Do not include personal or living expenses such as taxes, insurance, or repairs on your home.

12 Car and truck expenses (see instructions). Also attach Form 4562.....	12	4,144.	25 Pension and profit-sharing plans.....	25	
13 Chemicals.....	13	8,607.	26 Rent or lease (see instructions):		
14 Conservation expenses (see instructions).....	14		a Vehicles, machinery, and equipment.....	26a	800.
15 Custom hire (machine work).....	15	9,555.	b Other (land, animals, etc.).....	26b	28,200.
16 Depreciation and section 179 expense deduction not claimed elsewhere (see instructions).....	16	246,491.	27 Repairs and maintenance.....	27	169,342.
17 Employee benefit programs other than on line 25.....	17		28 Seeds and plants.....	28	40,776.
18 Feed.....	18	1,482,067.	29 Storage and warehousing.....	29	
19 Fertilizers and lime.....	19		30 Supplies.....	30	41,745.
20 Freight and trucking.....	20	12,680.	31 Taxes.....	31	84,242.
21 Gasoline, fuel, and oil.....	21	76,269.	32 Utilities.....	32	76,653.
22 Insurance (other than health).....	22	33,632.	33 Veterinary, breeding, and medicine.....	33	68,821.
23 Interest:			34 Other expenses (specify):		
a Mortgage (paid to banks, etc).....	23a		a SEE STATEMENT 6.....	34a	371,589.
b Other.....	23b	188,244.	b.....	34b	
24 Labor hired (less employment credits).....	24	175,195.	c.....	34c	
			d.....	34d	
			e.....	34e	
			f.....	34f	
35 Total expenses. Add lines 12 through 34f. If line 34f is negative, see instructions.....				35	3,119,052.
36 Net farm profit or (loss). Subtract line 35 from line 11. Partnerships, see instructions. • If a profit, enter the profit on both Form 1040, line 18, and Schedule SE, line 1a; on Form 1040NR, line 19; or on Form 1041, line 6. • If a loss, you must go on to line 37.				36	-305,932.

37 If you have a loss, you must check the box that describes your investment in this activity and whether you received any applicable subsidy (see instructions).
• If you checked 37a, enter the loss on both Form 1040, line 18, and Schedule SE, line 1a; on Form 1040NR, line 19; or on Form 1041, line 6.
• If you checked 37b, your loss may be limited. See instructions.

37a All investment is at risk and you did not receive a subsidy.
37b Some investment is not at risk or you received a subsidy.

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

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**STATEMENT 5
SCHEDULE F, LINE 10
OTHER INCOME**

MISCELLANEOUS	\$	9,700.
RENT INCOME		73,023.
	TOTAL \$	<u>82,723.</u>

**STATEMENT 6
SCHEDULE F, LINE 34
OTHER EXPENSES**

ACCOUNTING FEES	\$	3,175.
ADVERTISING		700.
AMORTIZATION		1,545.
BANK CHARGES		2,133.
CALF RAISING EXPENSES		156,468.
COMMISSIONS		6,571.
DUES & SUBSCRIPTIONS		387.
HARVESTING		22,142.
HOOF TRIMMING		14,226.
IRRIGATION		2,300.
LICENSES AND PERMITS		12,181.
MARKETING & ASSESSMENTS		125,984.
MISCELLANEOUS		510.
OTHER FARMING COSTS		13,089.
TELEPHONE		4,018.
TESTING		5,435.
TRAINING		725.
	TOTAL \$	<u>371,589.</u>

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2010 CALIFORNIA DEPRECIATION SCHEDULE

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HENRY J. TOSTA, JR. FAMILY, L.P.

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
RENTAL REAL ESTATE - RESIDENTIAL RENTAL																
1416 RIDGECREST DR, MANTECA																
1	LAND - STEP-UP	8/30/03		100,000							100,000					0
2	HOUSE	11/01/79		75,000							75,000	75,000	S/L	30		0
3	HOUSE - STEP-UP	8/30/03		174,345							174,345	40,415	S/L	MM	27.5 .04734	6,340
TOTAL 1416 RIDGECREST DR, MA				349,345		0	0	0	0	0	349,345	115,415				6,340
TOTAL DEPRECIATION				349,345		0	0	0	0	0	349,345	115,415				6,340

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

568 SOMOA LN, LATHROP

4	LAND - STEP-UP	8/30/03		100,000							100,000					0
5	HOUSE	9/01/76		25,500							25,500	25,500	S/L	30		0
6	HOUSE - STEP-UP	8/30/03		174,700							174,700	40,498	S/L	MM	27.5 .04734	6,353
68	LOAN FEES	12/26/06		3,013							3,013	300	S/L	30		100
TOTAL 568 SOMOA LN, LATHROP				303,213		0	0	0	0	0	303,213	66,298				6,453
TOTAL DEPRECIATION				303,213		0	0	0	0	0	303,213	66,298				6,453

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

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2010 CALIFORNIA DEPRECIATION SCHEDULE

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
6188 W CANAL, TRACY																
7	LAND - STEP-UP	8/30/03		150,000							150,000					0
8	HOUSE	11/24/92		133,259							133,259	82,980	S/L MM	27.5	.09639	4,846
9	HOUSE - STEP-UP	8/30/03		62,926							62,926	14,586	S/L MM	27.5	.04734	2,288
TOTAL 6188 W CANAL, TRACY				346,185		0	0	0	0	0	346,185	97,566				7,134
TOTAL DEPRECIATION				346,185		0	0	0	0	0	346,185	97,566				7,134
FORM 1040, SCHEDULE F - MILK & GRAINS																
AMORTIZATION																
73	REFINANCE COSTS	12/01/09		38,630							38,630	129	S/L	25		1,545
TOTAL AMORTIZATION				38,630		0	0	0	0	0	38,630	129				1,545
AUTO / TRANSPORT EQUIPMENT																
10	FORD 2-TON TRUCK	12/01/83		1,550							1,550	1,550	S/L	5		0
11	VEHICLES	6/01/82		32,665							32,665	32,665	S/L	10		0
12	1993 CHEVY P/U	6/19/93		24,046							24,046	24,046	150DB HY	5		0
13	1994 CHECY P/U	12/26/96		24,265							24,265	24,265	150DB HY	5		0
14	1988 CHEVY P/U	9/12/99		4,000							4,000	4,000	150DB HY	5		0
15	GOOSENECK TRAILER	8/31/04		6,800							6,800	5,550	150DB HY	7	.66670	833
57	2005 CHEVY P/U	2/08/05		40,975							40,975	36,960	150DB HY	5		4,015
58	FORD CABOVER	12/14/05		600							600	394	150DB HY	7	.40000	82
59	MANURE TRUCK	6/22/06		39,999							39,999	30,004	150DB HY	5	.66670	6,664

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2010 CALIFORNIA DEPRECIATION SCHEDULE

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
70	FEED TRUCK / MIXER	11/29/07		65,000							65,000	34,345	150DB MQ	5	.34780	10,662
TOTAL AUTO / TRANSPORT EQUIP				239,900		0	0	0	0	0	239,900	193,779				22,256
BUILDINGS																
16	BELOTTA - 2 HOUSES	11/18/93		48,500							48,500	21,579	S/L MM	31.5	.06504	1,751
17	BELOTTA - 2 BARNS	11/18/93		71,000							71,000	31,581	S/L MM	31.5	.06504	2,564
18	MIDDLE - BARNS	12/01/00		377,173							377,173	87,444	S/L MM	39	.03338	9,671
19	MIDDLE - BLDGS	8/11/00		385,850							385,850	92,754	S/L MM	39	.03376	9,895
20	HWY 120 - HOUSE - STEP-UP	8/30/03		54,120							54,120	11,425	S/L	30		1,804
21	HWY 120 - BARNS - STEP-UP	8/30/03		17,500							17,500	3,692	S/L	30		583
22	HOMESTEAD BLDGS - STEP-UP	8/30/03		38,000							38,000	8,024	S/L	30		1,267
23	BELLOTTA HOUSES - STEP-UP	8/30/03		19,500							19,500	3,167	S/L	39		500
24	MIDDLE BARNS - STEP-UP	8/30/03		100,227							100,227	16,385	S/L MM	39	.03065	2,570
25	MIDDLE-PERS RES - STEP-UP	8/30/03		202,500							202,500					0
26	MIDDLE BLDGS - STEP-UP	8/30/03		615,948							615,948	100,689	S/L MM	39	.03065	15,793
65	COMMODITY BARN - SJ DAIRY	9/09/06		94,227							94,227	40,700	150DB HY	10	.15380	8,232
66	SHOP - CIP	12/31/06		57,982							57,982					0
TOTAL BUILDINGS				2,082,527		0	0	0	0	0	2,082,527	417,440				54,630
IMPROVEMENTS																
64	CONCRETE DITCH LINE	6/16/06		23,642							23,642	7,268	150DB HY	15	.10000	1,637
TOTAL IMPROVEMENTS				23,642		0	0	0	0	0	23,642	7,268				1,637
LAND																

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2010 CALIFORNIA DEPRECIATION SCHEDULE

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CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
27	BELLOTA LAND	11/18/93		260,000							260,000					0
28	MIDDLE LAND - 97 AC	8/11/00		275,530							275,530					0
29	HWY 120 LAND - STEP-UP	8/30/03		280,000							280,000					0
30	LAMMERS LAND - STEP-UP	8/30/03		481,250							481,250					0
31	HOMESTEAD LAND - STEP-UP	8/30/03		169,800							169,800					0
32	HOMESTEAD LAND - STEP-UP	8/30/03		372,950							372,950					0
33	BELLOTA LAND - STEP-UP	8/30/03		175,300							175,300					0
34	MIDDLE LAND - STEP-UP	8/30/03		211,920							211,920					0
35	MIDDLE LAND 36 AC STEP-UP	8/30/03		182,650							182,650					0
36	MIDDLE LAND 39 AC STEP-UP	8/30/03		270,000							270,000					0
67	KASSON LOT 4 - STEP-UP	8/30/03		561,882							561,882					0
TOTAL LAND				3,241,282		0	0	0	0	0	3,241,282	0				0
LIVESTOCK																
56	2013 COWS - STEP-UP	8/30/03		2,481,900							2,481,900	2,329,878	150DB HY	7		152,022
60	2 BULLS	3/31/06		923							923	693	150DB HY	5	.66670	153
61	2 BULLS	6/09/06		1,225							1,225	919	150DB HY	5	.66670	204
62	3 BULLS	6/22/06		2,850							2,850	2,138	150DB HY	5	.66670	475
63	BULL	7/10/06		925							925	694	150DB HY	5	.66670	154
69	4 BULLS	6/20/07		4,550							4,550	2,738	150DB MQ	5	.42110	763
72	4 BULLS	9/30/09		5,400							5,400	810	150DB HY	5	.30000	1,377
74	BULLS	8/19/10		3,300							3,300		150DB HY	5	.30000	495
TOTAL LIVESTOCK				2,501,073		0	0	0	0	0	2,501,073	2,337,870				155,643
MACHINERY AND EQUIPMENT																

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2010 CALIFORNIA DEPRECIATION SCHEDULE

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HENRY J. TOSTA, JR. FAMILY, L.P.

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
37	TRACTOR	12/01/83		14,500							14,500	14,500	S/L	5		0
38	PUMP	6/01/81		2,063							2,063	2,063	S/L	10		0
39	SEMEN TANK	10/01/82		200							200	200	S/L	5		0
40	AIR COMPRESSOR	6/01/82		1,590							1,590	1,590	S/L	5		0
41	SPRINGTOOTH	5/01/86		874							874	874	S/L	5		0
42	DISK & ROLLER	10/01/86		2,000							2,000	2,000	S/L	5		0
43	WHITE TRACTOR	2/01/86		7,055							7,055	7,055	S/L	5		0
44	FORD TRACTOR	11/01/86		2,000							2,000	2,000	S/L	5		0
45	OAT CHOPPER	8/01/87		3,000							3,000	3,000	150DB HY	7		0
46	GENERATOR	12/01/88		1,378							1,378	1,378	150DB HY	7		0
47	WELDER	5/01/88		1,026							1,026	1,026	150DB HY	7		0
48	WINDROWER	5/01/88		6,500							6,500	6,500	150DB HY	7		0
49	RAKE	6/01/88		1,500							1,500	1,500	150DB HY	7		0
50	INTL 1566 TRACTOR	9/01/89		5,006							5,006	5,006	150DB HY	7		0
51	SCALE	10/31/90		3,675							3,675	3,675	150DB HY	7		0
52	CHOPPER	4/29/03		18,500							18,500	17,707	150DB HY	7		793
53	CASE 9250 TRACTOR	9/10/03		41,409							41,409	40,141	150DB HY	7		1,268
54	3 USED TRACTORS	6/12/04		4,353							4,353	3,553	150DB HY	7	.66670	533
71	QUAD	12/15/07		2,500							2,500	1,321	150DB MQ	5	.34780	410
TOTAL MACHINERY AND EQUIPME				119,129		0	0	0	0	0	119,129	115,089				3,004
QUOTA																
55	MILK QUOTA - STEP-UP	8/30/03		158,560							158,560	121,564	S/L	15		10,571
TOTAL QUOTA				158,560		0	0	0	0	0	158,560	121,564				10,571
TOTAL DEPRECIATION				8,366,113		0	0	0	0	0	8,366,113	3,193,010				247,741

12/31/10

2010 CALIFORNIA DEPRECIATION SCHEDULE

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CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.



9/15/11

03:53PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT	CUR 179 BONUS	SPECIAL DEPR. ALLOW	PRIOR 179/ BONUS/ SP. DEPR	PRIOR DEC. BAL DEPR	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
	GRAND TOTAL AMORTIZATION			38,630		0	0	0	0	0	38,630	129				1,545
	GRAND TOTAL DEPRECIATION			<u>9,364,856</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,364,856</u>	<u>3,472,289</u>				<u>267,668</u>

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.



9/15/11

3:53 PM

	COMPUTER	CONTROL	DIFF
BALANCE SHEET (SCHEDULE L)			
TOTAL ASSETS - BEGINNING.....	6,291,697	6,291,697	0
TOTAL LIABILITIES - BEGINNING.....	4,801,829	4,801,829	0
PARTNERS' CAPITAL - BEGINNING.....	1,489,868	1,489,868	0
TOTAL LIABILITIES AND CAPITAL - BEG.....	6,291,697	6,291,697	0

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

3:53 PM

	2010	2009	DIFF
TRADE OR BUSINESS INCOME			
NET FARM PROFIT (LOSS).....	-305,932	-1,014,151	708,219
TOTAL INCOME (LOSS).....	-305,932	-1,014,151	708,219
TRADE OR BUSINESS DEDUCTIONS			
TAXES AND LICENSES.....	1,600	800	800
TOTAL DEDUCTIONS.....	1,600	800	800
SCHEDULE K - INCOME			
ORDINARY BUSINESS INCOME (LOSS).....	-307,532	-1,014,951	707,419
NET RENTAL REAL ESTATE INCOME (LOSS).....	-38,458	-32,514	-5,944
INTEREST INCOME.....	0	52	-52
SECTION 1231 NET GAIN (LOSS).....	125,979	73,965	52,014
SCHEDULE K - DEDUCTIONS			
CHARITABLE CONTRIBUTIONS.....	227	375	-148
SCHEDULE K - SELF-EMPLOYMENT			
NET EARN. (LOSS) FROM SELF-EMPLOYMENT....	-3,076	-10,150	7,074
GROSS FARMING OR FISHING INCOME.....	2,813,120	2,299,180	513,940
SCHEDULE K - ALTERNATIVE MINIMUM TAX ITEMS			
POST-1986 DEPRECIATION ADJUSTMENT.....	2,365	2,363	2
SCHEDULE K - OTHER			
DISTRIBUTIONS OF CASH & MARKETABLE SEC....	24,178	44,381	-20,203
INVESTMENT INCOME.....	0	52	-52
OTHER ITEMS REPORTED SEPARATELY.....	67,205	0	67,205
SCHEDULE L - BALANCE SHEET			
BEGINNING ASSETS.....	6,291,697	6,671,561	-379,864
BEGINNING LIABILITIES AND CAPITAL.....	6,291,697	6,671,561	-379,864
ENDING ASSETS.....	6,158,223	6,291,697	-133,474
ENDING LIABILITIES AND CAPITAL.....	6,158,223	6,291,697	-133,474

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

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ENDING ASSETS

CASH.....		91,249
BUILDINGS AND OTHER ASSETS.....	5,773,574	
LESS ACCUMULATED DEPRECIATION.....	(3,734,954)	2,038,620
LAND.....		3,591,282
INTANGIBLE ASSETS.....	41,643	
LESS ACCUMULATED AMORTIZATION.....	(4,687)	36,956
OTHER ASSETS.....		400,116
TOTAL ASSETS.....		6,158,223

ENDING LIABILITIES & CAPITAL

SHORT TERM NOTES PAYABLE.....		1,043,875
OTHER CURRENT LIABILITIES.....		64,327
LONG TERM NOTES PAYABLE.....		3,799,126
PARTNERS' CAPITAL ACCOUNTS.....		1,250,895
TOTAL LIABILITIES AND CAPITAL.....		6,158,223

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

3:53 PM

	2010	2009	DIFF
TRADE OR BUSINESS INCOME			
TOTAL FARM LOSS.....	-307,182	-1,015,403	708,221
TOTAL INCOME (LOSS).....	-307,182	-1,015,403	708,221
TRADE OR BUSINESS DEDUCTIONS			
TOTAL DEDUCTIONS.....	0	0	0
SCHEDULE K - INCOME			
ORDINARY INCOME (LOSS).....	-307,182	-1,015,403	708,221
NET INC. (LOSS) FROM RENTAL REAL ESTATE.....	-38,458	-32,514	-5,944
INTEREST INCOME.....	0	52	-52
TOTAL GAIN UNDER SECTION 1231.....	125,979	73,965	52,014
SCHEDULE K - DEDUCTIONS			
CHARITABLE CONTRIBUTIONS.....	227	375	-148
SCHEDULE K - ADJUSTMENTS			
DEPR. ADJUST. ON PROPERTY AFTER 1986.....	3,615	3,615	0
SCHEDULE K - OTHER			
NONDEDUCTIBLE EXPENSES.....	1,600	800	800
DISTRIBUTIONS OF MONEY.....	24,178	44,381	-20,203
INVESTMENT INCOME.....	0	52	-52
OTHER INFORMATION.....	2,976,742	2,416,071	560,671
SCHEDULE L - BALANCE SHEET			
BEGINNING ASSETS.....	6,291,697	6,671,561	-379,864
BEGINNING LIABILITIES AND CAPITAL.....	6,291,697	6,671,561	-379,864
ENDING ASSETS.....	6,158,223	6,291,697	-133,474
ENDING LIABILITIES AND CAPITAL.....	6,158,223	6,291,697	-133,474

FEDERAL OVERRIDES**SCREEN 24**

- AN OVERRIDE ENTRY OF 3,734,954 HAS BEEN MADE IN FEDERAL "ENDING - ACCUMULATED DEPRECIATION [O]" (SCREEN 24, CODE 211).
- AN OVERRIDE ENTRY OF 4,687 HAS BEEN MADE IN FEDERAL "ENDING - ACCUMULATED AMORTIZATION [O]" (SCREEN 24, CODE 216).

2010

GENERAL INFORMATION

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CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

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FORMS NEEDED FOR THIS RETURN

FEDERAL: 1065, SCH B-1, SCH F, SCH K-1, 4562, 4797, 4797 P2, 8825
CALIFORNIA: 565, SCH D-1, SCH D-1 P2, SCH K-1 (565), 3885P, 8825

CARRYOVERS TO 2011

NONE

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.



9/15/11

03:53PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PREF	LEAS PER PROP PREF	59 (E)(2) AMORT
RENTAL REAL ESTATE - RESIDENTIAL RENTAL															
1416 RIDGECREST DR, MANTECA															
1	LAND - STEP-UP	8/30/03		100,000					0	0					0
2	HOUSE	11/01/79		75,000					0	0					0
3	HOUSE - STEP-UP	8/30/03		174,345	40,415	S/L MM	27.5	.04734	6,340	6,340					0
TOTAL 1416 RIDGECREST DR, MA				349,345	40,415				6,340	6,340		0	0	0	0
TOTAL DEPRECIATION				349,345	40,415				6,340	6,340		0	0	0	0

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

568 SOMOA LN, LATHROP															
4	LAND - STEP-UP	8/30/03		100,000					0	0					0
5	HOUSE	9/01/76		25,500					0	0					0
6	HOUSE - STEP-UP	8/30/03		174,700	40,498	S/L MM	27.5	.04734	6,353	6,353					0
TOTAL 568 SOMOA LN, LATHROP				300,200	40,498				6,353	6,353		0	0	0	0
TOTAL DEPRECIATION				300,200	40,498				6,353	6,353		0	0	0	0

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

6188 W CANAL, TRACY															
7	LAND - STEP-UP	8/30/03		150,000					0	0					0
8	HOUSE	11/24/92		133,259	73,963	S/L MM	40	.04372	2,592	4,846		2,254			0

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.



9/15/11 03:53PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PREF	LEAS PER PROP PREF	59 (E)(2) AMORT
9	HOUSE - STEP-UP	8/30/03		62,926	14,586	S/L MM	27.5	.04734	2,288	2,288					0
	TOTAL 6188 W CANAL, TRACY			346,185	88,549				4,880	7,134		2,254	0	0	0
	TOTAL DEPRECIATION			346,185	88,549				4,880	7,134		2,254	0	0	0

FORM 1065, SCHEDULE F - MILK & GRAINS

AUTO / TRANSPORT EQUIPMENT

10	FORD 2-TON TRUCK	12/01/83		1,550					0	0					0
11	VEHICLES	6/01/82		32,665					0	0					0
12	1993 CHEVY P/U	6/19/93		24,046	24,046	150DB HY	5		0	0					0
13	1994 CHEVY P/U	12/26/96		24,265	24,265	150DB HY	5		0	0					0
14	1988 CHEVY P/U	9/12/99		4,000	4,000	150DB HY	5		0	0					0
15	GOOSENECK TRAILER	8/31/04		6,800	5,550	150DB HY	7	.66670	833	833					0
57	2005 CHEVY P/U	2/08/05		40,975	36,960	150DB HY	5		4,015	4,015					0
58	FORD CABOVER	12/14/05		600	394	150DB HY	7	.40000	82	82					0
59	MANURE TRUCK	6/22/06		39,999	30,004	150DB HY	5	.66670	6,664	6,664					0
70	FEED TRUCK / MIXER	11/29/07		65,000	34,345	150DB MQ	5	.34780	10,662	10,662					0
	TOTAL AUTO / TRANSPORT EQUIP			239,900	159,564				22,256	22,256		0	0	0	0

BUILDINGS

16	BELOTTA - 2 HOUSES	11/18/93		48,500	19,879	S/L MM	40	.04188	1,199	1,244		45			0
17	BELOTTA - 2 BARNS	11/18/93		71,000	29,089	S/L MM	40	.04188	1,755	1,821		66			0
18	MIDDLE - BARNS	12/01/00		377,173	87,444	S/L MM	39	.03338	9,671	9,671					0
19	MIDDLE - BLDGS	8/11/00		385,850	92,754	S/L MM	39	.03376	9,895	9,895					0
20	HWY 120 - HOUSE - STEP-UP	8/30/03		54,120					1,804	1,804					0

12/31/10

2010 FEDERAL ALTERNATIVE MINIMUM TAX DEPRECIATION SCHEDULE

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CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11 03:53PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PRFF	LEAS PER PROP PRFF	59 (E)(2) AMORT
21	HWY 120 - BARNS - STEP-UP	8/30/03		17,500					583	583					0
22	HOMESTEAD BLDGS - STEP-UP	8/30/03		38,000					1,267	1,267					0
23	BELLOTA HOUSES - STEP-UP	8/30/03		19,500					500	500					0
24	MIDDLE BARNS - STEP-UP	8/30/03		100,227	16,385	S/L MM	39	.03065	2,570	2,570					0
25	MIDDLE-PERS RES - STEP-UP	8/30/03		202,500					0	0					0
26	MIDDLE BLDGS - STEP-UP	8/30/03		615,948	100,689	S/L MM	39	.03065	15,793	15,793					0
65	COMMODITY BARN - SJ DAIRY	9/09/06		94,227	40,700	150DB HY	10	.15380	8,232	8,232					0
66	SHOP - CIP	12/31/06		57,982					0	0					0
TOTAL BUILDINGS				2,082,527	386,940				53,269	53,380		111	0	0	0
IMPROVEMENTS															
64	CONCRETE DITCH LINE	6/16/06		23,642	7,268	150DB HY	15	.10000	1,637	1,637					0
TOTAL IMPROVEMENTS				23,642	7,268				1,637	1,637		0	0	0	0
LAND															
27	BELLOTA LAND	11/18/93		260,000					0	0					0
28	MIDDLE LAND - 97 AC	8/11/00		275,530					0	0					0
29	HWY 120 LAND - STEP-UP	8/30/03		280,000					0	0					0
30	LAMMERS LAND - STEP-UP	8/30/03		481,250					0	0					0
31	HOMESTEAD LAND - STEP-UP	8/30/03		169,800					0	0					0
32	HOMESTEAD LAND - STEP-UP	8/30/03		372,950					0	0					0
33	BELLOTA LAND - STEP-UP	8/30/03		175,300					0	0					0
34	MIDDLE LAND - STEP-UP	8/30/03		211,920					0	0					0
35	MIDDLE LAND 36 AC STEP-UP	8/30/03		182,650					0	0					0
36	MIDDLE LAND 39 AC STEP-UP	8/30/03		270,000					0	0					0
67	KASSON LOT 4 - STEP-UP	8/30/03		561,882					0	0					0
TOTAL LAND				3,241,282	0				0	0		0	0	0	0

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.



9/15/11

03:53PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PREF	LEAS PER PROP PREF	59 (E)(2) AMORT
LIVESTOCK															
56	2013 COWS - STEP-UP	8/30/03		2,481,900	2,329,878	150DB HY	7		152,022	152,022					0
60	2 BULLS	3/31/06		923	693	150DB HY	5	.66670	153	153					0
61	2 BULLS	6/09/06		1,225	919	150DB HY	5	.66670	204	204					0
62	3 BULLS	6/22/06		2,850	2,138	150DB HY	5	.66670	475	475					0
63	BULL	7/10/06		925	694	150DB HY	5	.66670	154	154					0
69	4 BULLS	6/20/07		4,550	2,738	150DB MQ	5	.42110	763	763					0
72	4 BULLS	9/30/09		5,400	810	150DB HY	5	.30000	1,377	1,377					0
74	BULLS	8/19/10		3,300		150DB HY	5	.30000	495	495					0
TOTAL LIVESTOCK				2,501,073	2,337,870				155,643	155,643		0	0	0	0
MACHINERY AND EQUIPMENT															
37	TRACTOR	12/01/83		14,500					0	0					0
38	PUMP	6/01/81		2,063					0	0					0
39	SEMEN TANK	10/01/82		200					0	0					0
40	AIR COMPRESSOR	6/01/82		1,590					0	0					0
41	SPRINGTOOTH	5/01/86		874					0	0					0
42	DISK & ROLLER	10/01/86		2,000					0	0					0
43	WHITE TRACTOR	2/01/86		7,055					0	0					0
44	FORD TRACTOR	11/01/86		2,000					0	0					0
45	OAT CHOPPER	8/01/87		3,000	3,000	150DB HY	10		0	0					0
46	GENERATOR	12/01/88		1,378	1,378	150DB HY	10		0	0					0
47	WELDER	5/01/88		1,026	1,026	150DB HY	10		0	0					0
48	WINDROWER	5/01/88		6,500	6,500	150DB HY	10		0	0					0
49	RAKE	6/01/88		1,500	1,500	150DB HY	10		0	0					0
50	INTL 1566 TRACTOR	9/01/89		5,006	5,006	150DB HY	10		0	0					0
51	SCALE	10/31/90		3,675	3,675	150DB HY	10		0	0					0

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.



9/15/11 03:53PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PRFF	LEAS PER PROP PRFF	59 (E)(2) AMORT
52	CHOPPER	4/29/03		18,500	17,707	150DB HY	7		793	793					0
53	CASE 9250 TRACTOR	9/10/03		41,409	40,141	150DB HY	7		1,268	1,268					0
54	3 USED TRACTORS	6/12/04		4,353	3,553	150DB HY	7	.66670	533	533					0
71	QUAD	12/15/07		2,500	1,321	150DB MQ	5	.34780	410	410					0
TOTAL MACHINERY AND EQUIPME				119,129	84,807				3,004	3,004		0	0	0	0
QUOTA															
55	MILK QUOTA - STEP-UP	8/30/03		158,560	79,280				10,571	10,571					0
TOTAL QUOTA				158,560	79,280				10,571	10,571		0	0	0	0
TOTAL DEPRECIATION				<u>8,366,113</u>	<u>3,055,729</u>				<u>246,380</u>	<u>246,491</u>		<u>111</u>	<u>0</u>	<u>0</u>	<u>0</u>
GRAND TOTAL DEPRECIATION				<u>9,361,843</u>	<u>3,225,191</u>				<u>263,953</u>	<u>266,318</u>		<u>2,365</u>	<u>0</u>	<u>0</u>	<u>0</u>

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.



9/15/11

03:53PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PREF	LEAS PER PROP PREF	59 (E)(2) AMORT
RENTAL REAL ESTATE - RESIDENTIAL RENTAL															
1416 RIDGECREST DR, MANTECA															
1	LAND - STEP-UP	8/30/03		100,000					0	0					0
2	HOUSE	11/01/79		75,000					0	0					0
3	HOUSE - STEP-UP	8/30/03		174,345	40,415	S/L MM	27.5	.04734	6,340	6,340					0
TOTAL 1416 RIDGECREST DR, MA				349,345	40,415				6,340	6,340		0	0	0	0
TOTAL DEPRECIATION				349,345	40,415				6,340	6,340		0	0	0	0

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

568 SOMOA LN, LATHROP															
4	LAND - STEP-UP	8/30/03		100,000					0	0					0
5	HOUSE	9/01/76		25,500					0	0					0
6	HOUSE - STEP-UP	8/30/03		174,700	40,498	S/L MM	27.5	.04734	6,353	6,353					0
TOTAL 568 SOMOA LN, LATHROP				300,200	40,498				6,353	6,353		0	0	0	0
TOTAL DEPRECIATION				300,200	40,498				6,353	6,353		0	0	0	0

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

6188 W CANAL, TRACY															
7	LAND - STEP-UP	8/30/03		150,000					0	0					0
8	HOUSE	11/24/92		133,259	73,963	S/L MM	40	.04372	2,592	4,846		2,254			0

CLIENT 75005

HENRY J. TOSTA, JR. FAMILY, L.P.



9/15/11 03:53PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PREF	LEAS PER PROP PREF	59 (E)(2) AMORT
9	HOUSE - STEP-UP	8/30/03		62,926	14,586	S/L MM	27.5	.04734	2,288	2,288					0
	TOTAL 6188 W CANAL, TRACY			346,185	88,549				4,880	7,134		2,254	0	0	0
	TOTAL DEPRECIATION			346,185	88,549				4,880	7,134		2,254	0	0	0

FORM 1040, SCHEDULE F - MILK & GRAINS

AUTO / TRANSPORT EQUIPMENT

10	FORD 2-TON TRUCK	12/01/83		1,550					0	0					0
11	VEHICLES	6/01/82		32,665					0	0					0
12	1993 CHEVY P/U	6/19/93		24,046	24,046	150DB HY	5		0	0					0
13	1994 CHEVY P/U	12/26/96		24,265	24,265	150DB HY	5		0	0					0
14	1988 CHEVY P/U	9/12/99		4,000	4,000	150DB HY	5		0	0					0
15	GOOSENECK TRAILER	8/31/04		6,800	5,550	150DB HY	7	.66670	833	833					0
57	2005 CHEVY P/U	2/08/05		40,975	36,960	150DB HY	5		4,015	4,015					0
58	FORD CABOVER	12/14/05		600	394	150DB HY	7	.40000	82	82					0
59	MANURE TRUCK	6/22/06		39,999	30,004	150DB HY	5	.66670	6,664	6,664					0
70	FEED TRUCK / MIXER	11/29/07		65,000	34,345	150DB MQ	5	.34780	10,662	10,662					0
	TOTAL AUTO / TRANSPORT EQUIP			239,900	159,564				22,256	22,256		0	0	0	0

BUILDINGS

16	BELOTTA - 2 HOUSES	11/18/93		48,500	19,879	S/L MM	40	.04188	1,199	1,751		552			0
17	BELOTTA - 2 BARNS	11/18/93		71,000	29,089	S/L MM	40	.04188	1,755	2,564		809			0
18	MIDDLE - BARNS	12/01/00		377,173	87,444	S/L MM	39	.03338	9,671	9,671					0
19	MIDDLE - BLDGS	8/11/00		385,850	92,754	S/L MM	39	.03376	9,895	9,895					0
20	HWY 120 - HOUSE - STEP-UP	8/30/03		54,120					1,804	1,804					0

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HENRY J. TOSTA, JR. FAMILY, L.P.



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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PRFF	LEAS PER PROP PRFF	59 (E)(2) AMORT
21	HWY 120 - BARNS - STEP-UP	8/30/03		17,500					583	583					0
22	HOMESTEAD BLDGS - STEP-UP	8/30/03		38,000					1,267	1,267					0
23	BELLOTA HOUSES - STEP-UP	8/30/03		19,500					500	500					0
24	MIDDLE BARNS - STEP-UP	8/30/03		100,227	16,385	S/L MM	39	.03065	2,570	2,570					0
25	MIDDLE-PERS RES - STEP-UP	8/30/03		202,500					0	0					0
26	MIDDLE BLDGS - STEP-UP	8/30/03		615,948	100,689	S/L MM	39	.03065	15,793	15,793					0
65	COMMODITY BARN - SJ DAIRY	9/09/06		94,227	40,700	150DB HY	10	.15380	8,232	8,232					0
66	SHOP - CIP	12/31/06		57,982					0	0					0
TOTAL BUILDINGS				2,082,527	386,940				53,269	54,630		1,361	0	0	0
IMPROVEMENTS															
64	CONCRETE DITCH LINE	6/16/06		23,642	7,268	150DB HY	15	.10000	1,637	1,637					0
TOTAL IMPROVEMENTS				23,642	7,268				1,637	1,637		0	0	0	0
LAND															
27	BELLOTA LAND	11/18/93		260,000					0	0					0
28	MIDDLE LAND - 97 AC	8/11/00		275,530					0	0					0
29	HWY 120 LAND - STEP-UP	8/30/03		280,000					0	0					0
30	LAMMERS LAND - STEP-UP	8/30/03		481,250					0	0					0
31	HOMESTEAD LAND - STEP-UP	8/30/03		169,800					0	0					0
32	HOMESTEAD LAND - STEP-UP	8/30/03		372,950					0	0					0
33	BELLOTA LAND - STEP-UP	8/30/03		175,300					0	0					0
34	MIDDLE LAND - STEP-UP	8/30/03		211,920					0	0					0
35	MIDDLE LAND 36 AC STEP-UP	8/30/03		182,650					0	0					0
36	MIDDLE LAND 39 AC STEP-UP	8/30/03		270,000					0	0					0
67	KASSON LOT 4 - STEP-UP	8/30/03		561,882					0	0					0
TOTAL LAND				3,241,282	0				0	0		0	0	0	0

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HENRY J. TOSTA, JR. FAMILY, L.P.



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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PREF	LEAS PER PROP PREF	59 (E)(2) AMORT
LIVESTOCK															
56	2013 COWS - STEP-UP	8/30/03		2,481,900	2,329,878	150DB HY	7		152,022	152,022					0
60	2 BULLS	3/31/06		923	693	150DB HY	5	.66670	153	153					0
61	2 BULLS	6/09/06		1,225	919	150DB HY	5	.66670	204	204					0
62	3 BULLS	6/22/06		2,850	2,138	150DB HY	5	.66670	475	475					0
63	BULL	7/10/06		925	694	150DB HY	5	.66670	154	154					0
69	4 BULLS	6/20/07		4,550	2,738	150DB MQ	5	.42110	763	763					0
72	4 BULLS	9/30/09		5,400	810	150DB HY	5	.30000	1,377	1,377					0
74	BULLS	8/19/10		3,300		150DB HY	5	.30000	495	495					0
TOTAL LIVESTOCK				2,501,073	2,337,870				155,643	155,643		0	0	0	0
MACHINERY AND EQUIPMENT															
37	TRACTOR	12/01/83		14,500					0	0					0
38	PUMP	6/01/81		2,063					0	0					0
39	SEMEN TANK	10/01/82		200					0	0					0
40	AIR COMPRESSOR	6/01/82		1,590					0	0					0
41	SPRINGTOOTH	5/01/86		874					0	0					0
42	DISK & ROLLER	10/01/86		2,000					0	0					0
43	WHITE TRACTOR	2/01/86		7,055					0	0					0
44	FORD TRACTOR	11/01/86		2,000					0	0					0
45	OAT CHOPPER	8/01/87		3,000	3,000	150DB HY	10		0	0					0
46	GENERATOR	12/01/88		1,378	1,378	150DB HY	10		0	0					0
47	WELDER	5/01/88		1,026	1,026	150DB HY	10		0	0					0
48	WINDROWER	5/01/88		6,500	6,500	150DB HY	10		0	0					0
49	RAKE	6/01/88		1,500	1,500	150DB HY	10		0	0					0
50	INTL 1566 TRACTOR	9/01/89		5,006	5,006	150DB HY	10		0	0					0
51	SCALE	10/31/90		3,675	3,675	150DB HY	10		0	0					0

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HENRY J. TOSTA, JR. FAMILY, L.P.



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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	AMT BASIS	AMT PRIOR DEPR	AMT METHOD	AMT LIFE	AMT RATE	AMT DEPR	REG. DEPR	OWN PCT	POST-86 DEPR ADJ	REAL PROP PRFF	LEAS PER PROP PRFF	59 (E)(2) AMORT
52	CHOPPER	4/29/03		18,500	17,707	150DB HY	7		793	793					0
53	CASE 9250 TRACTOR	9/10/03		41,409	40,141	150DB HY	7		1,268	1,268					0
54	3 USED TRACTORS	6/12/04		4,353	3,553	150DB HY	7	.66670	533	533					0
71	QUAD	12/15/07		2,500	1,321	150DB MQ	5	.34780	410	410					0
TOTAL MACHINERY AND EQUIPME				119,129	84,807				3,004	3,004		0	0	0	0
QUOTA															
55	MILK QUOTA - STEP-UP	8/30/03		158,560	79,280				10,571	10,571					0
TOTAL QUOTA				158,560	79,280				10,571	10,571		0	0	0	0
TOTAL DEPRECIATION				<u>8,366,113</u>	<u>3,055,729</u>				<u>246,380</u>	<u>247,741</u>		<u>1,361</u>	<u>0</u>	<u>0</u>	<u>0</u>
GRAND TOTAL DEPRECIATION				<u>9,361,843</u>	<u>3,225,191</u>				<u>263,953</u>	<u>267,568</u>		<u>3,615</u>	<u>0</u>	<u>0</u>	<u>0</u>

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HENRY J. TOSTA, JR. FAMILY, L.P.



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NET EARNINGS (LOSS) FROM SELF-EMPLOYMENT CALCULATION

Partner Number	General, Limited, or Member	Entity Type	Ordinary Income or (Loss)	Other Rental Income or (Loss)	Adjustments:	Guaranteed Payments to Partners	Manual Self-Employment Adjustment	Net Earnings (Loss) From Self-Employment Schedule K-1 Box 14, Code A
					1. Plus Certain Rental RE Income 2. Plus Passthrough SE Income (Loss) 3. Less Passthrough Ord. Inc. (Loss) 4. Less 4797 Gain or (Loss)			
1	GEN	IND	-3,076.					-3,076.
			-3,076.					-3,076.

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HENRY J. TOSTA, JR. FAMILY, L.P.



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PTR# NAME

- 1 HENRY J. TOSTA
- 2 HENRY J. TOSTA, JR. TRUST
- 3 HENRY J. TOSTA, JR IRREVOCABLE

LINE	ITEM	TOTAL ON SCHEDULE K	PARTNER 1	PARTNER 2	PARTNER 3
L	PROFIT SHARING ALLOC. PERCENTAGE		1.000000	89.000000	10.000000
L	LOSS SHARING ALLOC. PERCENTAGE		1.000000	89.000000	10.000000
1	ORDINARY BUSINESS INCOME (LOSS)	-307,532.	-3,076.	-273,703.	-30,753.
2	NET RENTAL REAL ESTATE INCOME (-38,458.	-384.	-34,228.	-3,846.
10	NET SECTION 1231 GAIN (LOSS)	125,979.	1,260.	112,121.	12,598.
13	CHARITABLE CONTRIBUTIONS	227.	2.	202.	23.
14	NET EARNINGS (LOSS) FROM S.E.	-3,076.	-3,076.		
14	GROSS FARMING OR FISHING INCOME	2,813,120.	28,131.	2,503,677.	281,312.
17	POST-1986 DEPRECIATION ADJUSTME	2,365.	23.	2,105.	237.
19	DISTRIBUTIONS OF CASH & MARKET.	24,178.	242.	21,518.	2,418.
20	OTHER ITEMS	67,205.	672.	59,812.	6,721.

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HENRY J. TOSTA, JR. FAMILY, L.P.

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Partner Number	Partner Name	Partner Identification Number	Partner Percentage of Profit Sharing	Partner Percentage of Loss Sharing	Partner Percentage of Ownership of Capital
1	HENRY J. TOSTA	[REDACTED]	1.000000	1.000000	1.000000
2	HENRY J. TOSTA, JR. TRUST	[REDACTED]	89.000000	89.000000	89.000000
3	HENRY J. TOSTA, JR IRREVOC	[REDACTED]	10.000000	10.000000	10.000000
TOTALS			<u>100.000000</u>	<u>100.000000</u>	<u>100.000000</u>

2010

CAPITAL ACCOUNT RECONCILIATION

PAGE 1

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HENRY J. TOSTA, JR. FAMILY, L.P.



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FEDERAL ANALYSIS OF PARTNERS' CAPITAL ACCOUNTS

Partner Number	Partner Name	Beginning Capital Account	Capital Contributed during the year	Partner's share of lines 3, 4, and 7 Fm 1065,Sch. M-2	Withdrawals and Distributions	Ending Capital Account
1	HENRY J. TOSTA	14,900.	55.	-2,202.	242.	12,511.
2	HENRY J. TOSTA, JR. TR	1,325,982.	4,844.	-196,012.	21,518.	1,113,296.
3	HENRY J. TOSTA, JR IRR	148,986.	544.	-22,024.	2,418.	125,088.
	TOTALS	<u>1,489,868.</u>	<u>5,443.</u>	<u>-220,238.</u>	<u>24,178.</u>	<u>1,250,895.</u>

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HENRY J. TOSTA, JR. FAMILY, L.P.



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**SCHEDULE K (WORKSHEETS), LINE 18C
NONDEDUCTIBLE EXPENSES**

ANNUAL TAX	\$	1,600.
TOTAL	\$	<u>1,600.</u>

**SCHEDULE K (WORKSHEETS), LINE 20C
AGGREGATE GROSS RECEIPTS**

GROSS RENTS	\$	37,643.
GROSS PROCEEDS FROM DISPOSITIONS		125,979.
GROSS FARM INCOME		2,813,120.
TOTAL	\$	<u>2,976,742.</u>

RECONCILIATION OF STATE ORDINARY INCOME TO FEDERAL

	STATE	FEDERAL	DIFFERENCE
INCOME			
1. Gross receipts less returns/allowances			
2. Cost of goods sold			
3. Gross profit			
4. Ordinary income (loss) from other K-1's			
5. Net farm profit (loss)	-307,182.	-305,932.	1,250.
6. Net gain (loss) from Form 4797			
7. Other income (loss)			
8. Total income (loss)	-307,182.	-305,932.	1,250.
DEDUCTIONS			
9. Salaries and wages			
10. Guaranteed payments to partners			
11. Repairs and maintenance			
12. Bad debts			
13. Rent			
14. Taxes and licenses	0.	1,600.	1,600.
15. Interest			
16. Depreciation			
17. Depletion			
18. Retirement plans, etc			
19. Employee benefit programs			
20. Other deductions			
21. Total deductions	0.	1,600.	1,600.
TOTAL DIFFERENCE			350.

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HENRY J. TOSTA, JR. FAMILY, L.P.

9/15/11

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STATE ANALYSIS OF PARTNERS' CAPITAL ACCOUNTS

Partner Number	Partner Name	Capital Account at beginning of year	Capital Contributed during year	Partner's share of lines 3, 4, and 7, state Sch. M-2	Withdrawals and Distributions	Capital Account at end of year
1	HENRY J. TOSTA	14,900.	55.	-2,202.	242.	12,511.
2	HENRY J. TOSTA, JR. TR	1,325,983.	4,844.	-196,012.	21,518.	1,113,297.
3	HENRY J. TOSTA, JR IRR	148,985.	544.	-22,024.	2,418.	125,087.
	TOTALS	<u>1,489,868.</u>	<u>5,443.</u>	<u>-220,238.</u>	<u>24,178.</u>	<u>1,250,895.</u>

HENRY J. TOSTA, JR. FAMILY, L.P.
[REDACTED]

September 15, 2011

HENRY J. TOSTA
[REDACTED]

RE:
HENRY J. TOSTA, JR. FAMILY, L.P.
[REDACTED]
Schedule K-1 from Partnership's 2010 Return of Income

Dear HENRY J. TOSTA:

Enclosed is your 2010 Schedule K-1 (Form 1065) Partner's Share of Income, Deductions, Credits, Etc. from HENRY J. TOSTA, JR. FAMILY, L.P.. This information reflects the amounts you need to complete your income tax return. The amounts shown are your distributive share of partnership tax items to be reported on your tax return, and may not correspond to actual distributions you have received during the year. This information is included in the Partnership's 2010 Federal Return of Partnership Income that was filed with the Internal Revenue Service.

If you have any questions concerning this information, please contact us immediately.

Sincerely,

HENRY J. TOSTA, JR. FAMILY, L.P.

Enclosure(s)

Schedule K-1 (Form 1065)

2010

Final K-1 Amended K-1

Department of the Treasury Internal Revenue Service

For calendar year 2010, or tax year beginning ending 2010

Partner's Share of Income, Deductions, Credits, etc. See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number B Partnership's name, address, city, state, and ZIP code C IRS Center where partnership filed return D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number F Partner's name, address, city, state, and ZIP code G H I What type of entity is this partner? J Partner's share of profit, loss, and capital K Partner's share of liabilities at year end L Partner's capital account analysis M Did the partner contribute property with a built-in gain or loss?

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 3 columns: Line number, Description, and Amount. Rows include Ordinary business income (loss), Net rental real estate income (loss), Other net rental income (loss), Guaranteed payments, Interest income, Ordinary dividends, Qualified dividends, Royalties, Net short-term capital gain (loss), Net long-term capital gain (loss), Collectibles (28%) gain (loss), Unrecaptured section 1250 gain, Net section 1231 gain (loss), Other income (loss), Section 179 deduction, Other deductions, Self-employment earnings (loss), Distributions, and Other information.

*See attached statement for additional information. FOR IRS USE ONLY

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

	<i>Report on</i>	<i>Code</i>	<i>Report on</i>
1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		K Disabled access credit	See the Partner's Instructions
Passive loss		L Empowerment zone and renewal community employment credit	Form 8844, line 3
Passive income		M Credit for increasing research activities	See the Partner's Instructions
Nonpassive loss		N Credit for employer social security and Medicare taxes	Form 8846, line 5
Nonpassive income		O Backup withholding	Form 1040, line 61
2 Net rental real estate income (loss)		P Other credits	See the Partner's Instructions
3 Other net rental income (loss)		16 Foreign transactions	
Net income	Schedule E, line 28, column (g)	A Name of country or U.S. possession	Form 1116, Part I
Net loss	See the Partner's Instructions	B Gross income from all sources	
4 Guaranteed payments	Schedule E, line 28, column (j)	C Gross income sourced at partner level	Form 1116, Part I
5 Interest income	Form 1040, line 8a	<i>Foreign gross income sourced at partnership level</i>	
6a Ordinary dividends	Form 1040, line 9a	D Passive category	Form 1116, Part I
6b Qualified dividends	Form 1040, line 9b	E General category	
7 Royalties	Schedule E, line 4	F Other	
8 Net short-term capital gain (loss)	Schedule D, line 5, column (f)	<i>Deductions allocated and apportioned at partner level</i>	
9a Net long-term capital gain (loss)	Schedule D, line 12, column (f)	G Interest expense	Form 1116, Part I
9b Collectibles (28%) gain (loss)	28% Rate Gain Worksheet, line 4 (Schedule D Instructions)	H Other	Form 1116, Part I
9c Unrecaptured section 1250 gain	See the Partner's Instructions	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
10 Net section 1231 gain (loss)	See the Partner's Instructions	I Passive category	Form 1116, Part I
11 Other income (loss)		J General category	
<i>Code</i>		K Other	
A Other portfolio income (loss)	See the Partner's Instructions	<i>Other information</i>	
B Involuntary conversions	See the Partner's Instructions	L Total foreign taxes paid	Form 1116, Part II
C Section 1256 contracts and straddles	Form 6781, line 1	M Total foreign taxes accrued	Form 1116, Part II
D Mining exploration costs recapture	See Pub 535	N Reduction in taxes available for credit	Form 1116, line 12
E Cancellation of debt	Form 1040, line 21 or Form 982	O Foreign trading gross receipts	Form 8873
F Other income (loss)	See the Partner's Instructions	P Extraterritorial income exclusion	Form 8873
12 Section 179 deduction	See the Partner's Instructions	Q Other foreign transactions	See the Partner's Instructions
13 Other deductions		17 Alternative minimum tax (AMT) items	
A Cash contributions (50%)	See the Partner's Instructions	A Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251
B Cash contributions (30%)			
C Noncash contributions (50%)			
D Noncash contributions (30%)			
E Capital gain property to a 50% organization (30%)			
F Capital gain property (20%)			
G Contributions (100%)	Form 4952, line 1	18 Tax-exempt income and nondeductible expenses	
H Investment interest expense	Schedule E, line 18	A Tax-exempt interest income	Form 1040, line 8b
I Deductions — royalty income	See the Partner's Instructions	B Other tax-exempt income	See the Partner's Instructions
J Section 59(e)(2) expenditures	Schedule A, line 23	C Nondeductible expenses	See the Partner's Instructions
K Deductions — portfolio (2% floor)	Schedule A, line 28	19 Distributions	
L Deductions — portfolio (other)	Schedule A, line 1 or Form 1040, line 29	A Cash and marketable securities	See the Partner's Instructions
M Amounts paid for medical insurance	See the Partner's Instructions	B Distributed on subject to section 737	
N Educational assistance benefits	Form 2441, line 12	C Other property	
O Dependent care benefits	See the Partner's Instructions	20 Other information	
P Preproductive period expenses	See the Partner's Instructions	A Investment income	Form 4952, line 4a
Q Commercial revitalization deduction on rental real estate activities	See Form 8582 Instructions	B Investment expenses	Form 4952, line 5
R Pensions and IRAs	See the Partner's Instructions	C Fuel tax credit information	Form 4136
S Reforestation expense deduction	See the Partner's Instructions	D Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions
T Domestic production activities information	See Form 8903 Instructions	E Basis of energy property	See the Partner's Instructions
U Qualified production activities income	Form 8903, line 7b	F Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
V Employer's Form W-2 wages	Form 8903, line 17	G Recapture of low-income housing credit (other)	Form 8611, line 8
W Other deductions	See the Partner's Instructions	H Recapture of investment credit	Form 4255
14 Self-employment earnings (loss)		I Recapture of other credits	See the Partner's Instructions
Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.		J Look-back interest — completed long-term contracts	See Form 8697
A Net earnings (loss) from self-employment	Schedule SE, Section A or B	K Look-back interest — income forecast method	See Form 8866
B Gross farming or fishing income	See the Partner's Instructions	L Dispositions of property with section 179 deductions	See the Partner's Instructions
C Gross non-farm income	See the Partner's Instructions	M Recapture of section 179 deduction	
15 Credits		N Interest expense for corporate partners	
A Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Partner's Instructions	O Section 453(l)(3) information	
B Low-income housing credit (other) from pre-2008 buildings	See the Partner's Instructions	P Section 453A(c) information	
C Low-income housing credit (section 42(j)(5)) from post-2007 buildings	Form 8586, line 11	Q Section 1260(b) information	
D Low-income housing credit (other) from post-2007 buildings	Form 8586, line 11	R Interest allocable to production expenditures	
E Qualified rehabilitation expenditures (rental real estate)	See the Partner's Instructions	S CCF nonqualified withdrawals	
F Other rental real estate credits			
G Other rentals	Form 1040, line 71; check box a	T Depletion information — oil and gas	
H Undistributed capital gains credit	Form 6478, line 8	U Amortization of reforestation costs	
I Alcohol and cellulosic biofuel fuels credit	Form 5884, line 3	V Unrelated business taxable income	
J Work opportunity credit		W Precontribution gain (loss)	
		X Section 108(i) information	
		Y Other information	

**BOX 2
RENTAL REAL ESTATE ACTIVITIES**

<u>PROPERTY ADDRESS</u>	<u>GROSS INCOME</u>	<u>NET EXPENSES</u>	<u>NET INCOME</u>	<u>PASSIVE NONPASS</u>	<u>SEC. 1231 TOTAL</u>
RIDGECREST DR. MANTECA, CA 95337	148.	110.	\$ 38.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	69.	336.	-267.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	159.	315.	-156.	PASSIVE	
ROUNDING OR SPECIALLY ALLOCATED NET INCOME (LOSS) ADJUSTMENT			1.		
		TOTAL	<u>\$ -384.</u>		

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION..... \$ 672.

Partner's Share of Income, Deductions, Credits, etc.

K-1 (565)

For calendar year 2010 or fiscal year beginning month day year 2010, and ending month day year

Partner's identifying number [REDACTED] **Partnership's FEIN** [REDACTED]
 Partner's name, address, city, state, and ZIP Code **Secretary of State file number** [REDACTED]
 Partnership's name, address, city, state, and ZIP Code

H [REDACTED] **H** JR. FAMILY, L.P.

- A** Is this partner a: (1) general partner; or (2) limited partner?
- B** What type of entity is this partner? (1) Individual (5) General Partnership (9) IRA/Keogh/SEP
 (2) S Corporation (6) Limited Partnership (10) Exempt Organization
 (3) Estate/Trust (7) LLP (11) Disregarded Entity
 (4) C Corporation (8) LLC
- C** Is this partner a foreign partner? Yes No
- D** Enter partner's percentage (without regard to special allocations) of:
 Profit sharing _____% (i) Before decrease or termination (ii) End of year 1.0000 %
 Loss sharing _____% 1.0000 %
 Ownership of capital _____% 1.0000 %

- E** Partner's share of liabilities:
 Nonrecourse \$ _____
 Qualified nonrecourse financing \$ 48,430.
 Other \$ 64,327.
- F** Reportable transaction or tax shelter registration number(s).....
- G** (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2)
 (2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1)
- H** Check here if this is: (1) A final Schedule K-1 (565) (2) An amended Schedule K-1 (565)
- I** Is this partner a nonresident of California? Yes No

J Analysis of partner's capital account: Check the box (1) Tax Basis (2) GAAP (3) Section 704(b) Book (4) Other (explain)

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of line 3, line 4, and line 7, Form 565, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine column (a) through column (d)
14,900.	55.	-2,202.	(242.)	12,511.

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities	-3,076.	4.	-3,072.	
	2 Net income (loss) from rental real estate activities PG. 4	-384.		-384.	
	3 Net income (loss) from other rental activities				
	4 Guaranteed payments to partners				
	5 Interest income				
	6 Dividends				
	7 Royalties				
	8 Net short-term capital gain (loss)				
	9 Net long-term capital gain (loss)				
	10a Total Gain under IRC Section 1231 (other than due to casualty or theft)	1,260.		1,260.	
	b Total Loss under IRC Section 1231 (other than due to casualty or theft)				
11a Other portfolio income (loss). Attach schedule					
b Total other income. Attach schedule					
c Total other loss. Attach schedule					

PARTNER 1

HENRY J. TOSTA, JR. FAMILY, L.P.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Deductions	12 Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6 and 17268)				
	13a Charitable contributions P.G. 4	2.		2.	
	b Investment interest expense				
	c 1 Total expenditures to which an IRC Section 59(e) election may apply				
	2 Type of expenditures				
	d Deductions related to portfolio income				
	e Other deductions. Attach schedule				
Credits	15a Total withholding (equals amount on Form 592-B if calendar year partnership)				
	b Low-income housing credit				
	c Credits other than line 15b related to rental real estate activities				
	d Credits related to other rental activities				
	e Nonconsenting nonresident partner's tax paid by partnership				
	f Other credits-Attach required schedules or statements				
	g New jobs credit				
Alternative Minimum Tax (AMT) Items	17a Depreciation adjustment on property placed in service after 1986	23.	13.	36.	
	b Adjusted gain or loss				
	c Depletion (other than oil & gas)				
	d Gross income from oil, gas, and geothermal properties				
	e Deductions allocable to oil, gas, and geothermal properties				
	f Other alternative minimum tax items				
Tax-Exempt Income and Non-deductible Expenses	18a Tax-exempt interest income				
	b Other tax-exempt income				
	c Nondeductible expenses		16.	16.	
Distributions	19a Distributions of money (cash and marketable securities)	242.		242.	
	b Distributions of property other than money				
Other Information	20a Investment income				
	b Investment expenses				
	c Other information. See instructions	SEE ATTACHED		SEE ATTACHED	

PARTNER 1: HENRY J. TOSTA



Other Partner Information

Table 1 – Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partners):

Interest	\$ _____	Section 1231 Gains/Losses	\$ _____	Capital Gains/Losses	\$ _____
Dividends	\$ _____	Royalties	\$ _____	Other	\$ _____

FOR USE BY APPORTIONING UNITARY PARTNERS ONLY – See instructions.

Table 2 – Partner's share of distributive items.

- A** Partner's share of the partnership's business income. See instructions. \$ _____
- B** Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses	\$ _____	Rents/Royalties	\$ _____
Section 1231 Gains/Losses	\$ _____	Other	\$ _____
- C** Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$	\$
Ending	\$	\$
Annual rent expense	\$	\$
Payroll	\$	\$
Sales	\$	\$



**LINE 2, COLUMN (D)
RENTAL REAL ESTATE ACTIVITIES**

PROPERTY ADDRESS	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
RIDGECREST DR. MANTECA, CA 95337	\$ 148.	110.	\$ 38.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	69.	336.	-267.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	159.	315.	-156.	PASSIVE	
ROUNDING OR SPECIALLY ALLOCATED NET INCOME (LOSS) ADJUSTMENT			1.		
		TOTAL	\$ <u>-384.</u>		

**LINE 13A, COLUMN (D)
CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 2.
TOTAL	\$ <u>2.</u>

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	\$ 672.
--	---------

**LINE 20C - COLUMN D
OTHER INFORMATION**

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 29,768.
TOTAL	\$ <u>29,768.</u>

HENRY J. TOSTA, JR. FAMILY, L.P.
[REDACTED]

September 15, 2011

HENRY J. TOSTA, JR. TRUST
DATED OCTOBER 16, 2006
[REDACTED]

RE:
HENRY J. TOSTA, JR. FAMILY, L.P.
[REDACTED]
Schedule K-1 from Partnership's 2010 Return of Income

Dear HENRY J. TOSTA, JR. TRUST:

Enclosed is your 2010 Schedule K-1 (Form 1065) Partner's Share of Income, Deductions, Credits, Etc. from HENRY J. TOSTA, JR. FAMILY, L.P.. This information reflects the amounts you need to complete your income tax return. The amounts shown are your distributive share of partnership tax items to be reported on your tax return, and may not correspond to actual distributions you have received during the year. This information is included in the Partnership's 2010 Federal Return of Partnership Income that was filed with the Internal Revenue Service.

If you have any questions concerning this information, please contact us immediately.

Sincerely,

HENRY J. TOSTA, JR. FAMILY, L.P.

Enclosure(s)

Schedule K-1 (Form 1065)

2010

Final K-1 Amended K-1

Department of the Treasury Internal Revenue Service

For calendar year 2010, or tax year beginning ending, 2010

Partner's Share of Income, Deductions, Credits, etc. See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
B Partnership's name, address, city, state, and ZIP code
HENRY J. TOSTA, JR. FAMILY, L.P.
C IRS Center where partnership filed return
E-FILE
D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
F Partner's name, address, city, state, and ZIP code
HENRY J. TOSTA, JR. TRUST
DATED OCTOBER 16, 2006
G General partner or LLC member-manager Limited partner or other LLC member
H Domestic partner Foreign partner
I What type of entity is this partner? FIDUCIARY
J Partner's share of profit, loss, and capital (see instructions):
Beginning Ending
Profit 89 % 89 %
Loss 89 % 89 %
Capital 89 % 89 %
K Partner's share of liabilities at year end:
Nonrecourse \$
Qualified nonrecourse financing \$ 4,310,271.
Recourse \$
L Partner's capital account analysis:
Beginning capital account \$ 1,325,982.
Capital contributed during the year \$ 4,844.
Current year increase (decrease) \$ -196,012.
Withdrawals and distributions \$ (21,518.)
Ending capital account \$ 1,113,296.
M Did the partner contribute property with a built-in gain or loss?
Yes No
If Yes, attach statement (see instructions)

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 3 columns: Line number, Description, and Amount. Rows include: 1 Ordinary business income (loss) -273,703.; 2 Net rental real estate income (loss) -34,228.; 3 Other net rental income (loss); 4 Guaranteed payments; 5 Interest income; 6a Ordinary dividends; 6b Qualified dividends; 7 Royalties; 8 Net short-term capital gain (loss); 9a Net long-term capital gain (loss) 2,105.; 9b Collectibles (28%) gain (loss); 9c Unrecaptured section 1250 gain; 10 Net section 1231 gain (loss) 112,121.; 11 Other income (loss); 12 Section 179 deduction; 13 Other deductions 202.; 14 Self-employment earnings (loss) 2,503,677.; 15 Credits; 16 Foreign transactions; 17 Alternative minimum tax (AMT) items; 18 Tax-exempt income and nondeductible expenses; 19 Distributions 21,518.; 20 Other information STMT.

*See attached statement for additional information.

FOR IRS USE ONLY

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

	<i>Report on</i>	<i>Code</i>	<i>Report on</i>
1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		K Disabled access cred t	See the Partner s Instruct ons
Passive loss		L Empowerment zone and renewal community employment cred t	Form 8844, line 3
Passive income		M Cred t for ncreas ng research activ ties	See the Partner s Instruct ons
Nonpassive loss		N Cred t for employer soc al security and Medicare taxes	Form 8846, line 5
Nonpassive ncome		O Backup w thholding	Form 1040, line 61
2 Net rental real estate income (loss)		P Other cred ts	See the Partner s Instruct ons
3 Other net rental income (loss)		16 Foreign transactions	
Net income	Schedule E, line 28, column (g)	A Name of country or U.S. possess on	Form 1116, Part I
Net loss	See the Partner s Instruct ons	B Gross ncome from all sources	
4 Guaranteed payments	Schedule E, line 28, column (j)	C Gross ncome sourced at partner level	Form 1116, Part I
5 Interest income	Form 1040, line 8a	<i>Foreign gross income sourced at partnership level</i>	
6a Ordinary dividends	Form 1040, line 9a	D Passive category	Form 1116, Part I
6b Qualified dividends	Form 1040, line 9b	E General category	
7 Royalties	Schedule E, line 4	F Other	
8 Net short-term capital gain (loss)	Schedule D, line 5, column (f)	<i>Deductions allocated and apportioned at partner level</i>	
9a Net long-term capital gain (loss)	Schedule D, line 12, column (f)	G Interest expense	Form 1116, Part I
9b Collectibles (28%) gain (loss)	28% Rate Ga n Worksheet, line 4 (Schedule D Instruct ons)	H Other	Form 1116, Part I
9c Unrecaptured section 1250 gain	See the Partner s Instruct ons	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
10 Net section 1231 gain (loss)	See the Partner s Instruct ons	I Passive category	Form 1116, Part I
11 Other income (loss)		J General category	
<i>Code</i>		K Other	
A Other portfol o ncome (loss)	See the Partner s Instruct ons	<i>Other information</i>	
B Involuntary convers ons	See the Partner s Instruct ons	L Total foreign taxes pa d	Form 1116, Part II
C Section 1256 contracts and straddles	Form 6781, line 1	M Total foreign taxes accrued	Form 1116, Part II
D M n ng exploration costs recapture	See Pub 535	N Reduction in taxes available for credit	Form 1116, line 12
E Cancellat on of debt	Form 1040, line 21 or Form 982	O Foreign trading gross rece pts	Form 8873
F Other income (loss)	See the Partner s Instruct ons	P Extraterr tor al income exclus on	Form 8873
12 Section 179 deduction	See the Partner s Instruct ons	Q Other fore gn transactions	See the Partner s Instruct ons
13 Other deductions		17 Alternative minimum tax (AMT) items	
A Cash contr but ons (50%)	See the Partner s Instruct ons	A Post-1986 deprec ation adjustment	See the Partner s Instruct ons and the Instruct ons for Form 6251
B Cash contr but ons (30%)			
C Noncash contr but ons (50%)			
D Noncash contr but ons (30%)			
E Capital gain property to a 50% organizat on (30%)			
F Capital gain property (20%)			
G Contributions (100%)	Form 4952, line 1	18 Tax-exempt income and nondeductible expenses	
H Investment interest expense	Schedule E, line 18	A Tax-exempt interest income	Form 1040, line 8b
I Deduct ons — royalty income	See the Partner s Instruct ons	B Other tax-exempt income	See the Partner s Instruct ons
J Section 59(e)(2) expenditures	Schedule A, line 23	C Nondeductible expenses	See the Partner s Instruct ons
K Deduct ons — portfol o (2% floor)	Schedule A, line 28	19 Distributions	
L Deduct ons — portfolio (other)	Schedule A, line 1 or Form 1040, line 29	A Cash and marketable securities	See the Partner s Instruct ons
M Amounts paid for med cal nsurance	See the Partner s Instruct ons	B Distribut on subject to section 737	
N Educational assistance benefits	Form 2441, line 12	C Other property	
O Dependent care benefits	See the Partner s Instruct ons	20 Other information	
P Preproductive period expenses	See the Partner s Instruct ons	A Investment income	Form 4952, line 4a
Q Commercial rev talizat on deduct on from rental real estate activities	See Form 8582 Instructions	B Investment expenses	Form 4952, line 5
R Pens ons and RAs	See the Partner s Instruct ons	C Fuel tax credit information	Form 4136
S Reforestation expense deduction	See the Partner s Instruct ons	D Qualified rehabilitat on expenditures (other than rental real estate)	See the Partner s Instruct ons
T Domestic production activit es nformat on	See Form 8903 Instructions	E Basis of energy property	See the Partner s Instruct ons
U Qualified production activit es ncome	Form 8903, line 7b	F Recapture of low-ncome housing credit (section 42(j)(5))	Form 8611, line 8
V Employer s Form W-2 wages	Form 8903, line 17	G Recapture of low-ncome housing credit (other)	Form 8611, line 8
W Other deductions	See the Partner s Instruct ons	H Recapture of investment credit	Form 4255
14 Self-employment earnings (loss)		I Recapture of other credits	See the Partner s Instruct ons
Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.		J Look-back interest — completed long-term contracts	See Form 8697
A Net earn ngs (loss) from self-employment	Schedule SE, Sect on A or B	K Look-back interest — income forecast method	See Form 8866
B Gross farm ng or fishing ncome	See the Partner s Instruct ons	L Disposit ons of property w th section 179 deduct ons	See the Partner s Instruct ons
C Gross non-farm income	See the Partner s Instruct ons	M Recapture of section 179 deduction	
15 Credits		N Interest expense for corporate partners	
A Low-income housing cred t (sect on 42(j)(5)) from pre-2008 buildings	See the Partner s Instruct ons	O Section 453(l)(3) nformat on	
B Low-income housing cred t (other) from pre-2008 build ngs	See the Partner s Instruct ons	P Section 453A(c) nformat on	
C Low-income housing cred t (sect on 42(j)(5)) from post-2007 buildings	Form 8586, line 11	Q Section 1260(b) nformat on	
D Low-income housing cred t (other) from post-2007 buildings	Form 8586, line 11	R Interest allocable to production expend tures	
E Qualified rehabilitat on expend tures (rental real estate)	See the Partner s Instruct ons	S CCF nonqualified withdrawals	
F Other rental real estate credits			
G Other rental cred ts		T Deplet on nformat on — oil and gas	
H Undistributed capital gains cred t	Form 1040, line 71; check box a	U Amortization of reforestation costs	
I Alcohol and cellulosic biofuel fuels credit	Form 6478, line 8	V Unrelated business taxable income	
J Work opportunity cred t	Form 5884, line 3	W Precontribution ga n (loss)	
		X Section 108(i) nformat on	
		Y Other information	

**BOX 2
RENTAL REAL ESTATE ACTIVITIES**

<u>PROPERTY ADDRESS</u>	<u>GROSS INCOME</u>	<u>NET EXPENSES</u>	<u>NET INCOME</u>	<u>PASSIVE NONPASS</u>	<u>SEC. 1231 TOTAL</u>
RIDGECREST DR. MANTECA, CA 95337	13,181.	9,820.	\$ 3,361.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	6,170.	29,914.	-23,744.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	14,151.	27,996.	-13,845.	PASSIVE	
		TOTAL	\$ -34,228.		

**BOX 20
OTHER INFORMATION***** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION \$ 59,812.

SUPPLEMENTAL INFORMATION

PARTNER HEALTH INSURANCE PREMIUMS = \$6,245

Partner's Share of Income, Deductions, Credits, etc.

K-1 (565)

For calendar year 2010 or fiscal year beginning month day year 2010, and ending month day year

Partner's identifying number [REDACTED] **Partnership's FEIN** [REDACTED]
 Partner's name, address, city, state, and ZIP Code **Secretary of State file number** [REDACTED]
 Partnership's name, address, city, state, and ZIP Code

HENRY J. TOSTA, JR. TRUST
 D [REDACTED], 2006

H [REDACTED] JR. FAMILY, L.P.

- A** Is this partner a: • (1) general partner; or (2) limited partner?
- B** What type of entity is this partner? •
- (1) Individual (5) General Partnership (9) IRA/Keogh/SEP
 (2) S Corporation (6) Limited Partnership (10) Exempt Organization
 (3) Estate/Trust (7) LLP (11) Disregarded Entity
 (4) C Corporation (8) LLC
- C** Is this partner a foreign partner? • Yes No
- D** Enter partner's percentage (without regard to special allocations) of:
- (i) Before decrease or termination (ii) End of year
- Profit sharing % • 89.0000 %
 Loss sharing % • 89.0000 %
 Ownership of capital % • 89.0000 %

- E** Partner's share of liabilities:
- Nonrecourse • \$ _____
 Qualified nonrecourse financing • \$ 4,310,271.
 Other • \$ _____
- F** Reportable transaction or tax shelter registration number(s)..... _____
- G** (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2).....
 (2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1).....
- H** Check here if this is: •
 (1) A final Schedule K-1 (565) (2) An amended Schedule K-1 (565)
- I** Is this partner a nonresident of California? Yes • No

J Analysis of partner's capital account: Check the box •

- (1) Tax Basis (2) GAAP (3) Section 704(b) Book (4) Other (explain)

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of line 3, line 4, and line 7, Form 565, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine column (a) through column (d)
• 1,325,983.	• 4,844.	• -196,012.	• (21,518.)	• 1,113,297.

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities.....	-273,703.	311.	-273,392.	▶
	2 Net income (loss) from rental real estate activities..... PG. 4	-34,228.		-34,228.	▶
	3 Net income (loss) from other rental activities.....				▶
	4 Guaranteed payments to partners.....				▶
	5 Interest income.....				▶
	6 Dividends.....				▶
	7 Royalties.....				▶
	8 Net short-term capital gain (loss).....				▶
	9 Net long-term capital gain (loss).....				▶
	10a Total Gain under IRC Section 1231 (other than due to casualty or theft).....	112,121.		112,121.	▶
	b Total Loss under IRC Section 1231 (other than due to casualty or theft).....				▶
11a Other portfolio income (loss). Attach schedule.....				▶	
b Total other income. Attach schedule.....				▶	
c Total other loss. Attach schedule.....				▶	

PARTNER 2

HENRY J. TOSTA, JR. FAMILY, L.P.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Deductions	12 Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6 and 17268)				
	13a Charitable contributions. P.G. 4	202.		202.	
	b Investment interest expense.				
	c 1 Total expenditures to which an IRC Section 59(e) election may apply				
	2 Type of expenditures				
	d Deductions related to portfolio income.				
	e Other deductions. Attach schedule.				
Credits	15a Total withholding (equals amount on Form 592-B if calendar year partnership)				
	b Low-income housing credit				
	c Credits other than line 15b related to rental real estate activities.				
	d Credits related to other rental activities.				
	e Nonconsenting nonresident partner's tax paid by partnership.				
	f Other credits-Attach required schedules or statements				
	g New jobs credit				
Alternative Minimum Tax (AMT) Items	17a Depreciation adjustment on property placed in service after 1986.	2,105.	1,112.	3,217.	
	b Adjusted gain or loss.				
	c Depletion (other than oil & gas).				
	d Gross income from oil, gas, and geothermal properties				
	e Deductions allocable to oil, gas, and geothermal properties.				
	f Other alternative minimum tax items.				
Tax-Exempt Income and Non-deductible Expenses	18a Tax-exempt interest income.				
	b Other tax-exempt income.				
	c Nondeductible expenses.		1,424.	1,424.	
Distributions	19a Distributions of money (cash and marketable securities)	21,518.		21,518.	
	b Distributions of property other than money.				
Other Information	20a Investment income.				
	b Investment expenses.				
	c Other information. See instructions	SEE ATTACHED		SEE ATTACHED	

PARTNER 2: HENRY J. TOSTA, JR. TRUST

Other Partner Information

Table 1 – Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partners):

Interest	\$ _____	Section 1231 Gains/Losses	\$ _____	Capital Gains/Losses	\$ _____
Dividends	\$ _____	Royalties	\$ _____	Other	\$ _____

FOR USE BY APPORTIONING UNITARY PARTNERS ONLY – See instructions.

Table 2 – Partner's share of distributive items.

- A** Partner's share of the partnership's business income. See instructions. \$ _____
- B** Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses	\$ _____	Rents/Royalties	\$ _____
Section 1231 Gains/Losses	\$ _____	Other	\$ _____

C Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$	\$
Ending	\$	\$
Annual rent expense	\$	\$
Payroll	\$	\$
Sales	\$	\$

**LINE 2, COLUMN (D)
RENTAL REAL ESTATE ACTIVITIES**

PROPERTY ADDRESS	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
RIDGECREST DR. MANTECA, CA 95337	\$ 13,181.	9,820.	\$ 3,361.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	6,170.	29,914.	-23,744.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	14,151.	27,996.	-13,845.	PASSIVE	
		TOTAL	\$ -34,228.		

**LINE 13A, COLUMN (D)
CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 202.
TOTAL	\$ 202.

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	\$ 59,812.
--	------------

**LINE 20C - COLUMN D
OTHER INFORMATION**

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 2,649,300.
TOTAL	\$ 2,649,300.

HENRY J. TOSTA, JR. FAMILY, L.P.
[REDACTED]

September 15, 2011

HENRY J. TOSTA, JR IRREVOCABLE
FAMILY TRUST DTD NOV. 21, 2006
[REDACTED]

RE:

HENRY J. TOSTA, JR. FAMILY, L.P.
[REDACTED]

Schedule K-1 from Partnership's 2010 Return of Income

Dear HENRY J. TOSTA, JR IRREVOCABLE:

Enclosed is your 2010 Schedule K-1 (Form 1065) Partner's Share of Income, Deductions, Credits, Etc. from HENRY J. TOSTA, JR. FAMILY, L.P.. This information reflects the amounts you need to complete your income tax return. The amounts shown are your distributive share of partnership tax items to be reported on your tax return, and may not correspond to actual distributions you have received during the year. This information is included in the Partnership's 2010 Federal Return of Partnership Income that was filed with the Internal Revenue Service.

If you have any questions concerning this information, please contact us immediately.

Sincerely,

HENRY J. TOSTA, JR. FAMILY, L.P.

Enclosure(s)

Schedule K-1 (Form 1065)

2010

Final K-1 Amended K-1

Department of the Treasury Internal Revenue Service

For calendar year 2010, or tax year beginning _____, 2010 ending _____

Partner's Share of Income, Deductions, Credits, etc. See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
B Partnership's name, address, city, state, and ZIP code
HENRY J. TOSTA, JR. FAMILY, L.P.
C IRS Center where partnership filed return
E-FILE
D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
F Partner's name, address, city, state, and ZIP code
HENRY J. TOSTA, JR IRREVOCABLE FAMILY TRUST DTD NOV. 21, 2006
G General partner or LLC member-manager Limited partner or other LLC member
H Domestic partner Foreign partner
I What type of entity is this partner? FIDUCIARY
J Partner's share of profit, loss, and capital (see instructions):
Beginning Ending
Profit 10 % 10 %
Loss 10 % 10 %
Capital 10 % 10 %
K Partner's share of liabilities at year end:
Nonrecourse \$
Qualified nonrecourse financing \$ 484,300.
Recourse \$
L Partner's capital account analysis:
Beginning capital account \$ 148,986.
Capital contributed during the year \$ 544.
Current year increase (decrease) \$ -22,024.
Withdrawals and distributions \$ (2,418.)
Ending capital account \$ 125,088.
M Did the partner contribute property with a built-in gain or loss?
Yes No
If Yes, attach statement (see instructions)

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 3 columns: Line number, Description, and Amount. Rows include: 1 Ordinary business income (loss) -30,753. 2 Net rental real estate income (loss) -3,846. 3 Other net rental income (loss) 16 Foreign transactions. 4 Guaranteed payments. 5 Interest income. 6a Ordinary dividends. 6b Qualified dividends. 7 Royalties. 8 Net short-term capital gain (loss). 9a Net long-term capital gain (loss) 17 Alternative minimum tax (AMT) items 237. 9b Collectibles (28%) gain (loss). 9c Unrecaptured section 1250 gain. 10 Net section 1231 gain (loss) 18 Tax-exempt income and nondeductible expenses 12,598. 11 Other income (loss). 12 Section 179 deduction. 13 Other deductions 23. 14 Self-employment earnings (loss) 281,312. 19 Distributions 2,418. 20 Other information STMT

*See attached statement for additional information.

FOR IRS USE ONLY

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

	<i>Report on</i>	<i>Code</i>	<i>Report on</i>
1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		K Disabled access cred t	See the Partner s Instruct ons
Passive loss		L Empowerment zone and renewal community employment cred t	Form 8844, line 3
Passive income		M Cred t for ncreas ng research activ ties	See the Partner s Instruct ons
Nonpassive loss		N Cred t for employer soc al security and Medicare taxes	Form 8846, line 5
Nonpassive ncome		O Backup w thholding	Form 1040, line 61
2 Net rental real estate income (loss)		P Other cred ts	See the Partner s Instruct ons
3 Other net rental income (loss)		16 Foreign transactions	
Net income	Schedule E, line 28, column (g)	A Name of country or U.S. possess on	Form 1116, Part I
Net loss	See the Partner s Instruct ons	B Gross ncome from all sources	
4 Guaranteed payments	Schedule E, line 28, column (j)	C Gross ncome sourced at partner level	Form 1116, Part I
5 Interest income	Form 1040, line 8a	<i>Foreign gross income sourced at partnership level</i>	
6a Ordinary dividends	Form 1040, line 9a	D Passive category	Form 1116, Part I
6b Qualified dividends	Form 1040, line 9b	E General category	
7 Royalties	Schedule E, line 4	F Other	
8 Net short-term capital gain (loss)	Schedule D, line 5, column (f)	<i>Deductions allocated and apportioned at partner level</i>	
9a Net long-term capital gain (loss)	Schedule D, line 12, column (f)	G Interest expense	Form 1116, Part I
9b Collectibles (28%) gain (loss)	28% Rate Ga n Worksheet, line 4 (Schedule D Instruct ons)	H Other	Form 1116, Part I
9c Unrecaptured section 1250 gain	See the Partner s Instruct ons	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
10 Net section 1231 gain (loss)	See the Partner s Instruct ons	I Passive category	Form 1116, Part I
11 Other income (loss)		J General category	
<i>Code</i>		K Other	
A Other portfol o ncome (loss)	See the Partner s Instruct ons	<i>Other information</i>	
B Involuntary convers ons	See the Partner s Instruct ons	L Total foreign taxes pa d	Form 1116, Part II
C Section 1256 contracts and straddles	Form 6781, line 1	M Total foreign taxes accrued	Form 1116, Part II
D M n ng exploration costs recapture	See Pub 535	N Reduction in taxes available for credit	Form 1116, line 12
E Cancellat on of debt	Form 1040, line 21 or Form 982	O Foreign trading gross rece pts	Form 8873
F Other income (loss)	See the Partner s Instruct ons	P Extraterr tor al income exclus on	Form 8873
12 Section 179 deduction	See the Partner s Instruct ons	Q Other fore gn transactions	See the Partner s Instruct ons
13 Other deductions		17 Alternative minimum tax (AMT) items	
A Cash contr but ons (50%)	See the Partner s Instruct ons	A Post-1986 deprec ation adjustment	See the Partner s Instruct ons and the Instruct ons for Form 6251
B Cash contr but ons (30%)			
C Noncash contr but ons (50%)			
D Noncash contr but ons (30%)			
E Capital gain property to a 50% organizat on (30%)			
F Capital gain property (20%)			
G Contributions (100%)	Form 4952, line 1	18 Tax-exempt income and nondeductible expenses	
H Investment interest expense	Schedule E, line 18	A Tax-exempt interest income	Form 1040, line 8b
I Deduct ons — royalty income	See the Partner s Instruct ons	B Other tax-exempt income	See the Partner s Instruct ons
J Section 59(e)(2) expenditures	Schedule A, line 23	C Nondeductible expenses	See the Partner s Instruct ons
K Deduct ons — portfol o (2% floor)	Schedule A, line 28	19 Distributions	
L Deduct ons — portfolio (other)	Schedule A, line 1 or Form 1040, line 29	A Cash and marketable securities	See the Partner s Instruct ons
M Amounts paid for med cal nsurance	See the Partner s Instruct ons	B Distribut on subject to section 737	
N Educational assistance benefits	Form 2441, line 12	C Other property	
O Dependent care benefits	See the Partner s Instruct ons	20 Other information	
P Preproductive period expenses	See the Partner s Instruct ons	A Investment income	Form 4952, line 4a
Q Commercial rev talizat on deduct on from rental real estate activities	See Form 8582 Instructions	B Investment expenses	Form 4952, line 5
R Pens ons and RAs	See the Partner s Instruct ons	C Fuel tax credit information	Form 4136
S Reforestation expense deduction	See the Partner s Instruct ons	D Qualified rehabilitat on expenditures (other than rental real estate)	See the Partner s Instruct ons
T Domestic production activit es nformat on	See Form 8903 Instructions	E Basis of energy property	See the Partner s Instruct ons
U Qualified production activit es ncome	Form 8903, line 7b	F Recapture of low-ncome housing credit (section 42(j)(5))	Form 8611, line 8
V Employer s Form W-2 wages	Form 8903, line 17	G Recapture of low-ncome housing credit (other)	Form 8611, line 8
W Other deductions	See the Partner s Instruct ons	H Recapture of investment credit	Form 4255
14 Self-employment earnings (loss)		I Recapture of other credits	See the Partner s Instruct ons
Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.		J Look-back interest — completed long-term contracts	See Form 8697
A Net earn ngs (loss) from self-employment	Schedule SE, Sect on A or B	K Look-back interest — income forecast method	See Form 8866
B Gross farm ng or fishing ncome	See the Partner s Instruct ons	L Disposit ons of property w th section 179 deduct ons	See the Partner s Instruct ons
C Gross non-farm income	See the Partner s Instruct ons	M Recapture of section 179 deduction	
15 Credits		N Interest expense for corporate partners	
A Low-income housing cred t (sect on 42(j)(5)) from pre-2008 buildings	See the Partner s Instruct ons	O Section 453(l)(3) nformat on	
B Low-income housing cred t (other) from pre-2008 build ngs	See the Partner s Instruct ons	P Section 453A(c) nformat on	
C Low-income housing cred t (sect on 42(j)(5)) from post-2007 buildings	Form 8586, line 11	Q Section 1260(b) nformat on	
D Low-income housing cred t (other) from post-2007 buildings	Form 8586, line 11	R Interest allocable to production expend tures	
E Qualified rehabilitat on expend tures (rental real estate)	See the Partner s Instruct ons	S CCF nonqualified withdrawals	
F Other rental real estate credits			
G Other rental cred ts		T Deplet on nformat on — oil and gas	
H Undistributed capital gains cred t	Form 1040, line 71; check box a	U Amortization of reforestation costs	
I Alcohol and cellulosic biofuel fuels credit	Form 6478, line 8	V Unrelated business taxable income	
J Work opportunity cred t	Form 5884, line 3	W Precontribution ga n (loss)	
		X Section 108(i) nformat on	
		Y Other information	

**BOX 2
RENTAL REAL ESTATE ACTIVITIES**

<u>PROPERTY ADDRESS</u>	<u>GROSS INCOME</u>	<u>NET EXPENSES</u>	<u>NET INCOME</u>	<u>PASSIVE NONPASS</u>	<u>SEC. 1231 TOTAL</u>
RIDGECREST DR. MANTECA, CA 95337	1,481.	1,103.	\$ 378.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	693.	3,361.	-2,668.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	1,590.	3,146.	-1,556.	PASSIVE	
		<u>TOTAL</u>	<u>\$ -3,846.</u>		

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION..... \$ 6,721.

Partner's Share of Income, Deductions, Credits, etc.

2010

K-1 (565)

For calendar year 2010 or fiscal year beginning month day year 2010, and ending month day year

Partner's identifying number [REDACTED] **Partnership's FEIN** [REDACTED]
 Partner's name, address, city, state, and ZIP Code **Secretary of State file number** [REDACTED]
 Partnership's name, address, city, state, and ZIP Code

HENRY J. TOSTA, JR IRREVOCABLE
 F [REDACTED] . 21, 2006

H [REDACTED] JR. FAMILY, L.P.

- A** Is this partner a: ● (1) general partner; or (2) limited partner?
- B** What type of entity is this partner? ●
- (1) Individual (5) General Partnership (9) IRA/Keogh/SEP
 (2) S Corporation (6) Limited Partnership (10) Exempt Organization
 (3) Estate/Trust (7) LLP (11) Disregarded Entity
 (4) C Corporation (8) LLC
- C** Is this partner a foreign partner? ● Yes No
- D** Enter partner's percentage (without regard to special allocations) of:
- (i) Before decrease or termination (ii) End of year
- Profit sharing % ● 10.0000 %
 Loss sharing % ● 10.0000 %
 Ownership of capital % ● 10.0000 %

- E** Partner's share of liabilities:
- Nonrecourse ● \$ _____
 Qualified nonrecourse financing ● \$ 484,300.
 Other ● \$ _____
- F** Reportable transaction or tax shelter registration number(s)..... _____
- G** (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2).....
 (2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1).....
- H** Check here if this is: ●
 (1) A final Schedule K-1 (565) (2) An amended Schedule K-1 (565)
- I** Is this partner a nonresident of California? Yes ● No

J Analysis of partner's capital account: Check the box ●
 (1) Tax Basis (2) GAAP (3) Section 704(b) Book (4) Other (explain)

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of line 3, line 4, and line 7, Form 565, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine column (a) through column (d)
● 148,985.	● 544.	● -22,024.	● (2,418.)	● 125,087.

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities.....	-30,753.	35.	-30,718.	▶
	2 Net income (loss) from rental real estate activities..... PG. 4	-3,846.		-3,846.	▶
	3 Net income (loss) from other rental activities.....				▶
	4 Guaranteed payments to partners.....				▶
	5 Interest income.....				▶
	6 Dividends.....				▶
	7 Royalties.....				▶
	8 Net short-term capital gain (loss).....				▶
	9 Net long-term capital gain (loss).....				▶
	10a Total Gain under IRC Section 1231 (other than due to casualty or theft).....	12,598.		12,598.	▶
	b Total Loss under IRC Section 1231 (other than due to casualty or theft).....				▶
11a Other portfolio income (loss). Attach schedule.....				▶	
b Total other income. Attach schedule.....				▶	
c Total other loss. Attach schedule.....				▶	

PARTNER 3

HENRY J. TOSTA, JR. FAMILY, L.P.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine column (b) and column (c)	(e) California source amounts and credits
Deductions	12 Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6 and 17268)				
	13a Charitable contributions. P.G. 4	23.		23.	
	b Investment interest expense.				
	c 1 Total expenditures to which an IRC Section 59(e) election may apply				
	2 Type of expenditures				
	d Deductions related to portfolio income.				
	e Other deductions. Attach schedule.				
Credits	15a Total withholding (equals amount on Form 592-B if calendar year partnership)				
	b Low-income housing credit				
	c Credits other than line 15b related to rental real estate activities.				
	d Credits related to other rental activities.				
	e Nonconsenting nonresident partner's tax paid by partnership.				
	f Other credits-Attach required schedules or statements				
	g New jobs credit				
Alternative Minimum Tax (AMT) Items	17a Depreciation adjustment on property placed in service after 1986.	237.	125.	362.	
	b Adjusted gain or loss.				
	c Depletion (other than oil & gas).				
	d Gross income from oil, gas, and geothermal properties				
	e Deductions allocable to oil, gas, and geothermal properties.				
	f Other alternative minimum tax items.				
Tax-Exempt Income and Non-deductible Expenses	18a Tax-exempt interest income.				
	b Other tax-exempt income				
	c Nondeductible expenses.		160.	160.	
Distributions	19a Distributions of money (cash and marketable securities)	2,418.		2,418.	
	b Distributions of property other than money.				
Other Information	20a Investment income.				
	b Investment expenses				
	c Other information. See instructions	SEE ATTACHED		SEE ATTACHED	

PARTNER 3: HENRY J. TOSTA, JR IRREVOCABLE



Other Partner Information

Table 1 – Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partners):

Interest	\$ _____	Section 1231 Gains/Losses	\$ _____	Capital Gains/Losses	\$ _____
Dividends	\$ _____	Royalties	\$ _____	Other	\$ _____

FOR USE BY APPORTIONING UNITARY PARTNERS ONLY – See instructions.

Table 2 – Partner's share of distributive items.

- A** Partner's share of the partnership's business income. See instructions. \$ _____
- B** Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses	\$ _____	Rents/Royalties	\$ _____
Section 1231 Gains/Losses	\$ _____	Other	\$ _____

C Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$	\$
Ending	\$	\$
Annual rent expense	\$	\$
Payroll	\$	\$
Sales	\$	\$



**LINE 2, COLUMN (D)
RENTAL REAL ESTATE ACTIVITIES**

PROPERTY ADDRESS	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
RIDGECREST DR. MANTECA, CA 95337	\$ 1,481.	1,103.	\$ 378.	PASSIVE	
SAMOA LANE LATHROP, CA 95330	693.	3,361.	-2,668.	PASSIVE	
CANAL BLVD. TRACY, CA 95376	1,590.	3,146.	-1,556.	PASSIVE	
		TOTAL	\$ -3,846.		

**LINE 13A, COLUMN (D)
CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 23.
TOTAL	\$ 23.

**BOX 20
OTHER INFORMATION**

*** DESCRIPTIVE INFORMATION**

Y DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	\$ 6,721.
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**LINE 20C - COLUMN D
OTHER INFORMATION**

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 297,674.
TOTAL	\$ 297,674.