

CLIENT 75005

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

September 13, 2010

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



Dear Client:

Your 2009 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 2009 California Partnership Return of Income. The original should be signed at the bottom of page one. No tax is payable with the filing of this return. Mail the California return on or before October 15, 2010 to:

FRANCHISE TAX BOARD
P.O. BOX 942857
SACRAMENTO, CA 94257-0600

You must distribute a copy of the 2009 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

865 GEER ROAD
TURLOCK, CA 95380
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HENRY J. TOSTA, JR. FAMILY, L.P.



FEDERAL FORMS

Form 1065	2009 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	2009 California Partnership Return of Income
Schedule D-1	Sales of Business Property
Schedule K-1 (565)	Partner's Share of Income, Deductions, Credits
Form 3538	Payment Voucher for Automatic Extension
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 2009, or tax year beginning _____, 2009,
ending _____, 20____.
▶ See separate instructions.

OMB No. 1545-0099

2009

A Principal business activity FARMING	Use the IRS label. Otherwise, print or type.	HENRY J. TOSTA, JR. FAMILY, L.P. [REDACTED]	D Employer identification number 20-8154233
B Principal product or service MILK & GRAINS			E Date business started 12/31/2006
C Business code number 112120			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.

I N C O M E	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 -1,014,151.
	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 -1,014,151.	
S E E I N S T R U C T I O N S F O R L I M I T A T I O N S	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			14 800.
	15 Interest			15
	16 a Depreciation (if required, attach Form 4562)	16 a	407,555.	
	b Less depreciation reported on Schedule A and elsewhere on return.	16 b	407,555.	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			21 800.	
22 Ordinary business income (loss). Subtract line 21 from line 8.			22 -1,014,951.	

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

Paid Preparer's Use Only

Preparer's signature: **MICHAEL F. SCHMIDT, C.P.A.** Date: _____

Check if self-employed:

Preparer's SSN or PTIN: **P00046136**

Firm's name (or yours if self-employed): **SCHMIDT, BETTENCOURT & MEDEIROS, LLP**

Address: **865 GEER ROAD** EIN: **77-0457760**

ZIP code: **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 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 ▶	[REDACTED]
If the TMP is an entity, name of TMP representative ▶		Phone number of TMP ▶	
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	-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		-9,739.					
b Limited partners							-964,084.

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
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.
Liabilities and Capital					
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 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	-973,823.
	STATEMENT 4 78.	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.			

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 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 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 style="text-align: right;">37,801.
6a Agricultural program payments (see instructions)	6a	6b Taxable amount	6b style="text-align: right;">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) SEE STATEMENT 5		10	86,980.
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	2,299,180.

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.

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: XXXXXXXXXX

- 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.....	13,874.	11,000.	18,000.	
Rental Real Estate Expenses				
3 Advertising.....				
4 Auto and travel.....				
5 Cleaning and maintenance.....				
6 Commissions.....				
7 Insurance.....	900.	700.	1,300.	
8 Legal and other professional fees.....				
9 Interest.....		17,583.	15,210.	
10 Repairs.....	11,726.	609.		
11 Taxes.....	1,400.	1,650.	2,300.	
12 Utilities.....				
13 Wages and salaries.....				
14 Depreciation (see instructions).....	8,423.	6,353.	7,134.	
15 Other (list) ▶ <u>AMORTIZATION</u>		100.		
16 Total expenses for each property. Add lines 3 through 15.....	22,449.	26,995.	25,944.	
17 Total gross rents. Add gross rents from line 2, columns A through H.....				42,874.
18 Total expenses. Add total expenses from line 16, columns A through H.....				-75,388.
19 Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities.....				
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).....				
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: • Form 1065 or 1120S: Schedule K, line 2, or • Form 1065-B: Part I, line 4				-32,514.

**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)	(v) 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)

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.
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
G General partner or LLC member-manager
H Domestic partner
I What type of entity is this partner? INDIVIDUAL
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 3 columns: Line number, Description, and Amount. Rows include: 1 Ordinary business income (loss) -10,150.; 2 Net rental real estate income (loss) -326.; 3 Other net rental income (loss); 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) 24.; 9b Collectibles (28%) gain (loss); 9c Unrecaptured section 1250 gain; 10 Net section 1231 gain (loss) 739.; 11 Other income (loss); 12 Section 179 deduction; 13 Other deductions 3.; 14 Self-employment earnings (loss) -10,150.; 19 Distributions 444.; 20 Other information 1.

*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. possesson	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	Form 1116, Part I
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 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 14	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 7	F Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
V Employer's W-2 wages	Form 8903, line 15	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 rental credits	Form 1040, line 70; check box a	T Depletion information — oil and gas	
H Undistributed capital gains credit	Form 6478, line 7	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 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	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><u>-326.</u></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.
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
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 3 columns: Line number, Description, and Amount. 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>
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. possesson	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 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 14	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 7	F Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
V Employer's W-2 wages	Form 8903, line 15	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 rental credits	Form 1040, line 70; check box a	T Depletion information — oil and gas	
H Undistributed capital gains credit	Form 6478, line 7	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 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

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 2009

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.
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 20-7213441
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
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 3 columns: Line number, Description, and Amount. Rows include Ordinary business income (loss) -101,495, Net rental real estate income (loss) -3,251, Other net rental income (loss), Guaranteed payments, Interest income 5, Ordinary dividends, Qualified dividends, Royalties, Net short-term capital gain (loss), Net long-term capital gain (loss) 236, Collectibles (28%) gain (loss), Unrecaptured section 1250 gain, Net section 1231 gain (loss) 7,397, Other income (loss), Section 179 deduction, Other deductions 38, Self-employment earnings (loss) 229,918, Distributions 4,438, Other information 5.

*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. possesson	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 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 14	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 7	F Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
V Employer's W-2 wages	Form 8903, line 15	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 rental credits	Form 1040, line 70; check box a	T Depletion information — oil and gas	
H Undistributed capital gains credit	Form 6478, line 7	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 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><u>-3,251.</u></u>		

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

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

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

OMB No. 1545-0172

2009

Attachment
Sequence No. **67**

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 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"/> 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 deducted 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	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.

	(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 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

[REDACTED]

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) Depreciat on allowed or allowable s nce 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	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	
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows. 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.	7	73,965.
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):

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 35 and 42a	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 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	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	

CLIENT 75005

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

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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>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>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>

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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>

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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	72,917	S/L	30		2,083
3	HOUSE - STEP-UP	8/30/03		174,345							174,345	34,075	S/L	MM	27.5 .04520	6,340
TOTAL 1416 RIDGECREST DR, MA				349,345		0	0	0	0	0	349,345	106,992				8,423
TOTAL DEPRECIATION				349,345		0	0	0	0	0	349,345	106,992				8,423

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	34,145	S/L	MM	27.5 .04520	6,353
68	LOAN FEES	12/26/06		3,013							3,013	200	S/L	30		100
TOTAL 568 SOMOA LN, LATHROP				303,213		0	0	0	0	0	303,213	59,845				6,453
TOTAL DEPRECIATION				303,213		0	0	0	0	0	303,213	59,845				6,453

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

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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	78,134	S/L MM	27.5	.08791	4,846
9	HOUSE - STEP-UP	8/30/03		62,926							62,926	12,298	S/L MM	27.5	.04520	2,288
TOTAL 6188 W CANAL, TRACY				346,185		0	0	0	0	0	346,185	90,432				7,134
TOTAL DEPRECIATION				346,185		0	0	0	0	0	346,185	90,432				7,134
FORM 1065, SCHEDULE F - MILK & GRAINS																
AMORTIZATION																
73	REFINANCE COSTS	12/01/09		38,630							38,630		S/L	25		129
TOTAL AMORTIZATION				38,630		0	0	0	0	0	38,630	0				129
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	4,717	150DB HY	7	.40000	833
57	2005 CHEVY P/U	2/08/05		40,975							40,975	28,929	150DB HY	5	.66670	8,031
58	FORD CABOVER	12/14/05		600							600	312	150DB HY	7	.28570	82
59	MANURE TRUCK	6/22/06		39,999							39,999	23,340	150DB HY	5	.40000	6,664

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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	21,207	150DB MQ	5	.30000	13,138
TOTAL AUTO / TRANSPORT EQUIP				239,900		0	0	0	0	0	239,900	165,031				28,748
BUILDINGS																
16	BELOTTA - 2 HOUSES	11/18/93		48,500							48,500	18,813	S/L MM	39	.04188	1,243
17	BELOTTA - 2 BARNS	11/18/93		71,000							71,000	27,531	S/L MM	39	.04188	1,820
18	MIDDLE - BARNS	12/01/00		377,173							377,173	77,773	S/L MM	39	.03230	9,671
19	MIDDLE - BLDGS	8/11/00		385,850							385,850	82,861	S/L MM	39	.03265	9,893
20	HWY 120 - HOUSE - STEP-UP	8/30/03		54,120							54,120	9,621	S/L	30		1,804
21	HWY 120 - BARNS - STEP-UP	8/30/03		17,500							17,500	3,109	S/L	30		583
22	HOMESTEAD BLDGS - STEP-UP	8/30/03		38,000							38,000	6,757	S/L	30		1,267
23	BELLOTTA HOUSES - STEP-UP	8/30/03		19,500							19,500	2,667	S/L	39		500
24	MIDDLE BARNS - STEP-UP	8/30/03		100,227							100,227	13,815	S/L MM	39	.02974	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	84,895	S/L MM	39	.02974	15,794
65	COMMODITY BARN - SJ DAIRY	9/09/06		94,227							94,227	31,254	150DB HY	10	.15000	9,446
66	SHOP - CIP	12/31/06		57,982							57,982					0
TOTAL BUILDINGS				2,082,527		0	0	0	0	0	2,082,527	359,096				54,591
IMPROVEMENTS																
64	CONCRETE DITCH LINE	6/16/06		23,642							23,642	5,449	150DB HY	15	.10000	1,819
TOTAL IMPROVEMENTS				23,642		0	0	0	0	0	23,642	5,449				1,819
LAND																

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20-8154233

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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	2,025,787	150DB HY	7	.66670	304,091
60	2 BULLS	3/31/06		923							923	539	150DB HY	5	.40000	154
61	2 BULLS	6/09/06		1,225							1,225	715	150DB HY	5	.40000	204
62	3 BULLS	6/22/06		2,850							2,850	1,664	150DB HY	5	.40000	474
63	BULL	7/10/06		925							925	540	150DB HY	5	.40000	154
69	4 BULLS	6/20/07		4,550							4,550	1,962	150DB MQ	5	.30000	776
72	4 BULLS	9/30/09		5,400							5,400		150DB HY	5	.30000	810
TOTAL LIVESTOCK				2,497,773		0	0	0	0	0	2,497,773	2,031,207				306,663
MACHINERY AND EQUIPMENT																

12/31/09

2009 FEDERAL DEPRECIATION SCHEDULE

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

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9/13/10

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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	16,120	150DB HY	7	.66670	1,587
53	CASE 9250 TRACTOR	9/10/03		41,409							41,409	37,604	150DB HY	7	.66670	2,537
54	3 USED TRACTORS	6/12/04		4,353							4,353	3,019	150DB HY	7	.40000	534
71	QUAD	12/15/07		2,500							2,500	816	150DB MQ	5	.30000	505
TOTAL MACHINERY AND EQUIPME				119,129		0	0	0	0	0	119,129	109,926				5,163
QUOTA																
55	MILK QUOTA - STEP-UP	8/30/03		158,560							158,560	110,993	S/L	15		10,571
TOTAL QUOTA				158,560		0	0	0	0	0	158,560	110,993				10,571
TOTAL DEPRECIATION				<u>8,362,813</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,362,813</u>	<u>2,781,702</u>				<u>407,555</u>

12/31/09

2009 FEDERAL DEPRECIATION SCHEDULE

PAGE 6

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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	0				129
	GRAND TOTAL DEPRECIATION			<u>9,361,556</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,361,556</u>	<u>3,038,971</u>				<u>429,565</u>

2009 Partnership Return of Income

565

For calendar year 2009 or fiscal year beginning month _____ day _____ year _____, and ending month _____ day _____ year _____

Partnership name (type or print) HENRY J. TOSTA, JR. FAMILY, L.P.		Check box if name changed <input type="checkbox"/>		A FEIN ● 20-8154233
DBA				B Secretary of State (SOS) file no. ● 200633500006
Address (suite, room, PO Box, and PMB no.) [REDACTED]				C Principal business activity name (same as federal) FARMING
City _____ State _____ ZIP Code _____				D Principal product or service (same as federal) MILK & GRAINS
E Check accounting method ● (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (attach explanation)	F Date business started in CA ● 12/31/06	G Enter total assets at end of year. See instructions. ● \$ 6,291,697.	H Check applicable box ● (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> FINAL RETURN (3) <input type="checkbox"/> Amended return	
				I Principal business activity code (same as federal) ● 112120

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

Income	1 a Gross receipts or sales. \$ _____	b Less returns and allowances. \$ _____	c Balance. ● 1 c
	2 Cost of goods sold (Schedule A, line 8)		2
	3 GROSS PROFIT. Subtract line 2 from line 1c.		3
	4 Total ordinary income from other partnerships and fiduciaries. Attach schedule		4
	5 Total ordinary loss from other partnerships and fiduciaries. Attach schedule		5
	6 Total farm profit. Attach federal Schedule F (Form 1040)		6
	7 Total farm loss. Attach federal Schedule F (Form 1040)		7 1,015,403.
	8 Total gains included on Schedule D-1, Part II, line 17 (gain only)		8
	9 Total losses included on Schedule D-1, Part II, line 17 (loss only)		9
	10 Other income. Attach schedule		10
	11 Other loss. Attach schedule		11
	12 Total income (loss). Combine line 3 through line 11.		12 -1,015,403.
Deductions	13 Salaries and wages (other than to partners)		13
	14 Guaranteed payments to partners		14
	15 Bad debts		15
	16 Deductible interest expense not claimed elsewhere on return		16
	17 a Depreciation and amortization. Attach form FTB 3885P. \$ 408,936.		17 c
	b Less depreciation reported on Schedule A and elsewhere on return \$ 408,936.		
	18 Depletion. Do not deduct oil and gas depletion		18
	19 Retirement plans, etc.		19
	20 Employee benefit programs		20
	21 Other deductions. Attach schedule		21
22 Total deductions. Add line 13 through line 21.		22	
23 Ordinary income (loss) from trade or business activities. Subtract line 22 from line 12.		23 -1,015,403.	
Payments	24 Tax — \$800.00 (LPs, LLPs, and REMICs only). See instructions.		24 800.
	25 2009 Resident/nonresident or real estate withholding. See instructions	● 25	
	26 Amount paid with extension of time to file return (form FTB 3538)	26 800.	
27 Total payments. Add line 25 and line 26		27 800.	
Amount Due or Refund	28 Tax due. If line 24 is more than line 27, subtract line 27 from line 24.		28
	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.	30	
	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	

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.

Please Sign Here	Signature of general partner	Date	Telephone
	[REDACTED]	[REDACTED]	[REDACTED]
Paid Preparer's Use Only	Paid Preparer's signature	Date	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours, if self-employed) and address		
	SCHMIDT, BETTENCOURT & MEDEIROS, LLP 865 GEER ROAD TURLOCK, CA 95380		
			Paid Preparer's SSN/PIN ● P00046136 FEIN ● 77-0457760 Telephone ● (209) 668-4857
May the FTB discuss this return with the preparer shown above (see instructions)?			● <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

PAID WITH FORM FTB 3538 \$ 800.

Schedule A Cost of Goods Sold

Table with 8 rows and 2 columns. Rows include: 1 Inventory at beginning of year, 2 Purchases less cost of items withdrawn for personal use, 3 Cost of labor, 4 Additional IRC Section 263A costs, 5 Other costs, 6 Total, 7 Inventory at end of year, 8 Cost of goods sold.

- 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 [X] Limited partnership required to pay annual tax (is doing business in California, is registered with SOS, or is organized in California)
3 Limited partnership, limited liability company (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 Limited liability partnership
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) 3

Table with 19 rows (L-Z) and 2 columns (Yes/No). Rows include: 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? Q Was there a distribution of property or transfer (for example by sale or death) of a partnership interest during the taxable year? 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? 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? 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? BB Does this partnership own an interest in a business entity disregarded for tax purposes? CC During the year did this partnership defer any income from the disposition of assets? DD (1) Did this partnership generate a New Jobs Credit? (2) If 'Yes,' enter the generated amount. EE (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 ● -1,014,951.	-452.	-1,015,403.		
	2	Net income (loss) from rental real estate activ ties. Attach federal Form 8825	2 -32,514.		-32,514.		
	3a	Gross ncome (loss) from other rental activ ties	3a				
	b	Less expenses. Attach schedule	3b				
	c	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 52.		52.		
	6	Div dends	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 73,965.		73,965.			
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					
b	Total other ncome. Attach schedule.	11b					
c	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 375.		375.		
	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 A X	17a	Depreciation adjustment on property placed in service after 1986	17a 2,363.	1,252.	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 800.		800.		
	19a	Distr but ons of money (cash and marketable securit es).	19a 44,381.		44,381.		
	b	Distr but on of property other than money	19b				
20a	Investment income	20a 52.		52.			
b	Investment expenses	20b					
c	Other informat on. See instructions	20c		STATEMENT 2			
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 -973,823.	-452. ●	-974,275.		
	b	Analysis by type of partner:	(a) Corporate	(b) Individual	(c) Partnership	(d) Exempt Organization	(e) Nom nee/Other
	(1)	General partners		i Active -9,743.			
(2)	Lim ted partners					-964,532.	

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				
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	5,761,861.		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. Att sch. . . . SEE STATEMENT 3		354,376.		● 360,176.
14 Total assets		6,671,561.		6,291,697.
Liabilities and Capital				
15 Accounts payable				●
16 Mortgages, notes, bonds payable in less than 1 year		2,010,200.		● 795,825.
17 Other current liabilities. Att sch. . . . SEE STMT 4		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. Att sch				●
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. Use total amount under California law. If the partnership completed federal Schedule M-3 (Form 1065), see instructions.

1 Net income (loss) per books	-973,901.	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 \$ 1,252.	
c Limited partnership tax \$ 800.		b Other \$	
d Other. STMT 5 \$ 78.		c Total. Add line 7a and line 7b \$ 1,252.	● 1,252.
e Total. Add line 4a-4d. \$ 878.	● 878.	8 Total. Add line 6c and line 7c	1,252.
5 Total of line 1 through line 4e	-973,023.	9 Income (loss) (Schedule K, line 21a). Subtract line 8 from line 5.	-974,275.

Schedule M-2 Analysis of Partners' Capital Accounts

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

2009

(Also, involuntary conversions and recapture amounts under IRC Sections 179 and 280F and 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.

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

1 Enter the gross proceeds from sales or exchanges reported to you for 2009 on federal Form(s) 1099-S, Proceeds From Real Estate Transactions (or a substitute statement), that you will be including on line 2 or line 10, (column (d)), or on line 23.....	1					
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 federal Form 4684, Section B, Part II, line 43.....	3					
4 IRC Section 1231 gain from installment sales from form FTB 3805E, line 26 or line 37.....	4					
5 IRC Section 1231 gain or (loss) from like-kind exchanges from federal Form 8824 (completed using California amounts).....	5					
6 Gain, if any, from Part III, line 35, from other than casualty and theft.....	6					
7 Combine line 2 through line 6. Enter gain or (loss) here and on the appropriate line as follows:.....	7	73,965.				
<p>IRC Section 179 Assets: For reporting the sale or disposition of assets for which an IRC Section 179 expense deduction was claimed in a prior year, see instructions.</p> <p>Partnerships or Limited Liability Companies (classified as partnerships): Enter the gain or (loss) on Schedule K (565 or 568), line 10. Skip lines 8, 9, 11, and 12 below. S corporations: If line 7 is zero or a loss, enter the amount on line 11 below and skip line 8 and line 9. If line 7 is a gain, continue to line 8. All others: If line 7 is zero or a loss, enter the amount on line 11 below and skip line 8 and line 9. If line 7 is a gain and you did not have any prior year IRC Section 1231 losses, or they were recaptured in an earlier year, enter the gain as follows: Form 540 and Long Form 540NR filers, enter the gain on Schedule D, (540 or 540NR) line 1, and skip lines 8, 9, and 12 below; Form 100 and Form 100W filers, enter the gain on Schedule D, Side 5, Part II, line 6, and skip lines 8, 9, and 12 below.</p>						
8 Nonrecaptured net IRC Section 1231 losses from prior years. Enter as a positive number. See instructions.....	8					
9 Subtract line 8 from line 7. If zero or less, enter -0-.....	9	0.				
<p>S corporations: If line 9 is more than zero, enter this amount on Schedule D (100S), Side 2, Section B, Part II, line 5 and enter the amount, if any, from line 8 on line 12 below. If line 9 is zero, enter the amount from line 7 on line 12 below. All others: If line 9 is more than zero, enter the amount from line 8 on line 12 below, and enter the amount from line 9 as follows: Form 540 and Long Form 540NR filers, enter as a capital gain on Schedule D, (540 or 540NR) line 1; Form 100 and Form 100W filers, enter the gain on Schedule D, Side 5, Part II, line 6. If line 9 is zero, enter the amount from line 7 on line 12 below. See instructions.</p>						

Part II Section A – Ordinary Gains and Losses

10 Ordinary gains and losses not included on line 11 through line 17 (include property held 1 year or less):.....	
11 Loss, if any, from line 7.....	11
12 Gain, if any, from line 7, or amount from line 8, if applicable. See instructions.....	12
13 Gain, if any, from Part III, line 34.....	13
14 Net gain or (loss) from federal Form 4684, Section B, Part II, line 35 and line 42a (completed using California amounts).....	14
15 Ordinary gain from installment sales from form FTB 3805E, line 25 or line 36. See instructions.....	15
16 Ordinary gain or (loss) from like-kind exchanges from federal Form 8824 (completed using California amounts).....	16
17 Combine line 10 through line 16.....	17
18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip line a and line b below. For individual returns, complete line a and line b below: see instructions	
a If the loss on line 11 includes a loss from federal Form 4684, Section B, Part II, column (b)(ii), enter that part of the loss here. See instructions.....	18a
b Redetermine the gain or (loss) on line 17, excluding the loss, if any, on line 18a. Enter here and on line 20.....	18b

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

2009

K-1 (565)

For calendar year 2009 or fiscal year beginning month day year 2009, and ending month day year

Partner's identifying number [REDACTED] **Partnership's FEIN** 20-8154233
Secretary of State file number 200633500006

Partner's name, address, city, state, and ZIP Code

Partnership's name, address, city, state, and ZIP Code

H [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:

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	● \$	47,392.
Other	● \$	62,613.

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)
● 25,083.	●	● -9,739.	● (444.)	● 14,900.

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
1	Ordinary income (loss) from trade or business activities	-10,150.	-4.	-10,154.	▶
2	Net income (loss) from rental real estate activities PG. 4	-326.		-326.	▶
3	Net income (loss) from other rental activities				▶
4	Guaranteed payments to partners				▶
5	Interest income	1.		1.	▶
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)	739.		739.	▶
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

	(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	3.		3.	
	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 Items (AMT)	17a Depreciation adjustment on property placed in service after 1986	24.	12.	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		8.	8.	
Distributions	19a Distributions of money (cash and marketable securities)	444.		444.	
	b Distributions of property other than money				
Other Information	20a Investment income	1.		1.	
	b Investment expenses				
	c Other information. See instructions			SEE ATTACHED	

PARTNER 1: HENRY J. TOSTA [REDACTED]

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 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>		

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

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 3.
TOTAL	<u>\$ 3.</u>

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

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 24,161.
TOTAL	<u>\$ 24,161.</u>

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

K-1 (565)

For calendar year 2009 or fiscal year beginning month day year 2009, and ending month day year

Partner's identifying number [REDACTED] **Partnership's FEIN** 20-8154233

Partner's name, address, city, state, and ZIP Code **Secretary of State file number** 200633500006

Partnership'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
- (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 % • 89.0000 %
Loss sharing % • 89.0000 %
Ownership of capital % • 89.0000 %

E Partner's share of liabilities:

Nonrecourse • \$ _____
Qualified nonrecourse financing • \$ 4,217,902.
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)
• 2,232,254.	•	• -866,772.	• (39,499.)	• 1,325,983.

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
1	Ordinary income (loss) from trade or business activities.....	-903,306.	-403.	-903,709.	▶
2	Net income (loss) from rental real estate activities..... PG. 4	-28,937.		-28,937.	▶
3	Net income (loss) from other rental activities.....				▶
4	Guaranteed payments to partners.....				▶
5	Interest income.....	46.		46.	▶
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).....	65,829.		65,829.	▶
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

	(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	334.		334.	
	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 Items (AMT)	17a Depreciation adjustment on property placed in service after 1986	2,103.	1,114.	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		712.	712.	
Distributions	19a Distributions of money (cash and marketable securities)	39,499.		39,499.	
	b Distributions of property other than money				
Other Information	20a Investment income	46.		46.	
	b Investment expenses				
	c Other information. See instructions			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 DESCRIPTION	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
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>		

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

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 334.
TOTAL	<u>\$ 334.</u>

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

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 2,150,303.
TOTAL	<u>\$ 2,150,303.</u>

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

2009

K-1 (565)

For calendar year 2009 or fiscal year beginning month day year 2009, and ending month day year

Partner's identifying number 20-7213441 **Partnership's FEIN** 20-8154233

Partner's name, address, city, state, and ZIP Code **Secretary of State file number** 200633500006

Partner's name, address, city, state, and ZIP Code

HENRY J. TOSTA, JR IRREVOCABLE
F . 21, 2006

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:

(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 ● \$ 473,922.
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)
● 250,813.	●	● -97,390.	● (4,438.)	● 148,985.

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
1	Ordinary income (loss) from trade or business activities.....	-101,495.	-45.	-101,540.	▶
2	Net income (loss) from rental real estate activities..... PG. 4	-3,251.		-3,251.	▶
3	Net income (loss) from other rental activities.....				▶
4	Guaranteed payments to partners.....				▶
5	Interest income.....	5.		5.	▶
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).....	7,397.		7,397.	▶
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

	(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	38.		38.	
	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 Items (AMT)	17a Depreciation adjustment on property placed in service after 1986	236.	126.	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		80.	80.	
Distributions	19a Distributions of money (cash and marketable securities)	4,438.		4,438.	
	b Distributions of property other than money				
Other Information	20a Investment income	5.		5.	
	b Investment expenses				
	c Other information. See instructions			SEE ATTACHED	

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 DESCRIPTION	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
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>		

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

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 38.
TOTAL	<u>\$ 38.</u>

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

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 241,607.
TOTAL	<u>\$ 241,607.</u>

Form **8825**

(Rev December 2006)
Department of the Treasury
Internal Revenue Service

CALIFORNIA COPY - CALIFORNIA AMOUNTS
**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: XXXXXXXXXX

- 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.	
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		17,583.	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: • Form 1065 or 1120S: Schedule K, line 2, or • Form 1065-B: Part I, line 4	21				-32,514.

BAA For Paperwork Reduction Act Notice, see the separate instructions. Form **8825** (12-2006)

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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

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

STATEMENT 2
FORM 565, SCHEDULE K, LINE 20C - COLUMN D
OTHER REPORTABLE ITEMS

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS.....	\$	2,416,071.
---	----	------------

STATEMENT 3
FORM 565, SCHEDULE L, LINE 13
OTHER ASSETS

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

STATEMENT 4
FORM 565, SCHEDULE L, LINE 17
OTHER CURRENT LIABILITIES

	BEGINNING	ENDING
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 5
FORM 565, SCHEDULE M-1, LINE 4D
EXPENSES ON BOOKS NOT ON SCHEDULE K

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

2009

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 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 style="text-align: right;">37,801.
6a Agricultural program payments (see instructions)	6a	6b Taxable amount	6b style="text-align: right;">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) SEE STATEMENT 5		10	86,980.
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	2,299,180.

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.

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

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

MISCELLANEOUS	\$	27,244.
RENT INCOME		59,736.
	TOTAL	<u><u>86,980.</u></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><u>424,800.</u></u>

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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	72,917	S/L	30		2,083
3	HOUSE - STEP-UP	8/30/03		174,345							174,345	34,075	S/L	MM	27.5 .04520	6,340
TOTAL 1416 RIDGECREST DR, MA				349,345		0	0	0	0	0	349,345	106,992				8,423
TOTAL DEPRECIATION				349,345		0	0	0	0	0	349,345	106,992				8,423

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	34,145	S/L	MM	27.5 .04520	6,353
68	LOAN FEES	12/26/06		3,013							3,013	200	S/L	30		100
TOTAL 568 SOMOA LN, LATHROP				303,213		0	0	0	0	0	303,213	59,845				6,453
TOTAL DEPRECIATION				303,213		0	0	0	0	0	303,213	59,845				6,453

RENTAL REAL ESTATE - RESIDENTIAL RENTAL

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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	78,134	S/L MM	27.5	.08791	4,846
9	HOUSE - STEP-UP	8/30/03		62,926							62,926	12,298	S/L MM	27.5	.04520	2,288
TOTAL 6188 W CANAL, TRACY				346,185		0	0	0	0	0	346,185	90,432				7,134
TOTAL DEPRECIATION				346,185		0	0	0	0	0	346,185	90,432				7,134
FORM 1040, SCHEDULE F - MILK & GRAINS																
AMORTIZATION																
73	REFINANCE COSTS	12/01/09		38,630							38,630		S/L	25		129
TOTAL AMORTIZATION				38,630		0	0	0	0	0	38,630	0				129
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	4,717	150DB HY	7	.40000	833
57	2005 CHEVY P/U	2/08/05		40,975							40,975	28,929	150DB HY	5	.66670	8,031
58	FORD CABOVER	12/14/05		600							600	312	150DB HY	7	.28570	82
59	MANURE TRUCK	6/22/06		39,999							39,999	23,340	150DB HY	5	.40000	6,664

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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	21,207	150DB MQ	5	.30000	13,138
TOTAL AUTO / TRANSPORT EQUIP				239,900		0	0	0	0	0	239,900	165,031				28,748
BUILDINGS																
16	BELOTTA - 2 HOUSES	11/18/93		48,500							48,500	19,828	S/L MM	31.5	.06107	1,751
17	BELOTTA - 2 BARNS	11/18/93		71,000							71,000	29,017	S/L MM	31.5	.06107	2,564
18	MIDDLE - BARNS	12/01/00		377,173							377,173	77,773	S/L MM	39	.03230	9,671
19	MIDDLE - BLDGS	8/11/00		385,850							385,850	82,861	S/L MM	39	.03265	9,893
20	HWY 120 - HOUSE - STEP-UP	8/30/03		54,120							54,120	9,621	S/L	30		1,804
21	HWY 120 - BARNS - STEP-UP	8/30/03		17,500							17,500	3,109	S/L	30		583
22	HOMESTEAD BLDGS - STEP-UP	8/30/03		38,000							38,000	6,757	S/L	30		1,267
23	BELLOTTA HOUSES - STEP-UP	8/30/03		19,500							19,500	2,667	S/L	39		500
24	MIDDLE BARNS - STEP-UP	8/30/03		100,227							100,227	13,815	S/L MM	39	.02974	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	84,895	S/L MM	39	.02974	15,794
65	COMMODITY BARN - SJ DAIRY	9/09/06		94,227							94,227	31,254	150DB HY	10	.15000	9,446
66	SHOP - CIP	12/31/06		57,982							57,982					0
TOTAL BUILDINGS				2,082,527		0	0	0	0	0	2,082,527	361,597				55,843
IMPROVEMENTS																
64	CONCRETE DITCH LINE	6/16/06		23,642							23,642	5,449	150DB HY	15	.10000	1,819
TOTAL IMPROVEMENTS				23,642		0	0	0	0	0	23,642	5,449				1,819
LAND																

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2009 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
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	2,025,787	150DB HY	7	.66670	304,091
60	2 BULLS	3/31/06		923							923	539	150DB HY	5	.40000	154
61	2 BULLS	6/09/06		1,225							1,225	715	150DB HY	5	.40000	204
62	3 BULLS	6/22/06		2,850							2,850	1,664	150DB HY	5	.40000	474
63	BULL	7/10/06		925							925	540	150DB HY	5	.40000	154
69	4 BULLS	6/20/07		4,550							4,550	1,962	150DB MQ	5	.30000	776
72	4 BULLS	9/30/09		5,400							5,400		150DB HY	5	.30000	810
TOTAL LIVESTOCK				2,497,773		0	0	0	0	0	2,497,773	2,031,207				306,663
MACHINERY AND EQUIPMENT																

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2009 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
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	16,120	150DB HY	7	.66670	1,587
53	CASE 9250 TRACTOR	9/10/03		41,409							41,409	37,604	150DB HY	7	.66670	2,537
54	3 USED TRACTORS	6/12/04		4,353							4,353	3,019	150DB HY	7	.40000	534
71	QUAD	12/15/07		2,500							2,500	816	150DB MQ	5	.30000	505
TOTAL MACHINERY AND EQUIPME				119,129		0	0	0	0	0	119,129	109,926				5,163
QUOTA																
55	MILK QUOTA - STEP-UP	8/30/03		158,560							158,560	110,993	S/L	15		10,571
TOTAL QUOTA				158,560		0	0	0	0	0	158,560	110,993				10,571
TOTAL DEPRECIATION				<u>8,362,813</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,362,813</u>	<u>2,784,203</u>				<u>408,807</u>

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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	0				129
	GRAND TOTAL DEPRECIATION			<u>9,361,556</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,361,556</u>	<u>3,041,472</u>				<u>430,817</u>

	COMPUTER	CONTROL	DIFF
BALANCE SHEET (SCHEDULE L)			
TOTAL ASSETS - BEGINNING.....	6,671,561	6,671,561	0
TOTAL LIABILITIES - BEGINNING.....	4,163,411	4,163,411	0
PARTNERS' CAPITAL - BEGINNING.....	2,508,150	2,508,150	0
TOTAL LIABILITIES AND CAPITAL - BEG.....	6,671,561	6,671,561	0

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

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	2009	2008	DIFF
TRADE OR BUSINESS INCOME			
NET FARM PROFIT (LOSS).....	-1,014,151	-899,068	-115,083
TOTAL INCOME (LOSS).....	-1,014,151	-899,068	-115,083
TRADE OR BUSINESS DEDUCTIONS			
TAXES AND LICENSES.....	800	1,600	-800
TOTAL DEDUCTIONS.....	800	1,600	-800
SCHEDULE K - INCOME			
ORDINARY BUSINESS INCOME (LOSS).....	-1,014,951	-900,668	-114,283
NET RENTAL REAL ESTATE INCOME (LOSS).....	-32,514	-35,272	2,758
INTEREST INCOME.....	52	0	52
ORDINARY DIVIDENDS.....	0	3	-3
SECTION 1231 NET GAIN (LOSS).....	73,965	105,453	-31,488
SCHEDULE K - DEDUCTIONS			
CHARITABLE CONTRIBUTIONS.....	375	717	-342
SCHEDULE K - SELF-EMPLOYMENT			
NET EARN. (LOSS) FROM SELF-EMPLOYMENT.....	-10,150	-9,006	-1,144
GROSS FARMING OR FISHING INCOME.....	2,299,180	2,804,709	-505,529
SCHEDULE K - ALTERNATIVE MINIMUM TAX ITEMS			
POST-1986 DEPRECIATION ADJUSTMENT.....	2,363	2,363	0
SCHEDULE K - OTHER			
DISTRIBUTIONS OF CASH & MARKETABLE SEC... INVESTMENT INCOME.....	44,381 52	85,951 3	-41,570 49
SCHEDULE L - BALANCE SHEET			
BEGINNING ASSETS.....	6,671,561	7,098,312	-426,751
BEGINNING LIABILITIES AND CAPITAL.....	6,671,561	7,098,312	-426,751
ENDING ASSETS.....	6,291,697	6,671,561	-379,864
ENDING LIABILITIES AND CAPITAL.....	6,291,697	6,671,561	-379,864

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ENDING ASSETS

BUILDINGS AND OTHER ASSETS	5,767,261	
LESS ACCUMULATED DEPRECIATION	(3,468,236)	2,299,025
LAND		3,591,282
INTANGIBLE ASSETS	41,643	
LESS ACCUMULATED AMORTIZATION	(429)	41,214
OTHER ASSETS		360,176
TOTAL ASSETS		6,291,697

ENDING LIABILITIES & CAPITAL

SHORT TERM NOTES PAYABLE		795,825
OTHER CURRENT LIABILITIES		62,613
LONG TERM NOTES PAYABLE		3,943,391
PARTNERS' CAPITAL ACCOUNTS		1,489,868
TOTAL LIABILITIES AND CAPITAL		6,291,697

CLIENT 75005

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

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	2009	2008	DIFF
TRADE OR BUSINESS INCOME			
TOTAL FARM LOSS.....	-1,015,403	-900,319	-115,084
TOTAL INCOME (LOSS).....	-1,015,403	-900,319	-115,084
TRADE OR BUSINESS DEDUCTIONS			
TOTAL DEDUCTIONS.....	0	0	0
SCHEDULE K - INCOME			
ORDINARY INCOME (LOSS).....	-1,015,403	-900,319	-115,084
NET INC. (LOSS) FROM RENTAL REAL ESTATE.....	-32,514	-35,272	2,758
INTEREST INCOME.....	52	0	52
DIVIDEND INCOME.....	0	3	-3
TOTAL GAIN UNDER SECTION 1231.....	73,965	105,453	-31,488
SCHEDULE K - DEDUCTIONS			
CHARITABLE CONTRIBUTIONS.....	375	717	-342
SCHEDULE K - ADJUSTMENTS			
DEPR. ADJUST. ON PROPERTY AFTER 1986.....	3,615	3,614	1
SCHEDULE K - OTHER			
NONDEDUCTIBLE EXPENSES.....	800	1,600	-800
DISTRIBUTIONS OF MONEY.....	44,381	85,951	-41,570
INVESTMENT INCOME.....	52	3	49
OTHER INFORMATION.....	2,416,071	2,956,470	-540,399
SCHEDULE L - BALANCE SHEET			
BEGINNING ASSETS.....	6,671,561	7,098,312	-426,751
BEGINNING LIABILITIES AND CAPITAL.....	6,671,561	7,098,312	-426,751
ENDING ASSETS.....	6,291,697	6,671,561	-379,864
ENDING LIABILITIES AND CAPITAL.....	6,291,697	6,671,561	-379,864

CLIENT 75005

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

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FEDERAL INFORMATIONAL DIAGNOSTICS**DEPRECIATION**

- DEPRECIATION ASSET #16: STATE LIFE CHANGED TO 31.5 YEARS.
- DEPRECIATION ASSET #17: STATE LIFE CHANGED TO 31.5 YEARS.

FORM 7004

- FORM 7004 WAS NOT GENERATED WITH THIS RETURN BECAUSE THE FEDERAL TAX OPTION "FORM 7004 WITH RETURN", FOUND UNDER SETTINGS / OPTIONS / TAX RETURN TAB, IS SET TO "NO."

FEDERAL EF CRITICAL DIAGNOSTICS**GENERAL**

- WARNING - THIS RETURN WILL BE REJECTED BY THE IRS. THE TAXPAYER SIGNATURE DATE ON FORM 8879-PE, IRS E-FILE SIGNATURE AUTHORIZATION, IS MISSING OR INVALID. THE SIGNATURE DATE IS MANDATORY IN SCREEN 4.

FEDERAL OVERRIDES**SCREEN 19**

- DISPOSITION #1: AN OVERRIDE ENTRY OF 1 HAS BEEN MADE IN FEDERAL "FORM 4797, PART I [O]" (SCREEN 19, CODE 140).

SCREEN 24

- AN OVERRIDE ENTRY OF 3,468,236 HAS BEEN MADE IN FEDERAL "ENDING - ACCUMULATED DEPRECIATION [O]" (SCREEN 24, CODE 211).
- AN OVERRIDE ENTRY OF 300 HAS BEEN MADE IN FEDERAL "ENDING - ACCUMULATED AMORTIZATION [O]" (SCREEN 24, CODE 216).
- AN OVERRIDE ENTRY OF 129 HAS BEEN MADE IN FEDERAL "ENDING - ACCUMULATED AMORTIZATION [O]" (SCREEN 24, CODE 216).

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GENERAL INFORMATION

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FORMS NEEDED FOR THIS RETURN

FEDERAL: 1065, SCH B-1, SCH F, SCH K-1, 4562, 4797, 8825
CALIFORNIA: 565, SCH D-1, SCH K-1 (565), 3538, 3885P, 8825

CARRYOVERS TO 2010

NONE

CLIENT 75005

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

20-8154233

9/13/10

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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
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					2,083	2,083					0
3	HOUSE - STEP-UP	8/30/03		174,345	34,075	S/L MM	27.5	.04520	6,340	6,340					0
TOTAL 1416 RIDGECREST DR, MA				349,345	34,075				8,423	8,423		0	0	0	0
TOTAL DEPRECIATION				349,345	34,075				8,423	8,423		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	34,145	S/L MM	27.5	.04520	6,353	6,353					0
TOTAL 568 SOMOA LN, LATHROP				300,200	34,145				6,353	6,353		0	0	0	0
TOTAL DEPRECIATION				300,200	34,145				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	71,371	S/L MM	40	.04188	2,592	4,846		2,254			0

CLIENT 75005

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

20-8154233

9/13/10 03:42PM

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	12,298	S/L MM	27.5	.04520	2,288	2,288					0
	TOTAL 6188 W CANAL, TRACY			346,185	83,669				4,880	7,134		2,254	0	0	0
	TOTAL DEPRECIATION			346,185	83,669				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	4,717	150DB HY	7	.40000	833	833					0
57	2005 CHEVY P/U	2/08/05		40,975	28,929	150DB HY	5	.66670	8,031	8,031					0
58	FORD CABOVER	12/14/05		600	312	150DB HY	7	.28570	82	82					0
59	MANURE TRUCK	6/22/06		39,999	23,340	150DB HY	5	.40000	6,664	6,664					0
70	FEED TRUCK / MIXER	11/29/07		65,000	21,207	150DB MQ	5	.30000	13,138	13,138					0
	TOTAL AUTO / TRANSPORT EQUIP			239,900	130,816				28,748	28,748		0	0	0	0

BUILDINGS

16	BELOTTA - 2 HOUSES	11/18/93		48,500	18,680	S/L MM	40	.04020	1,199	1,243		44			0
17	BELOTTA - 2 BARNS	11/18/93		71,000	27,334	S/L MM	40	.04020	1,755	1,820		65			0
18	MIDDLE - BARNS	12/01/00		377,173	77,773	S/L MM	39	.03230	9,671	9,671					0
19	MIDDLE - BLDGS	8/11/00		385,850	82,861	S/L MM	39	.03265	9,893	9,893					0
20	HWY 120 - HOUSE - STEP-UP	8/30/03		54,120					1,804	1,804					0

12/31/09

2009 FEDERAL ALTERNATIVE MINIMUM TAX DEPRECIATION SCHEDULE

PAGE 3

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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	13,815	S/L MM	39	.02974	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	84,895	S/L MM	39	.02974	15,794	15,794					0
65	COMMODITY BARN - SJ DAIRY	9/09/06		94,227	31,254	150DB HY	10	.15000	9,446	9,446					0
66	SHOP - CIP	12/31/06		57,982					0	0					0
TOTAL BUILDINGS				2,082,527	336,612				54,482	54,591		109	0	0	0
IMPROVEMENTS															
64	CONCRETE DITCH LINE	6/16/06		23,642	5,449	150DB HY	15	.10000	1,819	1,819					0
TOTAL IMPROVEMENTS				23,642	5,449				1,819	1,819		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

12/31/09

2009 FEDERAL ALTERNATIVE MINIMUM TAX DEPRECIATION SCHEDULE

PAGE 4

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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	2,025,787	150DB HY	7	.66670	304,091	304,091					0
60	2 BULLS	3/31/06		923	539	150DB HY	5	.40000	154	154					0
61	2 BULLS	6/09/06		1,225	715	150DB HY	5	.40000	204	204					0
62	3 BULLS	6/22/06		2,850	1,664	150DB HY	5	.40000	474	474					0
63	BULL	7/10/06		925	540	150DB HY	5	.40000	154	154					0
69	4 BULLS	6/20/07		4,550	1,962	150DB MQ	5	.30000	776	776					0
72	4 BULLS	9/30/09		5,400		150DB HY	5	.30000	810	810					0
TOTAL LIVESTOCK				2,497,773	2,031,207				306,663	306,663		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
52	CHOPPER	4/29/03		18,500	16,120	150DB HY	7	.66670	1,587	1,587					0

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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
53	CASE 9250 TRACTOR	9/10/03		41,409	37,604	150DB HY	7	.66670	2,537	2,537					0
54	3 USED TRACTORS	6/12/04		4,353	3,019	150DB HY	7	.40000	534	534					0
71	QUAD	12/15/07		2,500	816	150DB MQ	5	.30000	505	505					0
TOTAL MACHINERY AND EQUIPME				119,129	79,644				5,163	5,163		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>8,362,813</u>	<u>2,663,008</u>				<u>407,446</u>	<u>407,555</u>		<u>109</u>	<u>0</u>	<u>0</u>	<u>0</u>
GRAND TOTAL DEPRECIATION				<u>9,358,543</u>	<u>2,814,897</u>				<u>427,102</u>	<u>429,465</u>		<u>2,363</u>	<u>0</u>	<u>0</u>	<u>0</u>

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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					2,083	2,083					0
3	HOUSE - STEP-UP	8/30/03		174,345	34,075	S/L MM	27.5	.04520	6,340	6,340					0
TOTAL 1416 RIDGECREST DR, MA				349,345	34,075				8,423	8,423		0	0	0	0
TOTAL DEPRECIATION				349,345	34,075				8,423	8,423		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	34,145	S/L MM	27.5	.04520	6,353	6,353					0
TOTAL 568 SOMOA LN, LATHROP				300,200	34,145				6,353	6,353		0	0	0	0
TOTAL DEPRECIATION				300,200	34,145				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	71,371	S/L MM	40	.04188	2,592	4,846		2,254			0

CLIENT 75005

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

20-8154233

9/13/10 03:42PM

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	12,298	S/L MM	27.5	.04520	2,288	2,288					0
	TOTAL 6188 W CANAL, TRACY			346,185	83,669				4,880	7,134		2,254	0	0	0
	TOTAL DEPRECIATION			346,185	83,669				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	4,717	150DB HY	7	.40000	833	833					0
57	2005 CHEVY P/U	2/08/05		40,975	28,929	150DB HY	5	.66670	8,031	8,031					0
58	FORD CABOVER	12/14/05		600	312	150DB HY	7	.28570	82	82					0
59	MANURE TRUCK	6/22/06		39,999	23,340	150DB HY	5	.40000	6,664	6,664					0
70	FEED TRUCK / MIXER	11/29/07		65,000	21,207	150DB MQ	5	.30000	13,138	13,138					0
	TOTAL AUTO / TRANSPORT EQUIP			239,900	130,816				28,748	28,748		0	0	0	0

BUILDINGS

16	BELOTTA - 2 HOUSES	11/18/93		48,500	18,680	S/L MM	40	.04020	1,199	1,751		552			0
17	BELOTTA - 2 BARNS	11/18/93		71,000	27,334	S/L MM	40	.04020	1,755	2,564		809			0
18	MIDDLE - BARNS	12/01/00		377,173	77,773	S/L MM	39	.03230	9,671	9,671					0
19	MIDDLE - BLDGS	8/11/00		385,850	82,861	S/L MM	39	.03265	9,893	9,893					0
20	HWY 120 - HOUSE - STEP-UP	8/30/03		54,120					1,804	1,804					0

CLIENT 75005

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

20-8154233

9/13/10 03:42PM

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	13,815	S/L MM	39	.02974	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	84,895	S/L MM	39	.02974	15,794	15,794					0
65	COMMODITY BARN - SJ DAIRY	9/09/06		94,227	31,254	150DB HY	10	.15000	9,446	9,446					0
66	SHOP - CIP	12/31/06		57,982					0	0					0
TOTAL BUILDINGS				2,082,527	336,612				54,482	55,843		1,361	0	0	0
IMPROVEMENTS															
64	CONCRETE DITCH LINE	6/16/06		23,642	5,449	150DB HY	15	.10000	1,819	1,819					0
TOTAL IMPROVEMENTS				23,642	5,449				1,819	1,819		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.

20-8154233

9/13/10

03:42PM

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	2,025,787	150DB HY	7	.66670	304,091	304,091					0
60	2 BULLS	3/31/06		923	539	150DB HY	5	.40000	154	154					0
61	2 BULLS	6/09/06		1,225	715	150DB HY	5	.40000	204	204					0
62	3 BULLS	6/22/06		2,850	1,664	150DB HY	5	.40000	474	474					0
63	BULL	7/10/06		925	540	150DB HY	5	.40000	154	154					0
69	4 BULLS	6/20/07		4,550	1,962	150DB MQ	5	.30000	776	776					0
72	4 BULLS	9/30/09		5,400		150DB HY	5	.30000	810	810					0
TOTAL LIVESTOCK				2,497,773	2,031,207				306,663	306,663		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
52	CHOPPER	4/29/03		18,500	16,120	150DB HY	7	.66670	1,587	1,587					0

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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
53	CASE 9250 TRACTOR	9/10/03		41,409	37,604	150DB HY	7	.66670	2,537	2,537					0
54	3 USED TRACTORS	6/12/04		4,353	3,019	150DB HY	7	.40000	534	534					0
71	QUAD	12/15/07		2,500	816	150DB MQ	5	.30000	505	505					0
TOTAL MACHINERY AND EQUIPME				119,129	79,644				5,163	5,163		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>8,362,813</u>	<u>2,663,008</u>				<u>407,446</u>	<u>408,807</u>		<u>1,361</u>	<u>0</u>	<u>0</u>	<u>0</u>
GRAND TOTAL DEPRECIATION				<u>9,358,543</u>	<u>2,814,897</u>				<u>427,102</u>	<u>430,717</u>		<u>3,615</u>	<u>0</u>	<u>0</u>	<u>0</u>

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	-10,150.					-10,150.
			-10,150.					-10,150.

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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)	-1,014,951.	-10,150.	-903,306.	-101,495.
2	NET RENTAL REAL ESTATE INCOME (-32,514.	-326.	-28,937.	-3,251.
5	INTEREST INCOME	52.	1.	46.	5.
10	NET SECTION 1231 GAIN (LOSS)	73,965.	739.	65,829.	7,397.
13	CHARITABLE CONTRIBUTIONS	375.	3.	334.	38.
14	NET EARNINGS (LOSS) FROM S.E.	-10,150.	-10,150.		
14	GROSS FARMING OR FISHING INCOME	2,299,180.	22,992.	2,046,270.	229,918.
17	POST-1986 DEPRECIATION ADJUSTME	2,363.	24.	2,103.	236.
19	DISTRIBUTIONS OF CASH & MARKET.	44,381.	444.	39,499.	4,438.
20	INVESTMENT INCOME	52.	1.	46.	5.

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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	554-66-1558	1.000000	1.000000	1.000000
2	HENRY J. TOSTA, JR. TRUST	554-66-1558	89.000000	89.000000	89.000000
3	HENRY J. TOSTA, JR IRREVOC	20-7213441	10.000000	10.000000	10.000000
TOTALS			<u>100.000000</u>	<u>100.000000</u>	<u>100.000000</u>

2009

CAPITAL ACCOUNT RECONCILIATION

PAGE 1

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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	25,084.		-9,740.	444.	14,900.
2	HENRY J. TOSTA, JR. TR	2,232,252.		-866,771.	39,499.	1,325,982.
3	HENRY J. TOSTA, JR IRR	250,814.		-97,390.	4,438.	148,986.
	TOTALS	<u>2,508,150.</u>		<u>-973,901.</u>	<u>44,381.</u>	<u>1,489,868.</u>

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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

ANNUAL TAX		\$	800.
	TOTAL	\$	<u>800.</u>

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

GROSS INTEREST		\$	52.
GROSS RENTS			42,874.
GROSS PROCEEDS FROM DISPOSITIONS			73,965.
GROSS FARM INCOME			2,299,180.
	TOTAL	\$	<u>2,416,071.</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)	-1,015,403.	-1,014,151.	1,252.
6. Net gain (loss) from Form 4797			
7. Other income (loss)			
8. Total income (loss)	-1,015,403.	-1,014,151.	1,252.
DEDUCTIONS			
9. Salaries and wages			
10. Guaranteed payments to partners			
11. Repairs and maintenance			
12. Bad debts			
13. Rent			
14. Taxes and licenses	0.	800.	800.
15. Interest			
16. Depreciation			
17. Depletion			
18. Retirement plans, etc			
19. Employee benefit programs			
20. Other deductions			
21. Total deductions	0.	800.	800.
TOTAL DIFFERENCE			-452.

2009

CAPITAL ACCOUNT RECONCILIATION

PAGE 1

CLIENT 75005

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

20-8154233

9/13/10

03:42PM

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	25,083.		-9,739.	444.	14,900.
2	HENRY J. TOSTA, JR. TR	2,232,254.		-866,772.	39,499.	1,325,983.
3	HENRY J. TOSTA, JR IRR	250,813.		-97,390.	4,438.	148,985.
	TOTALS	<u>2,508,150.</u>		<u>-973,901.</u>	<u>44,381.</u>	<u>1,489,868.</u>

Form at bottom of page.
FORM FTB 3538 (565)

WHERE TO FILE: Using blue or black ink, make check or money order payable to the 'Franchise Tax Board.' Write the FEIN, SOS file number, and '2009 FTB 3538' on the check or money order. Detach form below. Enclose, but **do not** staple, payment with form and mail to:

**FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0651**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

WHEN TO FILE: Fiscal Year – File and Pay by the 15th day of the 4th month following the close of the taxable year.
Calendar Year – File and Pay by April 15, 2010.

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

----- DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM ----- DETACH HERE -----

TAXABLE YEAR

2009

**Payment for Automatic Extension
for LPs, LLPs, and REMICs**

CALIFORNIA FORM

3538 (565)

20-8154233 HENR 200633500006 [REDACTED]
TYB 01-01-09 TYE 12-31-09
HENRY J TOSTA JR FAMILY LP

09

FORM 0

TOTAL PAYMENT AMT

800.

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



September 13, 2010

HENRY J. TOSTA



RE:
HENRY J. TOSTA, JR. FAMILY, L.P.
20-8154233
Schedule K-1 from Partnership's 2009 Return of Income

Dear HENRY J. TOSTA:

Enclosed is your 2009 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 2009 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)

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.
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
G General partner or LLC member-manager
H Domestic partner
I What type of entity is this partner? INDIVIDUAL
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. Includes rows for 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), and Distributions.

*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. possesson	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	Form 1116, Part I
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 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 14	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 7	F Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
V Employer's W-2 wages	Form 8903, line 15	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 rental credits	Form 1040, line 70; check box a	T Depletion information — oil and gas	
H Undistributed capital gains credit	Form 6478, line 7	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 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	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><u>-326.</u></u>		

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

2009

K-1 (565)

For calendar year 2009 or fiscal year beginning month day year 2009, and ending month day year

Partner's identifying number [REDACTED] **Partnership's FEIN** 20-8154233
Secretary of State file number 200633500006

Partner's name, address, city, state, and ZIP Code
 Partnership's name, address, city, state, and ZIP Code

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 % 1.0000 %
 Loss sharing % 1.0000 %
 Ownership of capital % 1.0000 %

E Partner's share of liabilities:
 Nonrecourse \$
 Qualified nonrecourse financing \$ 47,392.
 Other \$ 62,613.

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)
25,083.		-9,739.	(444.)	14,900.

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
1 Ordinary income (loss) from trade or business activities	-10,150.	-4.	-10,154.	
2 Net income (loss) from rental real estate activities PG. 4	-326.		-326.	
3 Net income (loss) from other rental activities				
4 Guaranteed payments to partners				
5 Interest income	1.		1.	
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)	739.		739.	
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

	(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	3.		3.	
	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 Items (AMT)	17a Depreciation adjustment on property placed in service after 1986	24.	12.	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		8.	8.	
Distributions	19a Distributions of money (cash and marketable securities)	444.		444.	
	b Distributions of property other than money				
Other Information	20a Investment income	1.		1.	
	b Investment expenses				
	c Other information. See instructions			SEE ATTACHED	

PARTNER 1: HENRY J. TOSTA [REDACTED]

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 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>		

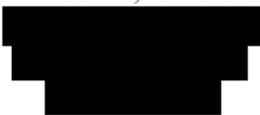
**LINE 13A, COLUMN (D)
CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 3.
TOTAL	<u>\$ 3.</u>

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

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 24,161.
TOTAL	<u>\$ 24,161.</u>

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



September 13, 2010

HENRY J. TOSTA, JR. TRUST
DATED OCTOBER 16, 2006



RE:
HENRY J. TOSTA, JR. FAMILY, L.P.
20-8154233
Schedule K-1 from Partnership's 2009 Return of Income

Dear HENRY J. TOSTA, JR. TRUST:

Enclosed is your 2009 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 2009 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)

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.
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
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? Tax basis GAAP Section 704(b) book Other (explain) Yes No

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) -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, and 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>
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. possesson	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	Form 1116, Part I
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 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 14	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 7	F Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
V Employer's W-2 wages	Form 8903, line 15	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 rental credits	Form 1040, line 70; check box a	T Depletion information — oil and gas	
H Undistributed capital gains credit	Form 6478, line 7	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 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

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

2009

K-1 (565)

For calendar year 2009 or fiscal year beginning month day year 2009, and ending month day year

Partner's identifying number [REDACTED] **Partnership's FEIN** 20-8154233

Partner's name, address, city, state, and ZIP Code **Secretary of State file number** 200633500006

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 ● \$ 4,217,902.
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)
● 2,232,254.	●	● -866,772.	● (39,499.)	● 1,325,983.

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
1	Ordinary income (loss) from trade or business activities.....	-903,306.	-403.	-903,709.	▶
2	Net income (loss) from rental real estate activities..... PG. 4	-28,937.		-28,937.	▶
3	Net income (loss) from other rental activities.....				▶
4	Guaranteed payments to partners.....				▶
5	Interest income.....	46.		46.	▶
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).....	65,829.		65,829.	▶
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

	(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	334.		334.	
	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 Items (AMT)	17a Depreciation adjustment on property placed in service after 1986	2,103.	1,114.	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		712.	712.	
Distributions	19a Distributions of money (cash and marketable securities)	39,499.		39,499.	
	b Distributions of property other than money				
Other Information	20a Investment income	46.		46.	
	b Investment expenses				
	c Other information. See instructions			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 DESCRIPTION	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
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>		

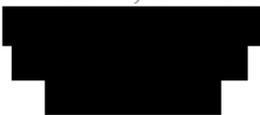
**LINE 13A, COLUMN (D)
CHARITABLE CONTRIBUTIONS**

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 334.
TOTAL	<u>\$ 334.</u>

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

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 2,150,303.
TOTAL	<u>\$ 2,150,303.</u>

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



September 13, 2010

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



RE:
HENRY J. TOSTA, JR. FAMILY, L.P.
20-8154233
Schedule K-1 from Partnership's 2009 Return of Income

Dear HENRY J. TOSTA, JR IRREVOCABLE:

Enclosed is your 2009 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 2009 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)

2009

Final K-1 Amended K-1

Department of the Treasury Internal Revenue Service

For calendar year 2009, or tax year beginning ending 2009

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.
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 20-7213441
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
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 3 columns: Line number, Description, and Amount. Rows include Ordinary business income (loss) -101,495, Net rental real estate income (loss) -3,251, Other net rental income (loss), Guaranteed payments, Interest income 5, Ordinary dividends, Qualified dividends, Royalties, Net short-term capital gain (loss), Net long-term capital gain (loss) 236, Collectibles (28%) gain (loss), Unrecaptured section 1250 gain, Net section 1231 gain (loss) 7,397, Other income (loss), Section 179 deduction, Other deductions 38, Self-employment earnings (loss) 229,918, Distributions 4,438, Other information 5.

*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. possesson	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 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 14	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 7	F Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
V Employer's W-2 wages	Form 8903, line 15	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 rental credits	Form 1040, line 70; check box a	T Depletion information — oil and gas	
H Undistributed capital gains credit	Form 6478, line 7	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 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>		

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

2009

K-1 (565)

For calendar year 2009 or fiscal year beginning month day year 2009, and ending month day year

Partner's identifying number 20-7213441 **Partnership's FEIN** 20-8154233

Partner's name, address, city, state, and ZIP Code **Secretary of State file number** 200633500006

Partner's name, address, city, state, and ZIP Code

HENRY J. TOSTA, JR IRREVOCABLE
F . 21, 2006

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:

(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 ● \$ 473,922.
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)
● 250,813.	●	● -97,390.	● (4,438.)	● 148,985.

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
1	Ordinary income (loss) from trade or business activities.....	-101,495.	-45. ●	-101,540. ▶	
2	Net income (loss) from rental real estate activities..... PG. 4	-3,251.	●	-3,251. ▶	
3	Net income (loss) from other rental activities.....				
4	Guaranteed payments to partners.....		●	▶	
5	Interest income.....	5.	●	5. ▶	
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).....	7,397.	●	7,397. ▶	
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

	(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	38.		38.	
	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 Items (AMT)	17a Depreciation adjustment on property placed in service after 1986	236.	126.	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		80.	80.	
Distributions	19a Distributions of money (cash and marketable securities)	4,438.		4,438.	
	b Distributions of property other than money				
Other Information	20a Investment income	5.		5.	
	b Investment expenses				
	c Other information. See instructions			SEE ATTACHED	

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 DESCRIPTION	GROSS INCOME	NET EXPENSES	NET INCOME	PASSIVE NONPASS	SEC. 1231 TOTAL
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>		

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

CASH CONTRIBUTIONS - 50% LIMITATION	\$ 38.
TOTAL	<u>\$ 38.</u>

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

PROPORTIONATE INT. OF AGGREGATE GROSS RECEIPTS	\$ 241,607.
TOTAL	<u>\$ 241,607.</u>