

Form **1065**

Department of the Treasury  
Internal Revenue Service

**U.S. Return of Partnership Income**  
For calendar year 2009, or tax year beginning \_\_\_\_\_, 2009,  
ending \_\_\_\_\_, 20 \_\_\_\_\_.  
▶ See separate instructions.

OMB No.1545-0099

**2009**

**A** Principal business activity

**FARMING**

**B** Principal product or service

**MILK & GRAINS**

**C** Business code number

**112120**

Use the  
IRS  
label.  
Other-  
wise,  
print  
or type.

**HENRY J. TOSTA, JR. FAMILY L.P.**  
**20662 SAN JOSE RD**  
**TRACY, CA 95304**

**D** Employer identification number

**20-8154233**

**E** Date business started

**12/31/2006**

**F** Total assets (see instrs)

**\$ 6,291,697.**

**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.

<b>INCOME</b>	<b>1 a</b> Gross receipts or sales . . . . .	<b>1 a</b>		
	<b>b</b> Less returns and allowances . . . . .	<b>1 b</b>		<b>1 c</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8) . . . . .		<b>2</b>	
	<b>3</b> Gross profit. Subtract line 2 from line 1c . . . . .		<b>3</b>	
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach statement) . . . . .		<b>4</b>	
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040)) . . . . .		<b>5</b>	<b>-1,014,151.</b>
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797) . . . . .		<b>6</b>	
	<b>7</b> Other income (loss) (attach statement) . . . . .		<b>7</b>	
<b>8 Total income (loss).</b> Combine lines 3 through 7 . . . . .		<b>8</b>	<b>-1,014,151.</b>	
<b>SEE INSTRUCTIONS FOR LIMITATIONS DEDUCTIONS</b>	<b>9</b> Salaries and wages (other than to partners) (less employment credits) . . . . .		<b>9</b>	
	<b>10</b> Guaranteed payments to partners . . . . .		<b>10</b>	
	<b>11</b> Repairs and maintenance . . . . .		<b>11</b>	
	<b>12</b> Bad debts . . . . .		<b>12</b>	
	<b>13</b> Rent . . . . .		<b>13</b>	
	<b>14</b> Taxes and licenses . . . . .		<b>14</b>	<b>800.</b>
	<b>15</b> Interest . . . . .		<b>15</b>	
	<b>16 a</b> Depreciation (if required, attach Form 4562) . . . . .	<b>16 a</b>	<b>407,555.</b>	
	<b>b</b> Less depreciation reported on Schedule A and elsewhere on return . . . . .	<b>16 b</b>	<b>407,555.</b>	<b>16 c</b>
	<b>17</b> Depletion (Do not deduct oil and gas depletion) . . . . .		<b>17</b>	
	<b>18</b> Retirement plans, etc. . . . .		<b>18</b>	
	<b>19</b> Employee benefit programs . . . . .		<b>19</b>	
	<b>20</b> Other deductions (attach statement) . . . . .		<b>20</b>	
	<b>21 Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20 . . . . .		<b>21</b>	<b>800.</b>
<b>22 Ordinary business income (loss).</b> Subtract line 21 from line 8 . . . . .		<b>22</b>	<b>-1,014,951.</b>	

**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's Use Only**  
Preparer's signature: **Michael F. Schmidt PA** Date: **6-4-13** Check if self-employed:   
MICHAEL F. SCHMIDT, C.P.A. Preparer's SSN or PTIN: **P00046136**  
Firm's name (or yours if self-employed), address, and ZIP code: **SCHMIDT, BETTENCOURT & MEDEIROS, LLP**  
**865 GEER ROAD** EIN: **77-0457760**  
**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	<b>Total.</b> Add lines 1 through 5.....	6	
7	Inventory at end of year.....	7	
8	<b>Cost of goods sold.</b> 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**

		Yes	No
<b>1</b> What type of entity is filing this return? Check the applicable box:			
<b>a</b> <input type="checkbox"/>	Domestic general partnership		
<b>b</b> <input checked="" type="checkbox"/>	Domestic limited partnership		
<b>c</b> <input type="checkbox"/>	Domestic limited liability company		
<b>d</b> <input type="checkbox"/>	Domestic limited liability partnership		
<b>e</b> <input type="checkbox"/>	Foreign partnership		
<b>f</b> <input type="checkbox"/>	Other.....		
<b>2</b> 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?.....		X	
<b>3</b> At the end of the tax year:			
<b>a</b> 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.....		X	
<b>b</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.....			X
<b>4</b> At the end of the tax year, did the partnership:			
<b>a</b> 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.....			X

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

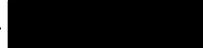
**b** Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, 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 . . . . .		X
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.		
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 2009, 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 ▶	
If the TMP is an entity, name of TMP representative ▶		Phone number of TMP ▶	
Address of designated TMP ▶	20662 SAN JOSE RD TRACY, CA 95304		

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22).....	1	-1,014,951.
	2 Net rental real estate income (loss) (attach Form 8825).....	2	-32,514.
	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	52.
	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	73,965.	
11 Other income (loss) (see instructions) Type ▶	11		
Deductions	12 Section 179 deduction (attach Form 4562).....	12	
	13a Contributions..... SEE STATEMENT. 1	13a	375.
	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	-10,150.
	b Gross farming or fishing income.....	14b	2,299,180.
	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.....	16c	
	Foreign gross income sourced at partnership level		
	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	2,363.
	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	44,381.
	b Distributions of other property.....	19b	
	20a Investment income.....	20a	52.
b Investment expenses.....	20b		
c Other items and amounts (attach stmt).....			

**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	-973,823.
2	Analysis by partner type:						
	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a	General partners						
b	Limited partners						
		-9,739.				-964,084.	

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash				
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	5,761,861.		5,767,261.	
b	Less accumulated depreciation	3,038,771.	2,723,090.	3,468,236.	2,299,025.
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)		3,591,282.		3,591,282.
12a	Intangible assets (amortizable only)	3,013.		41,643.	
b	Less accumulated amortization	200.	2,813.	429.	41,214.
13	Other assets (attach stmt) SEE ST. 2.		354,376.		360,176.
14	Total assets		6,671,561.		6,291,697.
<b>Liabilities and Capital</b>					
15	Accounts payable				
16	Mortgages, notes, bonds payable in less than 1 year		2,010,200.		795,825.
17	Other current liabilities (attach stmt) SEE ST. 3.		56,991.		62,613.
18	All nonrecourse loans				
19	Mortgages, notes, bonds payable in 1 year or more		2,096,220.		3,943,391.
20	Other liabilities (attach stmt)				
21	Partners' capital accounts		2,508,150.		1,489,868.
22	Total liabilities and capital		6,671,561.		6,291,697.

**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	-973,901.	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 prmts (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	-973,823.
	STATEMENT 4	78.			
5	Add lines 1 through 4	-973,823.			

**Schedule M-2 Analysis of Partners' Capital Accounts**

1	Balance at beginning of year	2,508,150.	6	Distributions: a Cash	44,381.
2	Capital contributed: a Cash		b	Property	
	b Property		7	Other decreases (itemize):	
3	Net income (loss) per books	-973,901.	8	Add lines 6 and 7	44,381.
4	Other increases (itemize):		9	Balance at end of year. Subtract line 8 from line 5	1,489,868.
5	Add lines 1 through 4	1,534,249.			

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

▶ Attach to Form 1065. See instructions.

Name of partnership <b>HENRY J. TOSTA, JR. FAMILY, L.P.</b>	Employer identification number (EIN) <b>20-8154233</b>
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**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		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)	(v) Maximum Percentage Owned in Profit, Loss, or Capital

**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

**2009**

Attachment  
Sequence No. **14**

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

E Did you 'materially participate' in the operation of this business during 2009? 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	2,097,388.
5a Cooperative distributions (Form(s) 1099-PATR)....	5a	5b Taxable amount.....	5b 37,801.
6a Agricultural program payments (see instructions) ..	6a	6b Taxable amount.....	6b 77,011.
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 2009.....	8a	8b Taxable amount.....	8b
c If election to defer to 2010 is attached, check here. ▶ <input type="checkbox"/>		8d Amount deferred from 2008....	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	86,980.
11 <b>Gross income.</b> 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	2,299,180.

**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	7,157.	25 Pension and profit-sharing plans.....	25	
13 Chemicals.....	13	614.	26 Rent or lease (see instructions):		
14 Conservation expenses (see instructions).....	14		a Vehicles, machinery, and equipment.....	26a	2,600.
15 Custom hire (machine work).....	15	24,389.	b Other (land, animals, etc.).....	26b	33,200.
16 Depreciation and section 179 expense deduction not claimed elsewhere (see instructions).....	16	407,555.	27 Repairs and maintenance.....	27	270,793.
17 Employee benefit programs other than on line 25.....	17		28 Seeds and plants.....	28	56,411.
18 Feed.....	18	1,271,176.	29 Storage and warehousing.....	29	
19 Fertilizers and lime.....	19		30 Supplies.....	30	2,103.
20 Freight and trucking.....	20	119,326.	31 Taxes.....	31	87,897.
21 Gasoline, fuel, and oil.....	21	88,256.	32 Utilities.....	32	67,240.
22 Insurance (other than health).....	22	48,536.	33 Veterinary, breeding, and medicine....	33	106,604.
23 Interest:			34 Other expenses (specify):		
a Mortgage (paid to banks, etc)....	23a	125,802.	a SEE STATEMENT 6.....	34a	424,800.
b Other.....	23b		b.....	34b	
24 Labor hired (less employment credits)....	24	168,872.	c.....	34c	
			d.....	34d	
			e.....	34e	
			f.....	34f	

35 **Total expenses.** Add lines 12 through 34f. If line 34f is negative, see instructions..... ▶ 35 3,313,331.

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 -1,014,151.

37 If you have a loss, you must check the box that describes your investment in this activity (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, you must attach Form 6198. Your loss may be limited.  
37a  All investment is at risk.  
37b  Some investment is not at risk.

Schedule K-1  
(Form 1065)

2009

Department of the Treasury  
Internal Revenue Service

For calendar year 2009, or tax  
year beginning \_\_\_\_\_, 2009  
ending \_\_\_\_\_,

Final K-1  Amended K-1

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

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss)	15	Credits
	-10,150.		
2	Net rental real estate income (loss)		
*	-326.		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments		
5	Interest income		
	1.		
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
		A	24.
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	18	Tax-exempt income and nondeductible expenses
	739.		
11	Other income (loss)		
		19	Distributions
12	Section 179 deduction	A	444.
13	Other deductions		
A	3.		
		20	Other information
		A	1.
14	Self-employment earnings (loss)		
A	-10,150.		
B	22,992.		
*See attached statement for additional information.			

**Part I Information About the Partnership**

A Partnership's employer identification number  
20-8154233

B Partnership's name, address, city, state, and ZIP code  
HENRY J. TOSTA, JR. FAMILY, L.P.  
20662 SAN JOSE RD  
TRACY, CA 95304

C IRS Center where partnership filed return  
OGDEN, UT

D  Check if this is a publicly traded partnership (PTP)

**Part II Information About the Partner**

E Partner's identifying number  
[REDACTED]

F Partner's name, address, city, state, and ZIP code  
HENRY J. TOSTA  
20662 SAN JOSE RD  
TRACY, CA 95304

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? INDIVIDUAL

J Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	1 %	1 %
Loss	1 %	1 %
Capital	1 %	1 %

K Partner's share of liabilities at year end:

Nonrecourse	\$	
Qualified nonrecourse financing	\$	47,392.
Recourse	\$	62,613.

L Partner's capital account analysis:

Beginning capital account	\$	25,084.
Capital contributed during the year	\$	
Current year increase (decrease)	\$	-9,740.
Withdrawals and distributions	\$	( 444.)
Ending capital account	\$	14,900.

M Did the partner contribute property with a built-in gain or loss?  
 Yes  No  
If 'Yes', attach statement (see instructions)

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>
<b>1 Ordinary business income (loss).</b> Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.			See the Partner's Instructions
Passive loss	See the Partner's Instructions	<b>K</b> Disabled access credit	Form 8844, line 3
Passive income	Schedule E, line 28, column (g)	<b>L</b> Empowerment zone and renewal community employment credit	See the Partner's Instructions
Nonpassive loss	Schedule E, line 28, column (h)	<b>M</b> Credit for increasing research activities	Form 8846, line 5
Nonpassive income	Schedule E, line 28, column (i)	<b>N</b> Credit for employer social security and Medicare taxes	Form 1040, line 61
<b>2 Net rental real estate income (loss)</b>	See the Partner's Instructions	<b>O</b> Backup withholding	See the Partner's Instructions
<b>3 Other net rental income (loss)</b>		<b>P</b> Other credits	
Net income	Schedule E, line 28, column (g)	<b>16 Foreign transactions</b>	
Net loss	See the Partner's Instructions	<b>A</b> Name of country or U.S. possession	Form 1116, Part I
<b>4 Guaranteed payments</b>	Schedule E, line 28, column (j)	<b>B</b> Gross income from all sources	
<b>5 Interest income</b>	Form 1040, line 8a	<b>C</b> Gross income sourced at partner level	
<b>6a Ordinary dividends</b>	Form 1040, line 9a	<i>Foreign gross income sourced at partnership level</i>	
<b>6b Qualified dividends</b>	Form 1040, line 9b	<b>D</b> Passive category	Form 1116, Part I
<b>7 Royalties</b>	Schedule E, line 4	<b>E</b> General category	
<b>8 Net short-term capital gain (loss)</b>	Schedule D, line 5, column (f)	<b>F</b> Other	
<b>9a Net long-term capital gain (loss)</b>	Schedule D, line 12, column (f)	<i>Deductions allocated and apportioned at partner level</i>	
<b>9b Collectibles (28%) gain (loss)</b>	28% Rate Gain Worksheet, line 4 (Schedule D Instructions)	<b>G</b> Interest expense	Form 1116, Part I
<b>9c Unrecaptured section 1250 gain</b>	See the Partner's Instructions	<b>H</b> Other	Form 1116, Part I
<b>10 Net section 1231 gain (loss)</b>	See the Partner's Instructions	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
<b>11 Other income (loss)</b>		<b>I</b> Passive category	Form 1116, Part I
<i>Code</i>		<b>J</b> General category	
<b>A</b> Other portfolio income (loss)	See the Partner's Instructions	<b>K</b> Other	
<b>B</b> Involuntary conversions	See the Partner's Instructions	<i>Other information</i>	
<b>C</b> Section 1256 contracts and straddles	Form 6781, line 1	<b>L</b> Total foreign taxes paid	Form 1116, Part II
<b>D</b> Mining exploration costs recapture	See Pub 535	<b>M</b> Total foreign taxes accrued	Form 1116, Part II
<b>E</b> Cancellation of debt	Form 1040, line 21 or Form 982	<b>N</b> Reduction in taxes available for credit	Form 1116, line 12
<b>F</b> Other income (loss)	See the Partner's Instructions	<b>O</b> Foreign trading gross receipts	Form 8873
<b>12 Section 179 deduction</b>	See the Partner's Instructions	<b>P</b> Extraterritorial income exclusion	Form 8873
<b>13 Other deductions</b>		<b>Q</b> Other foreign transactions	See the Partner's Instructions
<b>A</b> Cash contributions (50%)	See the Partner's Instructions	<b>17 Alternative minimum tax (AMT) items</b>	
<b>B</b> Cash contributions (30%)			
<b>C</b> Noncash contributions (50%)			
<b>D</b> Noncash contributions (30%)			
<b>E</b> Capital gain property to a 50% organization (30%)			
<b>F</b> Capital gain property (20%)			
<b>G</b> Contributions (100%)		<b>A</b> Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251
<b>H</b> Investment interest expense	Form 4952, line 1	<b>B</b> Adjusted gain or loss	
<b>I</b> Deductions — royalty income	Schedule E, line 18	<b>C</b> Depletion (other than oil & gas)	
<b>J</b> Section 59(e)(2) expenditures	See the Partner's Instructions	<b>D</b> Oil, gas, & geothermal — gross income	
<b>K</b> Deductions — portfolio (2% floor)	Schedule A, line 23	<b>E</b> Oil, gas, & geothermal — deductions	
<b>L</b> Deductions — portfolio (other)	Schedule A, line 28	<b>F</b> Other AMT items	
<b>M</b> Amounts paid for medical insurance	Schedule A, line 1 or Form 1040, line 29	<b>18 Tax-exempt income and nondeductible expenses</b>	
<b>N</b> Educational assistance benefits	See the Partner's Instructions	<b>A</b> Tax-exempt interest income	Form 1040, line 8b
<b>O</b> Dependent care benefits	Form 2441, line 14	<b>B</b> Other tax-exempt income	See the Partner's Instructions
<b>P</b> Preproductive period expenses	See the Partner's Instructions	<b>C</b> Nondeductible expenses	See the Partner's Instructions
<b>19 Distributions</b>		<b>20 Other information</b>	
<b>A</b> Cash and marketable securities	Schedule A, line 23	<b>A</b> Investment income	Form 4952, line 4a
<b>B</b> Distribution subject to section 737	Schedule A, line 28	<b>B</b> Investment expenses	Form 4952, line 5
<b>C</b> Other property	Form 1040, line 29	<b>C</b> Fuel tax credit information	Form 4136
<b>20 Other information</b>		<b>D</b> Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions
<b>A</b> Investment income	See the Partner's Instructions	<b>E</b> Basis of energy property	See the Partner's Instructions
<b>B</b> Investment expenses	See the Partner's Instructions	<b>F</b> Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
<b>C</b> Fuel tax credit information	See Form 8582 Instructions	<b>G</b> Recapture of low-income housing credit (other)	Form 8611, line 8
<b>D</b> Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions	<b>H</b> Recapture of investment credit	Form 4255
<b>E</b> Basis of energy property	See the Partner's Instructions	<b>I</b> Recapture of other credits	See the Partner's Instructions
<b>F</b> Recapture of low-income housing credit (section 42(j)(5))	Form 8903, line 7	<b>J</b> Look-back interest — completed long-term contracts	See Form 8697
<b>G</b> Recapture of low-income housing credit (other)	Form 8903, line 15	<b>K</b> Look-back interest — income forecast method	See Form 8866
<b>H</b> Recapture of investment credit	See the Partner's Instructions	<b>L</b> Dispositions of property with section 179 deductions	See the Partner's Instructions
<b>I</b> Recapture of other credits	See the Partner's Instructions	<b>M</b> Recapture of section 179 deduction	
<b>J</b> Look-back interest — completed long-term contracts	See the Partner's Instructions	<b>N</b> Interest expense for corporate partners	
<b>K</b> Look-back interest — income forecast method	See the Partner's Instructions	<b>O</b> Section 453(l)(3) information	
<b>L</b> Dispositions of property with section 179 deductions	See the Partner's Instructions	<b>P</b> Section 453A(c) information	
<b>M</b> Recapture of section 179 deduction	See the Partner's Instructions	<b>Q</b> Section 1260(b) information	
<b>N</b> Interest expense for corporate partners	See the Partner's Instructions	<b>R</b> Interest allocable to production expenditures	
<b>O</b> Section 453(l)(3) information	See the Partner's Instructions	<b>S</b> CCF nonqualified withdrawals	
<b>P</b> Section 453A(c) information	See the Partner's Instructions	<b>T</b> Depletion information — oil and gas	
<b>Q</b> Section 1260(b) information	See the Partner's Instructions	<b>U</b> Amortization of reforestation costs	
<b>R</b> Interest allocable to production expenditures	See the Partner's Instructions	<b>V</b> Unrelated business taxable income	
<b>S</b> CCF nonqualified withdrawals	See the Partner's Instructions	<b>W</b> Precontribution gain (loss)	
<b>T</b> Depletion information — oil and gas	See the Partner's Instructions	<b>X</b> Section 108(i) information	
<b>U</b> Amortization of reforestation costs	See the Partner's Instructions	<b>Y</b> Other information	
<b>V</b> Unrelated business taxable income	See the Partner's Instructions		
<b>W</b> Precontribution gain (loss)	See the Partner's Instructions		
<b>X</b> Section 108(i) information	See the Partner's Instructions		
<b>Y</b> Other information	See the Partner's Instructions		
<b>14 Self-employment earnings (loss)</b>			
<i>Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.</i>			
<b>A</b> Net earnings (loss) from self-employment	Schedule SE, Section A or B		
<b>B</b> Gross farming or fishing income	See the Partner's Instructions		
<b>C</b> Gross non-farm income	See the Partner's Instructions		
<b>15 Credits</b>			
<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Partner's Instructions		
<b>B</b> Low-income housing credit (other) from pre-2008 buildings	See the Partner's Instructions		
<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings	Form 8586, line 11		
<b>D</b> Low-income housing credit (other) from post-2007 buildings	Form 8586, line 11		
<b>E</b> Qualified rehabilitation expenditures (rental real estate)	See the Partner's Instructions		
<b>F</b> Other rental real estate credits			
<b>G</b> Other rental credits	Form 1040, line 70; check box a		
<b>H</b> Undistributed capital gains credit			
<b>I</b> Alcohol and cellulosic biofuel fuels credit	Form 6478, line 7		
<b>J</b> Work opportunity credit	Form 5884, line 3		

**BOX 2**  
**RENTAL REAL ESTATE ACTIVITIES**

PROPERTY DESCRIPTION	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
RESIDENTIAL RENTAL	139.	224.	\$ -85.	PASSIVE	
RESIDENTIAL RENTAL	110.	270.	-160.	PASSIVE	
RESIDENTIAL RENTAL	180.	259.	-79.	PASSIVE	
ROUNDING OR SPECIALLY ALLOCATED NET INCOME (LOSS) ADJUSTMENT			-2.		
		TOTAL	\$ <u>-326.</u>		

Schedule K-1 (Form 1065)

2009

Final K-1 Amended K-1

Department of the Treasury Internal Revenue Service

For calendar year 2009, 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 20-8154233
B Partnership's name, address, city, state, and ZIP code HENRY J. TOSTA, JR. FAMILY, L.P. 20662 SAN JOSE RD TRACY, CA 95304
C IRS Center where partnership filed return OGDEN, UT
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 20662 SAN JOSE RD TRACY, CA 95304
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
K Partner's share of liabilities at year end: Nonrecourse Qualified nonrecourse financing Recourse
L Partner's capital account analysis: Beginning capital account Capital contributed during the year Current year increase (decrease) Withdrawals and distributions Ending capital account
M Did the partner contribute property with a built-in gain or loss? Yes No

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

Table with 4 columns: Line number, Description, Amount, and Code. Rows include Ordinary business income (loss) -903,306, Net rental real estate income (loss) -28,937, Other net rental income (loss), Guaranteed payments, Interest income 46, Ordinary dividends, Qualified dividends, Royalties, Net short-term capital gain (loss), Net long-term capital gain (loss) 2,103, Collectibles (28%) gain (loss), Unrecaptured section 1250 gain, Net section 1231 gain (loss) 65,829, Other income (loss), Section 179 deduction, Other deductions 334, Self-employment earnings (loss) 2,046,270, Distributions 39,499, Other information 46.

\*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>
<b>1 Ordinary business income (loss).</b> Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.			See the Partner's Instructions
	<i>Report on</i>		
Passive loss	See the Partner's Instructions	<b>K</b> Disabled access credit	See the Partner's Instructions
Passive income	Schedule E, line 28, column (g)	<b>L</b> Empowerment zone and renewal community employment credit	Form 8844, line 3
Nonpassive loss	Schedule E, line 28, column (h)	<b>M</b> Credit for increasing research activities	See the Partner's Instructions
Nonpassive income	Schedule E, line 28, column (i)	<b>N</b> Credit for employer social security and Medicare taxes	Form 8846, line 5
<b>2 Net rental real estate income (loss)</b>	See the Partner's Instructions	<b>O</b> Backup withholding	Form 1040, line 61
<b>3 Other net rental income (loss)</b>		<b>P</b> Other credits	See the Partner's Instructions
Net income	Schedule E, line 28, column (g)	<b>16 Foreign transactions</b>	
Net loss	See the Partner's Instructions	<b>A</b> Name of country or U.S. possession	Form 1116, Part I
<b>4 Guaranteed payments</b>	Schedule E, line 28, column (j)	<b>B</b> Gross income from all sources	
<b>5 Interest income</b>	Form 1040, line 8a	<b>C</b> Gross income sourced at partner level	
<b>6a Ordinary dividends</b>	Form 1040, line 9a	<i>Foreign gross income sourced at partnership level</i>	
<b>6b Qualified dividends</b>	Form 1040, line 9b	<b>D</b> Passive category	Form 1116, Part I
<b>7 Royalties</b>	Schedule E, line 4	<b>E</b> General category	
<b>8 Net short-term capital gain (loss)</b>	Schedule D, line 5, column (f)	<b>F</b> Other	
<b>9a Net long-term capital gain (loss)</b>	Schedule D, line 12, column (f)	<i>Deductions allocated and apportioned at partner level</i>	
<b>9b Collectibles (28%) gain (loss)</b>	28% Rate Gain Worksheet, line 4 (Schedule D Instructions)	<b>G</b> Interest expense	Form 1116, Part I
<b>9c Unrecaptured section 1250 gain</b>	See the Partner's Instructions	<b>H</b> Other	Form 1116, Part I
<b>10 Net section 1231 gain (loss)</b>	See the Partner's Instructions	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
<b>11 Other income (loss)</b>		<b>I</b> Passive category	Form 1116, Part I
<i>Code</i>		<b>J</b> General category	
<b>A</b> Other portfolio income (loss)	See the Partner's Instructions	<b>K</b> Other	
<b>B</b> Involuntary conversions	See the Partner's Instructions	<i>Other information</i>	
<b>C</b> Section 1256 contracts and straddles	Form 6781, line 1	<b>L</b> Total foreign taxes paid	Form 1116, Part II
<b>D</b> Mining exploration costs recapture	See Pub 535	<b>M</b> Total foreign taxes accrued	Form 1116, Part II
<b>E</b> Cancellation of debt	Form 1040, line 21 or Form 982	<b>N</b> Reduction in taxes available for credit	Form 1116, line 12
<b>F</b> Other income (loss)	See the Partner's Instructions	<b>O</b> Foreign trading gross receipts	Form 8873
<b>12 Section 179 deduction</b>	See the Partner's Instructions	<b>P</b> Extraterritorial income exclusion	Form 8873
<b>13 Other deductions</b>		<b>Q</b> Other foreign transactions	See the Partner's Instructions
<b>A</b> Cash contributions (50%)	See the Partner's Instructions	<b>17 Alternative minimum tax (AMT) items</b>	
<b>B</b> Cash contributions (30%)			
<b>C</b> Noncash contributions (50%)			
<b>D</b> Noncash contributions (30%)			
<b>E</b> Capital gain property to a 50% organization (30%)			
<b>F</b> Capital gain property (20%)			
<b>G</b> Contributions (100%)			
<b>H</b> Investment interest expense	Form 4952, line 1	<b>A</b> Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251
<b>I</b> Deductions — royalty income	Schedule E, line 18	<b>B</b> Adjusted gain or loss	
<b>J</b> Section 59(e)(2) expenditures	See the Partner's Instructions	<b>C</b> Depletion (other than oil & gas)	
<b>K</b> Deductions — portfolio (2% floor)	Schedule A, line 23	<b>D</b> Oil, gas, & geothermal — gross income	
<b>L</b> Deductions — portfolio (other)	Schedule A, line 28	<b>E</b> Oil, gas, & geothermal — deductions	
<b>M</b> Amounts paid for medical insurance	Schedule A, line 1 or Form 1040, line 29	<b>F</b> Other AMT items	
<b>N</b> Educational assistance benefits	See the Partner's Instructions	<b>18 Tax-exempt income and nondeductible expenses</b>	
<b>O</b> Dependent care benefits	Form 2441, line 14	<b>A</b> Tax-exempt interest income	Form 1040, line 8b
<b>P</b> Preproductive period expenses	See the Partner's Instructions	<b>B</b> Other tax-exempt income	See the Partner's Instructions
<b>Q</b> Commercial revitalization deduction from rental real estate activities	See Form 8582 Instructions	<b>C</b> Nondeductible expenses	See the Partner's Instructions
<b>R</b> Pensions and IRAs	See the Partner's Instructions	<b>19 Distributions</b>	
<b>S</b> Reforestation expense deduction	See the Partner's Instructions	<b>A</b> Cash and marketable securities	See Partner's Instructions
<b>T</b> Domestic production activities information	See Form 8903 Instructions	<b>B</b> Distribution subject to section 737	
<b>U</b> Qualified production activities income	Form 8903, line 7	<b>C</b> Other property	
<b>V</b> Employer's W-2 wages	Form 8903, line 15	<b>20 Other information</b>	
<b>W</b> Other deductions	See the Partner's Instructions	<b>A</b> Investment income	Form 4952, line 4a
<b>14 Self-employment earnings (loss)</b>		<b>B</b> Investment expenses	Form 4952, line 5
<i>Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.</i>		<b>C</b> Fuel tax credit information	Form 4136
<b>A</b> Net earnings (loss) from self-employment	Schedule SE, Section A or B	<b>D</b> Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions
<b>B</b> Gross farming or fishing income	See the Partner's Instructions	<b>E</b> Basis of energy property	See the Partner's Instructions
<b>C</b> Gross non-farm income	See the Partner's Instructions	<b>F</b> Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
<b>15 Credits</b>		<b>G</b> Recapture of low-income housing credit (other)	Form 8611, line 8
<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Partner's Instructions	<b>H</b> Recapture of investment credit	Form 4255
<b>B</b> Low-income housing credit (other) from pre-2008 buildings	See the Partner's Instructions	<b>I</b> Recapture of other credits	See the Partner's Instructions
<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings	Form 8586, line 11	<b>J</b> Look-back interest — completed long-term contracts	See Form 8697
<b>D</b> Low-income housing credit (other) from post-2007 buildings	Form 8586, line 11	<b>K</b> Look-back interest — income forecast method	See Form 8866
<b>E</b> Qualified rehabilitation expenditures (rental real estate)	See the Partner's Instructions	<b>L</b> Dispositions of property with section 179 deductions	See the Partner's Instructions
<b>F</b> Other rental real estate credits			
<b>G</b> Other rental credits		<b>M</b> Recapture of section 179 deduction	
<b>H</b> Undistributed capital gains credit	Form 1040, line 70; check box a	<b>N</b> Interest expense for corporate partners	
<b>I</b> Alcohol and cellulosic biofuel fuels credit	Form 6478, line 7	<b>O</b> Section 453(l)(3) information	
<b>J</b> Work opportunity credit	Form 5884, line 3	<b>P</b> Section 453A(c) information	
		<b>Q</b> Section 1260(b) information	
		<b>R</b> Interest allocable to production expenditures	
		<b>S</b> CCF nonqualified withdrawals	
		<b>T</b> Depletion information — oil and gas	
		<b>U</b> Amortization of reforestation costs	
		<b>V</b> Unrelated business taxable income	
		<b>W</b> Precontribution gain (loss)	
		<b>X</b> Section 108(i) information	
		<b>Y</b> Other information	

**BOX 2  
RENTAL REAL ESTATE ACTIVITIES**

<u>PROPERTY DESCRIPTION</u>	<u>GROSS INCOME</u>	<u>NET EXPENSES</u>	<u>NET INCOME</u>	<u>PASSIVE NONPASS</u>	<u>SEC. 1231 TOTAL</u>
RESIDENTIAL RENTAL	12,348.	19,980.	\$ -7,632.	PASSIVE	
RESIDENTIAL RENTAL	9,790.	24,026.	-14,236.	PASSIVE	
RESIDENTIAL RENTAL	16,020.	23,090.	-7,070.	PASSIVE	
ROUNDING OR SPECIALLY ALLOCATED NET INCOME (LOSS) ADJUSTMENT			1.		
		TOTAL	\$ <u>-28,937.</u>		

**SUPPLEMENTAL INFORMATION**

PARTNER HEALTH INSURANCE PREMIUMS = \$6,283



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>
<b>1 Ordinary business income (loss).</b> Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.			See the Partner's Instructions
	<i>Report on</i>		
Passive loss	See the Partner's Instructions	<b>K</b> Disabled access credit	See the Partner's Instructions
Passive income	Schedule E, line 28, column (g)	<b>L</b> Empowerment zone and renewal community employment credit	Form 8844, line 3
Nonpassive loss	Schedule E, line 28, column (h)	<b>M</b> Credit for increasing research activities	See the Partner's Instructions
Nonpassive income	Schedule E, line 28, column (i)	<b>N</b> Credit for employer social security and Medicare taxes	Form 8846, line 5
<b>2 Net rental real estate income (loss)</b>	See the Partner's Instructions	<b>O</b> Backup withholding	Form 1040, line 61
<b>3 Other net rental income (loss)</b>		<b>P</b> Other credits	See the Partner's Instructions
Net income	Schedule E, line 28, column (g)	<b>16 Foreign transactions</b>	
Net loss	See the Partner's Instructions	<b>A</b> Name of country or U.S. possession	Form 1116, Part I
<b>4 Guaranteed payments</b>	Schedule E, line 28, column (j)	<b>B</b> Gross income from all sources	
<b>5 Interest income</b>	Form 1040, line 8a	<b>C</b> Gross income sourced at partner level	
<b>6a Ordinary dividends</b>	Form 1040, line 9a	<i>Foreign gross income sourced at partnership level</i>	
<b>6b Qualified dividends</b>	Form 1040, line 9b	<b>D</b> Passive category	Form 1116, Part I
<b>7 Royalties</b>	Schedule E, line 4	<b>E</b> General category	
<b>8 Net short-term capital gain (loss)</b>	Schedule D, line 5, column (f)	<b>F</b> Other	
<b>9a Net long-term capital gain (loss)</b>	Schedule D, line 12, column (f)	<i>Deductions allocated and apportioned at partner level</i>	
<b>9b Collectibles (28%) gain (loss)</b>	28% Rate Gain Worksheet, line 4 (Schedule D Instructions)	<b>G</b> Interest expense	Form 1116, Part I
<b>9c Unrecaptured section 1250 gain</b>	See the Partner's Instructions	<b>H</b> Other	Form 1116, Part I
<b>10 Net section 1231 gain (loss)</b>	See the Partner's Instructions	<i>Deductions allocated and apportioned at partnership level to foreign source income</i>	
<b>11 Other income (loss)</b>		<b>I</b> Passive category	Form 1116, Part I
<i>Code</i>		<b>J</b> General category	
<b>A</b> Other portfolio income (loss)	See the Partner's Instructions	<b>K</b> Other	
<b>B</b> Involuntary conversions	See the Partner's Instructions	<i>Other information</i>	
<b>C</b> Section 1256 contracts and straddles	Form 6781, line 1	<b>L</b> Total foreign taxes paid	Form 1116, Part II
<b>D</b> Mining exploration costs recapture	See Pub 535	<b>M</b> Total foreign taxes accrued	Form 1116, Part II
<b>E</b> Cancellation of debt	Form 1040, line 21 or Form 982	<b>N</b> Reduction in taxes available for credit	Form 1116, line 12
<b>F</b> Other income (loss)	See the Partner's Instructions	<b>O</b> Foreign trading gross receipts	Form 8873
<b>12 Section 179 deduction</b>	See the Partner's Instructions	<b>P</b> Extraterritorial income exclusion	Form 8873
<b>13 Other deductions</b>		<b>Q</b> Other foreign transactions	See the Partner's Instructions
<b>A</b> Cash contributions (50%)	See the Partner's Instructions	<b>17 Alternative minimum tax (AMT) items</b>	
<b>B</b> Cash contributions (30%)			
<b>C</b> Noncash contributions (50%)			
<b>D</b> Noncash contributions (30%)			
<b>E</b> Capital gain property to a 50% organization (30%)			
<b>F</b> Capital gain property (20%)			
<b>G</b> Contributions (100%)			
<b>H</b> Investment interest expense	Form 4952, line 1	<b>A</b> Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251
<b>I</b> Deductions — royalty income	Schedule E, line 18	<b>B</b> Adjusted gain or loss	
<b>J</b> Section 59(e)(2) expenditures	See the Partner's Instructions	<b>C</b> Depletion (other than oil & gas)	
<b>K</b> Deductions — portfolio (2% floor)	Schedule A, line 23	<b>D</b> Oil, gas, & geothermal — gross income	
<b>L</b> Deductions — portfolio (other)	Schedule A, line 28	<b>E</b> Oil, gas, & geothermal — deductions	
<b>M</b> Amounts paid for medical insurance	Schedule A, line 1 or Form 1040, line 29	<b>F</b> Other AMT items	
<b>N</b> Educational assistance benefits	See the Partner's Instructions	<b>18 Tax-exempt income and nondeductible expenses</b>	
<b>O</b> Dependent care benefits	Form 2441, line 14	<b>A</b> Tax-exempt interest income	Form 1040, line 8b
<b>P</b> Preproductive period expenses	See the Partner's Instructions	<b>B</b> Other tax-exempt income	See the Partner's Instructions
<b>Q</b> Commercial revitalization deduction from rental real estate activities	See Form 8582 Instructions	<b>C</b> Nondeductible expenses	See the Partner's Instructions
<b>R</b> Pensions and IRAs	See the Partner's Instructions	<b>19 Distributions</b>	
<b>S</b> Reforestation expense deduction	See the Partner's Instructions	<b>A</b> Cash and marketable securities	See Partner's Instructions
<b>T</b> Domestic production activities information	See Form 8903 Instructions	<b>B</b> Distribution subject to section 737	
<b>U</b> Qualified production activities income	Form 8903, line 7	<b>C</b> Other property	
<b>V</b> Employer's W-2 wages	Form 8903, line 15	<b>20 Other information</b>	
<b>W</b> Other deductions	See the Partner's Instructions	<b>A</b> Investment income	Form 4952, line 4a
<b>14 Self-employment earnings (loss)</b>		<b>B</b> Investment expenses	Form 4952, line 5
<i>Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.</i>		<b>C</b> Fuel tax credit information	Form 4136
<b>A</b> Net earnings (loss) from self-employment	Schedule SE, Section A or B	<b>D</b> Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions
<b>B</b> Gross farming or fishing income	See the Partner's Instructions	<b>E</b> Basis of energy property	See the Partner's Instructions
<b>C</b> Gross non-farm income	See the Partner's Instructions	<b>F</b> Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
<b>15 Credits</b>		<b>G</b> Recapture of low-income housing credit (other)	Form 8611, line 8
<b>A</b> Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Partner's Instructions	<b>H</b> Recapture of investment credit	Form 4255
<b>B</b> Low-income housing credit (other) from pre-2008 buildings	See the Partner's Instructions	<b>I</b> Recapture of other credits	See the Partner's Instructions
<b>C</b> Low-income housing credit (section 42(j)(5)) from post-2007 buildings	Form 8586, line 11	<b>J</b> Look-back interest — completed long-term contracts	See Form 8697
<b>D</b> Low-income housing credit (other) from post-2007 buildings	Form 8586, line 11	<b>K</b> Look-back interest — income forecast method	See Form 8866
<b>E</b> Qualified rehabilitation expenditures (rental real estate)	See the Partner's Instructions	<b>L</b> Dispositions of property with section 179 deductions	See the Partner's Instructions
<b>F</b> Other rental real estate credits			
<b>G</b> Other rental credits		<b>M</b> Recapture of section 179 deduction	
<b>H</b> Undistributed capital gains credit	Form 1040, line 70; check box a	<b>N</b> Interest expense for corporate partners	
<b>I</b> Alcohol and cellulosic biofuel fuels credit	Form 6478, line 7	<b>O</b> Section 453(l)(3) information	
<b>J</b> Work opportunity credit	Form 5884, line 3	<b>P</b> Section 453A(c) information	
		<b>Q</b> Section 1260(b) information	
		<b>R</b> Interest allocable to production expenditures	
		<b>S</b> CCF nonqualified withdrawals	
		<b>T</b> Depletion information — oil and gas	
		<b>U</b> Amortization of reforestation costs	
		<b>V</b> Unrelated business taxable income	
		<b>W</b> Precontribution gain (loss)	
		<b>X</b> Section 108(i) information	
		<b>Y</b> Other information	

**BOX 2**  
**RENTAL REAL ESTATE ACTIVITIES**

<u>PROPERTY DESCRIPTION</u>	<u>GROSS INCOME</u>	<u>NET EXPENSES</u>	<u>NET INCOME</u>	<u>PASSIVE NONPASS</u>	<u>SEC. 1231 TOTAL</u>
RESIDENTIAL RENTAL	1,387.	2,245.	\$ -858.	PASSIVE	
RESIDENTIAL RENTAL	1,100.	2,700.	-1,600.	PASSIVE	
RESIDENTIAL RENTAL	1,800.	2,594.	-794.	PASSIVE	
ROUNDING OR SPECIALLY ALLOCATED NET INCOME (LOSS) ADJUSTMENT					1.
		TOTAL	\$ <u>-3,251.</u>		

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

**2009**

Department of the Treasury  
Internal Revenue Service (99)

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

Attachment  
Sequence No. **67**

Name(s) shown on return  
**HENRY J. TOSTA, JR. FAMILY, L.P.**

Identifying number  
**20-8154233**

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 the instructions for a higher limit for certain businesses.	1	\$250,000.
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	\$800,000.
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 2008 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 2010. 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 2009.	17	383,989.
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 2009 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 deduction
19a 3-year property						
b 5-year property		5,400.	5	HY	150DB	810.
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	

**Section C - Assets Placed in Service During 2009 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	8,031.
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	407,555.
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, cellular telephones, 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"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>									24b If 'Yes,' is the evidence written? . . . . . <input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>		
(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 deduction	(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	150DBHY	8,031.				
27 Property used 50% or less in a qualified business use:											
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 . . . . .								28	8,031.		
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.

30 Total business/investment miles driven during the year (do not include commuting miles). . . . .	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
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 . . . . .												
	<b>Yes</b>	<b>No</b>										
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.) . . . . .		
<b>Note:</b> 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 2009 tax year (see instructions):					
REFINANCE COSTS	12/01/09	38,630.		25	129.
43 Amortization of costs that began before your 2009 tax year . . . . .				43	
44 Total. Add amounts in column (f). See the instructions for where to report. . . . .				44	129.

**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: **20-8154233**

1 Enter the gross proceeds from sales or exchanges reported to you for 2009 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) ..... **1**

**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)
	RAISED LIVESTOCK (2+ YEARS OLD)						
		VARIOUS	VARIOUS	73,965.			73,965.

3	Gain, if any, from Form 4684, line 43 .....	<b>3</b>	
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37 .....	<b>4</b>	
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824 .....	<b>5</b>	
6	Gain, if any, from line 32, from other than casualty or theft .....	<b>6</b>	
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: <b>Partnerships (except electing large partnerships) and S corporations.</b> 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.  <b>Individuals, partners, S corporation shareholders, and all others.</b> 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.	<b>7</b>	<b>73,965.</b>
8	Nonrecaptured net section 1231 losses from prior years (see instructions) .....	<b>8</b>	
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) .....	<b>9</b>	

**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):


11	Loss, if any, from line 7 .....	<b>11</b>	
12	Gain, if any, from line 7 or amount from line 8, if applicable .....	<b>12</b>	
13	Gain, if any, from line 31 .....	<b>13</b>	
14	Net gain or (loss) from Form 4684, lines 35 and 42a .....	<b>14</b>	
15	Ordinary gain from installment sales from Form 6252, line 25 or 36 .....	<b>15</b>	
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824 .....	<b>16</b>	
17	Combine lines 10 through 16 .....	<b>17</b>	
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: <b>a</b> If the loss on line 11 includes a loss from Form 4684, line 39, 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 .....	<b>18a</b>	
	<b>b</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 .....	<b>18b</b>	

**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 **20-8154233**

1 Show the kind and location of each property. See page 2 to list additional properties.

- A RESIDENTIAL RENTAL  
RIDGECREST DR, MANTECA, CA 95337
- B RESIDENTIAL RENTAL  
SAMOA LANE, LATHROP, CA 95330
- C RESIDENTIAL RENTAL  
CANAL BLVD, TRACY, CA 95376
- D -----

Rental Real Estate Income	Properties			
	A	B	C	D
2 Gross rents	2	13,874.	11,000.	18,000.
<b>Rental Real Estate Expenses</b>				
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		17,583.	15,210.
10 Repairs	10	11,726.	609.	
11 Taxes	11	1,400.	1,650.	2,300.
12 Utilities	12			
13 Wages and salaries	13			
14 Depreciation (see instructions)	14	8,423.	6,353.	7,134.
15 Other (list) ▶ <u>AMORTIZATION</u>	15		100.	
16 Total expenses for each property. Add lines 3 through 15	16	22,449.	26,995.	25,944.
17 Total gross rents. Add gross rents from line 2, columns A through H	17			42,874.
18 Total expenses. Add total expenses from line 16, columns A through H	18			-75,388.
19 Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities	19			
20 a 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)	20 a			
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 17 through 20a. Enter the result here and on:	21			-32,514.
<ul style="list-style-type: none"> <li>• Form 1065 or 1120S: Schedule K, line 2, or</li> <li>• Form 1065-B: Part I, line 4</li> </ul>				

CLIENT 75005

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

20-8154233

6/03/13

11:32AM

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

CASH CONTRIBUTIONS - 50% LIMITATION.....		\$	375.
	TOTAL	\$	<u>375.</u>

STATEMENT 2  
FORM 1065, SCHEDULE L, LINE 13  
OTHER ASSETS

	<u>BEGINNING</u>		<u>ENDING</u>
RECEIVABLE - BANTA INN.....	\$ 158,376.	\$	158,376.
RECEIVABLE - LEE BROWN.....	196,000.		201,800.
	TOTAL	\$	<u>354,376.</u>
		\$	<u>360,176.</u>

STATEMENT 3  
FORM 1065, SCHEDULE L, LINE 17  
OTHER CURRENT LIABILITIES

	<u>BEGINNING</u>		<u>ENDING</u>
BANK OVERDRAFT.....	\$ 25,237.	\$	10,347.
CREDIT CARD LIABILITIES.....	27,223.		45,972.
PAYROLL LIABILITIES.....	4,531.		6,294.
	TOTAL	\$	<u>56,991.</u>
		\$	<u>62,613.</u>

STATEMENT 4  
FORM 1065, SCHEDULE M-1, LINE 4  
EXPENSES ON BOOKS NOT ON SCHEDULE K

PENALTIES.....		\$	78.
	TOTAL	\$	<u>78.</u>

STATEMENT 5  
SCHEDULE F, LINE 10  
OTHER INCOME

MISCELLANEOUS.....		\$	27,244.
RENT INCOME.....			59,736.
	TOTAL	\$	<u>86,980.</u>

STATEMENT 6  
SCHEDULE F, LINE 34  
OTHER EXPENSES

ACCOUNTING FEES.....	\$	9,625.
ADVERTISING.....		90.
AMORTIZATION.....		129.
BANK CHARGES.....		2,388.
CALF RAISING EXPENSES.....		121,980.
COMMISSIONS.....		2,462.
DUES & SUBSCRIPTIONS.....		348.
HARVESTING.....		77,366.
IRRIGATION.....		720.
LICENSES AND PERMITS.....		2,442.
MARKETING & ASSESSMENTS.....		191,193.
OTHER FARMING COSTS.....		5,444.
TELEPHONE.....		4,570.
TESTING.....		6,043.
	TOTAL \$	<u>424,800.</u>

CLIENT 75005

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

20-8154233

6/03/13

11:32AM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT	CUR 179/ SDA	PRIOR 179/ SDA/ DEPR	METHOD	LIFE	CURRENT DEPR
RENTAL REAL ESTATE - RESIDENTIAL RENTAL										
<u>1416 RIDGECREST DR, MANTECA</u>										
1	LAND - STEP-UP	8/30/03		100,000						0
2	HOUSE	11/01/79		75,000			72,917	S/L	30	2,083
3	HOUSE - STEP-UP	8/30/03		174,345			34,075	S/L MM	27.5	6,340
TOTAL 1416 RIDGECREST DR, MA				349,345		0	106,992			8,423
TOTAL DEPRECIATION				<u>349,345</u>		<u>0</u>	<u>106,992</u>			<u>8,423</u>

## RENTAL REAL ESTATE - RESIDENTIAL RENTAL

<u>568 SOMOA LN, LATHROP</u>										
4	LAND - STEP-UP	8/30/03		100,000						0
5	HOUSE	9/01/76		25,500			25,500	S/L	30	0
6	HOUSE - STEP-UP	8/30/03		174,700			34,145	S/L MM	27.5	6,353
68	LOAN FEES	12/26/06		3,013			200	S/L	30	100
TOTAL 568 SOMOA LN, LATHROP				303,213		0	59,845			6,453
TOTAL DEPRECIATION				<u>303,213</u>		<u>0</u>	<u>59,845</u>			<u>6,453</u>

## RENTAL REAL ESTATE - RESIDENTIAL RENTAL

<u>6188 W CANAL, TRACY</u>										
7	LAND - STEP-UP	8/30/03		150,000						0
8	HOUSE	11/24/92		133,259			78,134	S/L MM	27.5	4,846
9	HOUSE - STEP-UP	8/30/03		62,926			12,298	S/L MM	27.5	2,288
TOTAL 6188 W CANAL, TRACY				346,185		0	90,432			7,134
TOTAL DEPRECIATION				<u>346,185</u>		<u>0</u>	<u>90,432</u>			<u>7,134</u>

## FORM 1065, SCHEDULE F - MILK &amp; GRAINS

AMORTIZATION

CLIENT 75005

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

20-8154233

6/03/13

11:32AM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179/ SDA	PRIOR 179/ SDA/ DEPR.	METHOD	LIFE	CURRENT DEPR.
73	REFINANCE COSTS	12/01/09		38,630				S/L	25	129
	TOTAL AMORTIZATION			38,630		0	0			129
AUTO / TRANSPORT EQUIPMENT										
10	FORD 2-TON TRUCK	12/01/83		1,550			1,550	S/L	5	0
11	VEHICLES	6/01/82		32,665			32,665	S/L	10	0
12	1993 CHEVY P/U	6/19/93		24,046			24,046	150DB HY	5	0
13	1994 CHEVY P/U	12/26/96		24,265			24,265	150DB HY	5	0
14	1988 CHEVY P/U	9/12/99		4,000			4,000	150DB HY	5	0
15	GOOSENECK TRAILER	8/31/04		6,800			4,717	150DB HY	7	833
57	2005 CHEVY P/U	2/08/05		40,975			28,929	150DB HY	5	8,031
58	FORD CABOVER	12/14/05		600			312	150DB HY	7	82
59	MANURE TRUCK	6/22/06		39,999			23,340	150DB HY	5	6,664
70	FEED TRUCK / MIXER	11/29/07		65,000			21,207	150DB MQ	5	13,138
	TOTAL AUTO / TRANSPORT EQUI			239,900		0	165,031			28,748
BUILDINGS										
16	BELOTTA - 2 HOUSES	11/18/93		48,500			18,813	S/L MM	39	1,243
17	BELOTTA - 2 BARNS	11/18/93		71,000			27,531	S/L MM	39	1,820
18	MIDDLE - BARNS	12/01/00		377,173			77,773	S/L MM	39	9,671
19	MIDDLE - BLDGS	8/11/00		385,850			82,861	S/L MM	39	9,893
20	HWY 120 - HOUSE - STEP-UP	8/30/03		54,120			9,621	S/L	30	1,804
21	HWY 120 - BARNS - STEP-UP	8/30/03		17,500			3,109	S/L	30	583
22	HOMESTEAD BLDGS - STEP-UP	8/30/03		38,000			6,757	S/L	30	1,267
23	BELLOTTA HOUSES - STEP-UP	8/30/03		19,500			2,667	S/L	39	500
24	MIDDLE BARNS - STEP-UP	8/30/03		100,227			13,815	S/L MM	39	2,570
25	MIDDLE-PERS RES - STEP-UP	8/30/03		202,500						0
26	MIDDLE BLDGS - STEP-UP	8/30/03		615,948			84,895	S/L MM	39	15,794
65	COMMODITY BARN - SJ DAIRY	9/09/06		94,227			31,254	150DB HY	10	9,446
66	SHOP - CIP	12/31/06		57,982						0
	TOTAL BUILDINGS			2,082,527		0	359,096			54,591
IMPROVEMENTS										
64	CONCRETE DITCH LINE	6/16/06		23,642			5,449	150DB HY	15	1,819
	TOTAL IMPROVEMENTS			23,642		0	5,449			1,819

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179/ SDA	PRIOR 179/ SDA/ DEPR.	METHOD	LIFE	CURRENT DEPR.
LAND										
27	BELLOTA LAND	11/18/93		260,000						0
28	MIDDLE LAND - 97 AC	8/11/00		275,530						0
29	HWY 120 LAND - STEP-UP	8/30/03		280,000						0
30	LAMMERS LAND - STEP-UP	8/30/03		481,250						0
31	HOMESTEAD LAND - STEP-UP	8/30/03		169,800						0
32	HOMESTEAD LAND - STEP-UP	8/30/03		372,950						0
33	BELLOTA LAND - STEP-UP	8/30/03		175,300						0
34	MIDDLE LAND - STEP-UP	8/30/03		211,920						0
35	MIDDLE LAND 36 AC STEP-UP	8/30/03		182,650						0
36	MIDDLE LAND 39 AC STEP-UP	8/30/03		270,000						0
67	KASSON LOT 4 - STEP-UP	8/30/03		561,882						0
	TOTAL LAND			3,241,282		0	0			0
LIVESTOCK										
56	2013 COWS - STEP-UP	8/30/03		2,481,900			2,025,787	150DB HY	7	304,091
60	2 BULLS	3/31/06		923			539	150DB HY	5	154
61	2 BULLS	6/09/06		1,225			715	150DB HY	5	204
62	3 BULLS	6/22/06		2,850			1,664	150DB HY	5	474
63	BULL	7/10/06		925			540	150DB HY	5	154
69	4 BULLS	6/20/07		4,550			1,962	150DB MQ	5	776
72	4 BULLS	9/30/09		5,400				150DB HY	5	810
	TOTAL LIVESTOCK			2,497,773		0	2,031,207			306,663
MACHINERY AND EQUIPMENT										
37	TRACTOR	12/01/83		14,500			14,500	S/L	5	0
38	PUMP	6/01/81		2,063			2,063	S/L	10	0
39	SEMEN TANK	10/01/82		200			200	S/L	5	0
40	AIR COMPRESSOR	6/01/82		1,590			1,590	S/L	5	0
41	SPRINGTOOTH	5/01/86		874			874	S/L	5	0
42	DISK & ROLLER	10/01/86		2,000			2,000	S/L	5	0
43	WHITE TRACTOR	2/01/86		7,055			7,055	S/L	5	0
44	FORD TRACTOR	11/01/86		2,000			2,000	S/L	5	0
45	OAT CHOPPER	8/01/87		3,000			3,000	150DB HY	7	0
46	GENERATOR	12/01/88		1,378			1,378	150DB HY	7	0
47	WELDER	5/01/88		1,026			1,026	150DB HY	7	0
48	WINDROWER	5/01/88		6,500			6,500	150DB HY	7	0

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49	RAKE	6/01/88		1,500			1,500	150DB HY	7	0
50	INTL 1566 TRACTOR	9/01/89		5,006			5,006	150DB HY	7	0
51	SCALE	10/31/90		3,675			3,675	150DB HY	7	0
52	CHOPPER	4/29/03		18,500			16,120	150DB HY	7	1,587
53	CASE 9250 TRACTOR	9/10/03		41,409			37,604	150DB HY	7	2,537
54	3 USED TRACTORS	6/12/04		4,353			3,019	150DB HY	7	534
71	QUAD	12/15/07		2,500			816	150DB MQ	5	505
TOTAL MACHINERY AND EQUIPME				119,129		0	109,926			5,163
QUOTA										
55	MILK QUOTA - STEP-UP	8/30/03		158,560			110,993	S/L	15	10,571
TOTAL QUOTA				158,560		0	110,993			10,571
TOTAL DEPRECIATION				<u>8,362,813</u>		<u>0</u>	<u>2,781,702</u>			<u>407,555</u>
GRAND TOTAL AMORTIZATION				38,630		0	0			129
GRAND TOTAL DEPRECIATION				<u>9,361,556</u>		<u>0</u>	<u>3,038,971</u>			<u>429,565</u>

CLIENT 75005

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

20-8154233

6/03/13

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FARMS (SCHEDULE F)  
TAXABLE COOPERATIVE DISTRIBUTIONS  
MILK & GRAINS

CAL-WEST DAIRYMENS, INC.....	\$	37,298.
GENEX COOPERATIVE, INC.....		503.
TOTAL	\$	<u>37,801.</u>

FARMS (SCHEDULE F)  
TAXES  
MILK & GRAINS

PAYROLL.....	\$	15,589.
IRRIGATION.....		26,971.
PROPERTY.....		45,337.
TOTAL	\$	<u>87,897.</u>

OTHER SCHEDULE K ITEMS  
INTEREST INCOME

CAL-WEST DAIRYMENS, INC.....	\$	52.
TOTAL	\$	<u>52.</u>