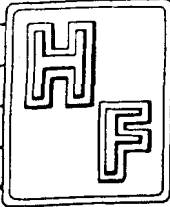


WILLIAM P. LEAR FAMILY TRUST B
CHARGE AND DISCHARGE STATEMENT
FOR THE FISCAL YEAR
MAY 1, 1985 TO APRIL 30, 1986



HOLLANDER, FREEDMAN, HARRISON & FINE

CERTIFIED PUBLIC ACCOUNTANTS

ROBERT E. HOLLANDER, C.P.A./MARVIN H. FREEDMAN, C.P.A./DANIEL HARRISON, C.P.A.

ALAN G. FINE, C.P.A./DAVID E. LAZARUS, C.P.A./PETER F. BANK, C.P.A.

Messrs. James L. Murphy, Harold P. Dayton
and Richard B. Rowley, Co-Trustees of the
William P. Lear Family Trust B
350 South Center
Reno, Nevada 89504

Gentlemen:

We have compiled the accompanying charge and discharge statement and related schedules of the William P. Lear Family Trust B for the fiscal year May 1, 1985 to April 30, 1986, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting the transactions in charge and discharge form and is the representation of the Co-Trustees. We have not audited or reviewed the accompanying charge and discharge statement and related schedules and, accordingly, do not express an opinion or any other form of assurance on them.

Peter F. Bank

Peter F. Bank
Certified Public Accountant

Beverly Hills, California
March 3, 1987

william P. Lear Family Trust B
Charge and Discharge Statement
For the Fiscal Year
May 1, 1985 to April 30, 1986

Charges:

Property on hand April 30, 1985 (Schedule A)		\$ 4,716,762.17
Income (Schedule B)		
Interest income	\$ 15,202.14	
Rental income	<u>6,714.36</u>	21,916.50
Gain on sales of land (Schedule C)	—	<u>470,471.06</u>
 Total charges		 <u><u>\$ 5,209,149.73</u></u>

Credits:

Expense (Schedule D)		\$ 207,187.19
Payments to William P. Lear Trust A to enable it to pay its Trustees fees, professional services and administra- tive expense		6,780.00
Reduction in Liabilities:		
Payments of principal to Nevada National Bank on Hangar loan		21,618.15
Payment of remaining cost of moving water line on land sold December 20, 1984 to Donnelly		13,316.24
Property on hand, April 30, 1986 (Schedule E)		<u>4,960,248.15</u>
 Total credits		 <u><u>\$ 5,209,149.73</u></u>

Unaudited
See Accountant's Compilation Report

William P. Lear Family Trust B
Property on Hand
May 1, 1985

Schedule A

Undivided one-half interest in land and buildings near Reno/Stead
Airport, Washoe County, Nevada:

Remaining portion of approximately 2,352 acres of vacant land			\$ 2,345,593.02
Remaining portion of approximately 29.27 acres of land and small buildings:			
Land		\$ 272,414.63	
Buildings	\$ 331,500.00		
Building improvements	<u>9,326.60</u>	<u>340,826.60</u>	613,241.23
Hangar building		425,000.00	
Building improvements		<u>15,458.32</u>	<u>440,458.32</u>
Total interest in real estate			3,399,292.57
Cash in First Interstate Bank			115,168.78
Time Certificate of Deposit - Security Bank of Nevada			200,000.00
Note receivable - North Valley Homes #2			168,000.00
Investment in Silver Lake Water Distribution Co.			515,300.10
Due from Estate of William P. Lear			<u>319,000.72</u>
Total property on hand			<u>\$ 4,716,762.17</u>

Unaudited
See Accountant's Compilation Report

William P. Lear Family Trust B
Income
May 1, 1985 to April 30, 1986

Schedule B

Interest Income

First Interstate Bank	\$ 2,704.83	
Security Bank of Nevada - Time Certificates of Deposit	— 12,405.58	
North Valley Homes, Inc. - Unit #2	31.45	
Silver Lake Water Distribution Co.	<u>60.28</u>	
Total interest income		\$ 15,202.14

Rental Income

Collected through Leareno Development Co. 12 months @ \$559.53	<u>6,714.36</u>	
Total income		<u>\$ 21,916.50</u>

Unaudited
See Accountant's Compilation Report

William P. Lear Family Trust B
Gain on Sales of Land
May 1, 1985 to April 30, 1986

Schedule C

February 10, 1986 Sale of Trust's one-half interest in
approximately 593 acres of vacant land to Airport
Authority of Washoe County:

Gross sale price	\$ 600,000.00	
Expense of sale	<u>573.25</u>	
Net sale price	599,426.75	
Cost basis	<u>295,500.00</u>	
Gain on sale		\$ 303,926.75

April 4, 1986 Sale of Trust's one-half interest in
approximately 10 acres of vacant land to North
Valley Homes, Inc. (Learenno Estates Unit #3):

Gross sale price	\$ 218,500.00	
Expense of sale	<u>428.90</u>	
Net sale price	218,071.10	
Cost basis	<u>51,526.79</u>	
Gain on sale		<u>166,544.31</u>
Total gain on sales of land		<u>\$ 470,471.06</u>

Unaudited
See Accountant's Compilation Report

William P. Lear Family Trust B
Expense
May 1, 1985 to April 30, 1986

Schedule D

Expense Regarding Real Properties:

Property taxes	\$ 28,321.38	
Interest - Nevada National Bank (Hangar loan)	17,067.57	
Salaries and employee benefits	27,364.42	
Repairs (Hangar)	489.00	
Advertising	252.25	
Management fees, overhead, office and miscellaneous	<u>44,081.05</u>	\$ 117,575.67

Administration Expense:

Trustees' fees	72,000.00	
Legal and accounting fees	<u>17,611.52</u>	<u>89,611.52</u>

Total expense

\$ 207,187.19

Unaudited
See Accountant's Compilation Report

William P. Lear Family Trust B
Property on Hand
April 30, 1986

Schedule E

Undivided one-half interest in land and buildings near
Reno/Stead Airport, Washoe County, Nevada:

Remaining portion of approximately 2,352 acres of vacant land			\$ 2,002,559.77
Remaining portion of approximately 29.24 acres of land and small buildings:			
Land		\$ 272,414.63	
Buildings	\$ 331,500.00		
Building improvements	<u>9,326.60</u>	<u>340,826.60</u>	613,241.23
Hangar building		425,000.00	
Building improvements		<u>15,458.32</u>	<u>440,458.32</u>
Total interest in real estate			3,056,259.32
Cash in First Interstate Bank			51,619.35
Time Certificate of Deposit:			
Security Bank of Nevada			156,295.46
First Interstate Bank (escrow)			75,000.00
Investment in Silver Lake Water Distribution Co.			530,300.10
Notes Receivable - North Valley Homes:			
Unit #2	\$ 150,500.00		
Unit #3	<u>162,000.00</u>		312,500.00
Funds held in escrow pending release of lien by Internal Revenue Service			53,673.11
Funds held in escrow (North Valley Homes, Unit #2)			750.00
Due from Estate of William P. Lear (including \$525,500 paid to Internal Revenue Service)			<u>723,850.81</u>
Total property on hand			<u>\$ 4,960,248.15</u>

Unaudited
See Accountant's Compilation Report