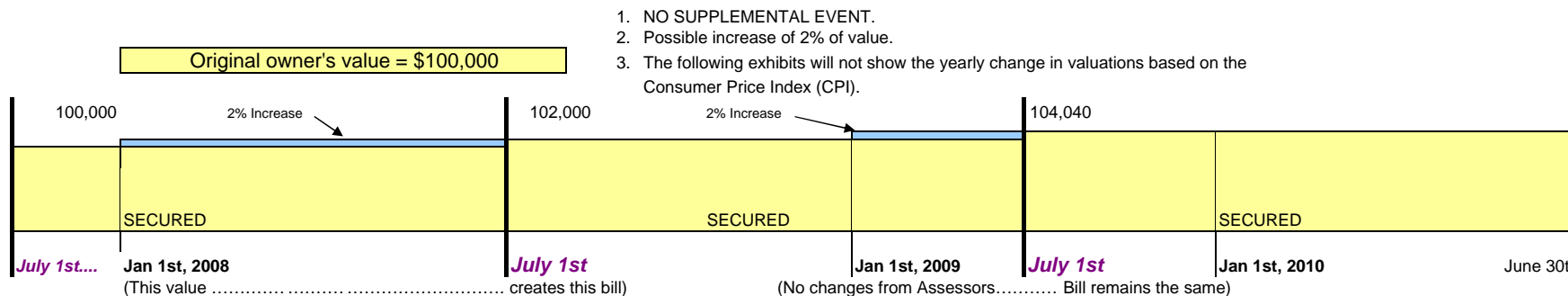


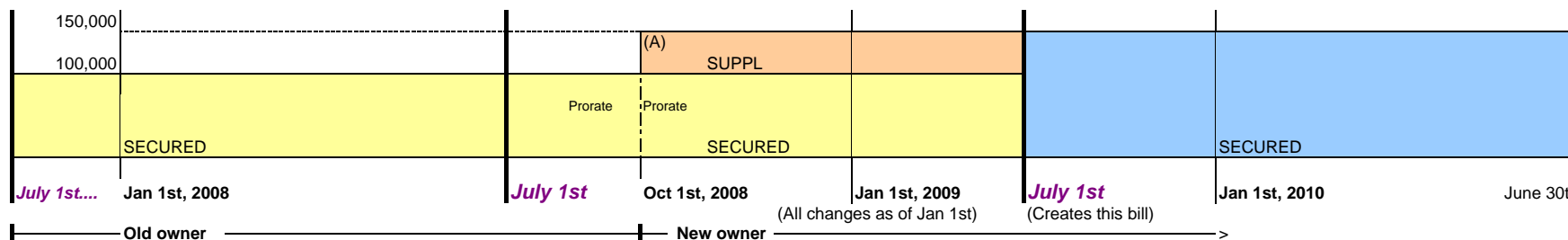
AUDITOR'S BILLING - Bills created based on Assessor's Lien Date of January 1st

The roll value on January 1st is the value that generates the Auditor's Secured Bills on the Roll Being Prepared.

**(EXHIBIT 1)****Event**

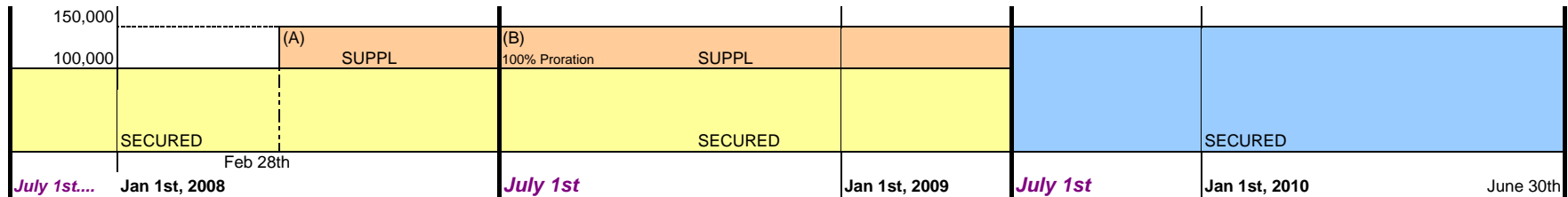
October 1st Change of Ownership

1. ONE SUPPLEMENTAL BILL CREATED FOR THE INCREASED VALUE (A)
2. The current year Secured bill is prorated. This is done in escrow.
3. The values are combined for the roll being prepared.

**(EXHIBIT 2)**

1. TWO SUPPLEMENTAL BILLS CREATED FOR THE INCREASED VALUE
(A) For the current roll, and (B) for the roll being prepared.
2. The current year Secured bill is unchanged and the next roll year is unchanged
3. The values are combined for the 2nd fiscal year following the date of event.

1st Event Feb 28th construction completed

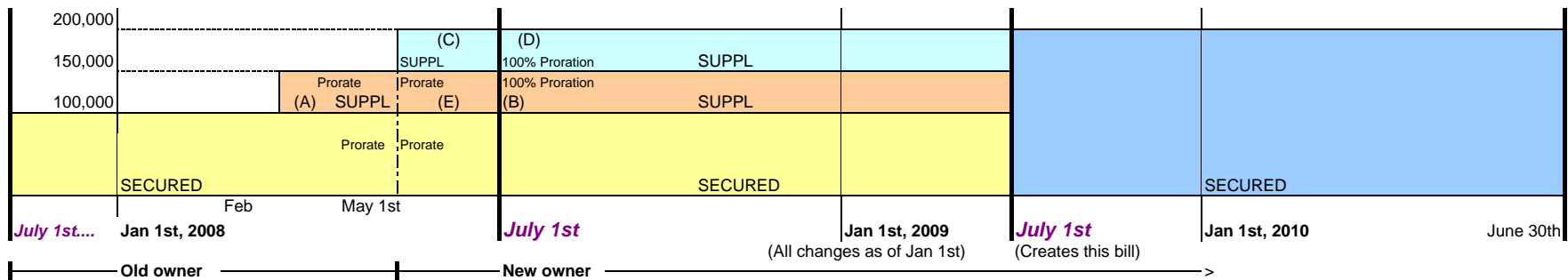


(EXHIBIT 3)

1st Event Feb 28th construction completed

2nd Event May 1st Change of Ownership

1. MULTIPLE NEW SUPPLEMENTAL ASSESSMENTS. (C & D)
2. Original supplementals are prorated (A & B) which creates a new supplemental bill (E)
3. The \$200,000 value as of Jan. 2009 is the basis for the FY 09/10 secured bill.



(EXHIBIT 4)

1st Event

Feb 28th change of ownership (negative assessment)

100,000

85,000

Prorate

Prorate

SECURED

SECURED

SECURED

July 1st...

Jan 1st, 2008

Feb 28st

July 1st

Jan 1st, 2009

July 1st

Jan 1st, 2010

June 30th

(All changes as of Jan 1st)

(Creates this bill)

1.

2.

3.

TWO SUPPLEMENTAL BILLS CREATED FOR THE NEGATIVE VALUE (A & B)

a. One for the current roll, and one for the roll being prepared.

The current year Secured bill is unchanged and the next roll year Secured bill is unchanged

a. The Cr Secured bill is prorated in escrow, and a name change on roll being prepared

The values are decreased for negative assessment the 2nd fiscal year following the date of event

(EXHIBIT 5)