

**CHARGE AND DISCHARGE STATEMENT  
AND  
ACCOUNTANTS' COMPILATION REPORT**

**WILLIAM P. LEAR FAMILY TRUST**

**January 1, 1990 to December 31, 1990**

*EXHIBIT "C"*

**Grant Thornton** 

Accountants and  
Management Consultants

The U.S. Member Firm of  
Grant Thornton International

## **Accountants' Compilation Report**

**James L. Murphy, Harold P. Dayton  
and Richard B. Rowley, Co-Trustees  
William P. Lear Family Trust**

We have compiled the accompanying charge and discharge statement and related schedules for the William P. Lear Family Trust for the period January 1, 1990 to December 31, 1990, in accordance with standards established by the American Institute of Certified Public Accountants.

The Trust's policy is to prepare its statement on the basis of cash receipts and disbursements; consequently, certain revenue is recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying statement and related schedules are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

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

We are not independent with respect to the William P. Lear Family Trust.

*Grant Thornton*

Reno, Nevada  
January 30, 1991

**William P. Lear Family Trust**

**CHARGE AND DISCHARGE STATEMENT**

**January 1, 1990 to December 31, 1990**  
(See accountants' compilation report)

**First as to Principal**

**The Trustees charge themselves with:**

Principal inventory of assets as of December 31, 1990 and 1989		<u>\$6,562,152.64</u>
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**Second as to Income**

**The Trustees charge themselves with:**

Undistributed income as of January 1, 1990		69,962.80
Interest received (Schedule 2)	\$68,804.64	
Rents received	76,333.58	
Option extension fees received		
Lewis Homes	25,000.00	
Gain on sale of land	<u>17,070.00</u>	
		<u>187,208.22</u>
		257,171.02

**The Trustees credit themselves with:**

Costs of administration (Schedule 3)		<u>245,291.87</u>
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**DISTRIBUTABLE INCOME REMAINING  
CHARGEABLE TO THE TRUSTEES  
AS OF DECEMBER 31, 1990**

11,879.15

**TOTAL INVENTORY OF ASSETS  
REMAINING CHARGEABLE TO THE  
TRUSTEES AS OF DECEMBER 31,  
1990 (Schedule 4)**

\$6,574,031.79

William P. Lear Family Trust

INVENTORY OF ASSETS

Schedule 1

December 31, 1989

(See accountants' compilation report)

Undivided one-half interest in land and buildings near Reno/Stead Airport, Washoe County, Nevada		
Remaining portion (approximately 1,075.05 acres of vacant land including \$1,336.50 cost of mapping)		\$2,626,788.00
Remaining portion (approximately 44.23 acres of M-1 land and small buildings)		
Land	\$302,036.00	
Buildings	331,500.00	
Building improvements	<u>9,326.60</u>	642,862.60
Hangar land	70,000.00	
Hangar building	355,000.00	
Building improvements	<u>15,458.32</u>	<u>440,458.32</u>
Total interest in real estate and equipment		3,710,108.92
Cash in First Interstate Bank		66,658.19
Notes receivable - North Valley Homes, Inc.		
Leareno Estates unit #3	72,000.00	
Leareno Estates unit #5	<u>174,000.00</u>	246,000.00
Note receivable - Upland Industrial Development		259,632.00
Due from Leareno Development Company		23,207.72
Due from Estate of William P. Lear (including \$765,000 paid to Internal Revenue Service)		877,791.90
Investment in and notes receivable from Silver Lake Water Distribution Company		1,079,081.18
Investment in Leareno Development Company		209,052.40
Investment in Learavia - 500 shares of stock		500.00
Cash held by Paine Webber		1,083.13
Investments held by Paine Webber		<u>159,000.00</u>
<b>INVENTORY REMAINING CHARGEABLE TO THE TRUSTEES AS OF DECEMBER 31, 1989</b>		<b><u>\$6,632,115.44</u></b>
Consisting of:		
Principal inventory		\$6,562,152.64
Distributable income		<u>69,962.80</u>
		<b><u>\$6,632,115.44</u></b>

**William P. Lear Family Trust**

**INTEREST INCOME**

**Schedule 2**

**January 1, 1990 to December 31, 1990**  
**(See accountants' compilation report)**

**Interest received from:**

First Interstate Bank - Checking Account	\$ 3,739.90
Paine Webber - RMA Account	1,317.31
U.S. Government - Treasury Bills	5,881.24
Paine Webber - Certificates of Deposit	11,411.08
Silver Lake Water Distribution Company	21,770.92
Gill's Engines	235.73
Upland Industrial Development	<u>24,448.46</u>
Total interest income	<u>\$68,804.64</u>

**William P. Lear Family Trust**

**COSTS OF ADMINISTRATION**

Schedule 3

**January 1, 1990 to December 31, 1990**  
**(See accountants' compilation report)**

Property taxes	\$ 50,294.84
Building repairs	16,610.15
Management fees - Leareno Development Company	6,000.00
Management salary	33,565.66
General overhead	18,209.92
Insurance	15,197.25
Miscellaneous	5,947.60
Professional fees	14,334.43
Trustee fees	72,000.00
Legal and accounting fees	<u>13,132.02</u>
 Total costs of administration	 <u>\$245,291.87</u>

**William P. Lear Family Trust**

**INVENTORY OF ASSETS**

Schedule 4

**December 31, 1990**

**(See accountants' compilation report)**

Undivided one-half interest in land and buildings near Reno/Stead Airport, Washoe County, Nevada		
Remaining portion (approximately 1,075.05 acres of vacant land including \$11,336.50 cost of mapping)		\$2,636,788.00
Remaining portion (approximately 43.23 acres of M-1 land and small buildings)		
Land	\$292,936.00	
Buildings	328,000.00	
Building improvements	<u>9,326.60</u>	630,262.60
Hangar land	70,000.00	
Hangar building	355,000.00	
Building improvements	<u>15,458.32</u>	<u>440,458.32</u>
Total interest in real estate and equipment		3,707,508.92
Cash in First Interstate Bank		13,429.77
Notes receivable - North Valley Homes, Inc.		
Learenos Estates unit #3	72,000.00	
Learenos Estates unit #5	<u>174,000.00</u>	246,000.00
Note receivable - Gill's Engines		6,351.37
Paine Webber Investments		
Cash	76,098.32	
Certificates of deposit	<u>63,000.00</u>	139,098.32
Treasury Bills		241,502.78
Due from Estate of William P. Lear (including \$795,000 paid to Internal Revenue Service)		907,791.90
Investment in and notes receivable from Silver Lake Water Distribution Company		1,129,352.10
Investment in Learenos Development Company		209,052.40
Investment in Learavia - 500 shares of stock		500.00
Due to Learenos Development Company		( <u>26,555.77</u> )
<b>INVENTORY REMAINING</b>		
<b>CHARGEABLE TO THE TRUSTEES AS OF</b>		
<b>DECEMBER 31, 1990</b>		<u>\$6,574,031.79</u>
Consisting of:		
Principal inventory		\$6,562,152.64
Distributable income		<u>11,879.15</u>
		<u>\$6,574,031.79</u>