

**MISSION-WEST VALLEY LAND CORPORATION
BOARD OF DIRECTORS**

(It is noted that all members of the Board of Trustees of the West Valley-Mission Community College District are members of this Board and all or a majority of the Trustees may be in attendance at this meeting)

NOTICE OF REGULAR MEETING and AGENDA

April 17, 2012

5:00 p.m.

Board Room
West Valley College
Saratoga, California

- 1. Call to order/Roll Call**
- 2. Approval of the order of the agenda**
- 3. Oral communications from the public on items not listed elsewhere on the agenda**
- 4. Approval of the minutes of the meeting of March 20, 2012**
- 5. Executive Director's Report**

This item may include a report on matters not noticed elsewhere on the agenda. The report may include information regarding the status of ground tenants, burrowing owls, construction and/or the general business of the Land Corporation.

- 6. Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of March 31, 2012**

This item may include review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of March 31, 2012.

7. **Review, consideration and possible action to authorize the Executive Director to execute on the Land Corporation's behalf a contract with Vavrinek, Trine, Day & Co., LLP for the performance of an audit of the fiscal year-end financials dated June 30, 2012**

This item may include review, consideration and possible action as described above.

8. **A discussion about the make-up of the Corporation's Board of Directors**

This item is placed on the agenda at the request of Director Stampolis for discussion.

9. **A discussion about the Land Corporation considering means of increasing its annual earnings by investing a portion of its reserves differently than currently deployed.**

This item is placed on the agenda at the request of President Heimlich for discussion.

10. **Director's Reports**

11. **Adjournment**

MISSION-WEST VALLEY LAND CORPORATION

Board of Directors

Regular Meeting

Minutes

March 20, 2012

A regular meeting of the Board of Directors of the Mission-West Valley Land Corporation was called to order by President Heimlich at 5:06 p.m. in TAV 130, Mission College, Santa Clara, California.

Directors present: Owens, Polk, Heimlich, Grey, and Stampolis

Directors absent: Walsh, Lucas

Others present: Hendrickson, Perlberger, Maduli, Gaskin, Jones

1. Call to order/Roll Call

2. Approval of the order of the agenda

There was a motion by Owens, seconded by Polk, to “approve the order of the agenda as presented.” The motion carried unanimously with Walsh and Lucas absent and not voting (5-0).

3. Oral communications from the public on items not listed elsewhere on the agenda

None.

4. Approval of the minutes of the meeting of January 17, 2012

The Executive Director noted a correction in the amount under Item #9 from \$340,360 to \$347,360. There was a motion by Owens, seconded by Polk, to “approve the minutes of the meeting of January 17, 2012 with the Executive Director’s correction included.” The motion carried unanimously with Walsh and Lucas absent and not voting (5-0).

5. Executive Director’s Report

The Executive Director discussed observations in touring tenant properties. Per the executed QTS lease amendment, the Executive Director is working with them on their application for entitlements from the City. The Executive Director

reminded the Board that separate FPPC Form 700 filings for their service on the Land Corporation are due by April 2nd. The Executive Director confirmed that the annual tax returns were filed timely and informed the Board that next month it will likely consider a proposal for audit services for the current fiscal year.

6. Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of January 31, 2012

There was a motion by Owens, seconded by Polk, to “accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of January 31, 2012.” The motion carried unanimously with Walsh and Lucas absent and not voting (5-0).

7. Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of February 29, 2012

There was a motion by Owens, seconded by Polk, to “accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of February 29, 2012.” The motion carried unanimously with Walsh and Lucas absent and not voting (5-0). Directors Owens and Stampolis questioned why the District continues to seek no special project expenditure reimbursements in the current statements considered. Vice Chancellor Maduli responded regarding the status and timing of expenditures versus reimbursement billings to the Land Corporation for special project funding.

8. Review, consideration and possible action to amend the 2012-2013 Project Budget to include funding for a contingency reserve in the amount of \$26,000 for the West Valley College Child Development Center

President Gaskin presented this item for Board consideration and introduced Dr. Kobayashi to discuss the pilot plan for the Center.

Director Owens questioned why this project was being considered prior to and separately from any other special projects for the fiscal year. Dr. Kobayashi reported that the revised Child Care Center staffing and operations model is expected to be self-supporting. Funds are requested to provide a contingency for only the 2012/13 fiscal year in the event that revenues are less than anticipated. A discussion ensued.

There was a motion by Stampolis, seconded by Grey, to “approve the item as presented.” Motion passed unanimously with Walsh and Lucas absent and not voting (5-0).

9. Director’s Reports

Director Stampolis asked for clarification on adding agenda items. He expressed a desire for the Board to discuss the makeup of the Board, and asked that the Executive Director include the ex-officio officers in the roll call. The Executive Director agreed to place the topic of the Board make-up on a future agenda and to include the ex-officio’s in roll call.

Director Stampolis also suggested that the Board discuss publishing its tax returns online.

10. Adjourned at 5:44 p.m. by President Heimlich.

April 17, 2012

To: Board of Directors
Mission-West Valley Land Corporation

From: Jerry Donnard
Bookkeeper

Subject: Financial Statements

Attached is the financial statement for March 31, 2012.

Please refer to the footnotes for any unusual or unexpected fluctuations in the Monthly or Year-to-Date expenses.

Please contact Mark or me if there are any questions regarding the statement.

Mission West Valley Land Corporation
Statement of Revenues, Expenses and Changes in Fund Balance
Budget vs Actual

As of March 31, 2012

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
Revenues			
Ground Lease Revenues			
<i>LAKHA Properties</i>	\$ 1,046,250	\$ 79,167	\$ 808,750
<i>Sobrato/S-3: Phase I</i>	1,002,375	83,049	747,438
<i>Sobrato/S3: Phase II</i>	701,806	58,484	526,355
<i>Quality Technology</i>	1,085,032	90,419	813,774
<i>General Interest Revenue</i>	40,000	\$ -	\$ 18,061
Gross Revenue	\$ 3,875,464	\$ 311,119	\$ 2,914,378
Expenses:			
Administrative and Operating Expenses			
<i>Audit Services</i>	\$ 12,000	\$ -	\$ 11,550
<i>Office Supplies</i>	500	57	111
<i>Property Taxes</i>	400	-	436
<i>Legal Fees</i>	60,000	-	20,134
<i>Financial Services</i>	7,000	225	3,915
<i>Executive Director/Project Manager</i>	84,000	7,000	62,500
<i>WVMCCD Rent Fees (25% of Revenues)</i>	958,866	-	484,386
Total Administrative and Operating Expenses	\$ 1,122,766	\$ 7,282	\$ 583,031
Scheduled Maintenance			
<i>08/09 Scheduled Maintenance</i>	\$ 116,914	\$ -	\$ 71,409
<i>09/10 & 10/11 Scheduled Maintenance</i>	400,000		
Total Scheduled Maintenance Expenses	\$ 516,914	\$ -	\$ 71,409
Other Expenses			
<i>District HVAC & Lighting Energy Retrofit Projects</i>	347,360	\$ 347,360	\$ 347,360
<i>District 2011-2012 Budget Backfill</i>	1,560,472	\$ -	\$ 1,560,472
Total Other Expenses	\$ 1,907,832	\$ 347,360	\$ 1,907,832
Excess of Revenues Over Expenses Before Special Project Expenses			
	\$ 327,952	\$ (43,524)	\$ 352,106
Special Projects Ongoing			
<i>Marketing</i>	\$ 181,204	\$ -	\$ 22,360
<i>Web Content Mgmt System - WVC</i>	52,751		
<i>Library Materials - WVC</i>	46,000		23,243
<i>Upgrade Computers in Tech Lab, IC-B, Library</i>	30,423		11,723
<i>Multi-Media Classrooms</i>	48,823		41,700
<i>Adapted Software/Hardware</i>	16,418		15,885
<i>Adapted Furniture for students w/Disabilities</i>	22,696		22,696
<i>SLO Module</i>	11,008		6,769
<i>Virtual DLR</i>	38,677		4,284

Mission West Valley Land Corporation
Statement of Revenues, Expenses and Changes in Fund Balance
Budget vs Actual

As of March 31, 2012

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
<i>Welcome Center - WVC</i>	89,833		366
<i>WVC Website Reorg, Revised Design, Schedule</i>	16,000		
<i>AutoDESK Software</i>	5,985		5,676
<i>Integrated Recycle & Disp Collection Project - WVC</i>	37,000		21,494
<i>Computer Upgrades in AAS Classrooms</i>	28,124		
<i>Puente Project & SUCCESS Program</i>	36,280		650
<i>ET Enhanced Project</i>	17,032		3,054
<i>Certificate, Degree & Transfer Program</i>	61,990	13,943	28,035
<i>Critical Instructional Equip for Lab Classrooms</i>	10,812	4,572	4,572
<i>Gym Air Conditioning - MC</i>	256,705		
<i>Welcome Center - MC</i>	4,551		4,551
<i>Library Space Modernization</i>	44,455		1,482
<i>Integrated Recycle & Disp Collection Project - MC</i>	1,722		
<i>Employee Assistance & Transition Programs</i>	108,260		13,810
<i>Mobile Patrol Computers</i>	14,501		10,988
<i>Desktop Optimization</i>	47,410		45,604
<i>Payroll Document Mgmt System</i>	73,839		15,901
Total Special Projects Expenses	\$ 1,302,499	\$ 18,516	\$ 304,842
Excess of Revenues Over Expenses	\$ (974,547)	\$ (62,039)	\$ 47,264
<i>Current Year Contributions to Endowment Fund</i>	\$ 383,546		
<i>Assignment of Interest to Endowment</i>	1,870		
Total 11-12 Endowment Contribution	\$ 385,416	\$ -	\$ -
Excess of Revenues Over Expenses and Endowment	\$ (1,359,964)	\$ (62,039)	\$ 47,264

Statement of Changes in Fund Balance

Statement of Revenues and
Expenses From June 30,
2011

Net Assets June 30, 2011	\$ 8,783,446
less Amortization of Prepaid Expenses	\$ 14,977
	\$ 8,768,469

Restrictions and Designations of Net Assets	
Endowment Fund	\$ 424,321
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 637,710
Contingency Reserve	\$ 1,500,000
Undesignated Fund Balance	\$ 6,189,736

Excess of Revenues over Expenses in 11-12	\$ (974,547)
less Amortization of Prepaid Expenses	\$ 14,977
Projected net increase in fund balance	\$ (989,524)

Transfer of Endowment to Adv. Foundation

Projected Net Assets June 30, 2012	\$ 7,778,945
Restrictions and Designations of Net Assets	
Endowment Fund	\$ 809,737
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 622,733
Contingency Reserve	\$ 1,500,000
Undesignated Fund Balance	\$ 4,829,772

Current Month Cash Balance:

Month End Checking Acct Balance	\$ 80,422
Month End LAIF Acct Balance	\$ 8,863,092

Previous Month Cash Balance:

Month End Checking Acct Balance	\$ 1,136
Month End LAIF Acct Balance	\$ 8,863,092

**Schedule for
Restriction on reserves for endowment
effective 6/30/00**

	Contributions	Additions/ Interest	Cumulative Balance	LAIF interest rate	Endowment Transfers
Jun 2000 Beginning Balance	\$325,450				
Sep 2000		\$5,264	\$330,714	6.47% Actual	
Dec 2000		\$5,391	\$336,105	6.52% Actual	
Mar 2001		\$5,176	\$341,281	6.16% Actual	
Jun 2001		\$4,539	\$345,820	5.32% Actual	
Sep 2001		\$3,865	\$349,684	4.47% Actual	
Dec 2001		\$3,077	\$352,762	3.52% Actual	
Mar 2002		\$2,610	\$355,372	2.96% Actual	
Jun 2002	\$372,772	\$2,443	\$730,587	2.75% Actual	\$11,995
Sep 2002		\$4,804	\$735,391	2.63% Actual	
Dec 2002		\$4,247	\$739,638	2.31% Actual	
Mar 2003		\$3,661	\$743,299	1.98% Actual	
Jun 2003	\$402,746	\$3,289	\$1,149,334	1.77% Actual	\$16,001
Sep 2003		\$4,684	\$1,154,018	1.63% Actual	
Dec 2003		\$4,501	\$1,158,518	1.56% Actual	
Mar 2004	\$332,912	\$4,258	\$1,495,688	1.47% Actual	
Jun 2004	\$357,445	\$5,384	\$1,858,517	1.44% Actual	\$18,826
Sep 2004		\$7,759	\$1,866,277	1.67% Actual	
Dec 2004		\$9,331	\$1,875,608	2.00% Actual	
Mar 2005		\$11,160	\$1,886,768	2.38% Actual	
Jun 2005	\$358,231	\$13,443	\$2,258,442	2.85% Actual	\$41,694
Sep 2005		\$17,955	\$2,276,397	3.18% Actual	
Dec 2005		\$20,658	\$2,297,055	3.63% Actual	
Mar 2006		\$23,143	\$2,320,198	4.03% Actual	
Jun 2006	\$381,977	\$26,276	\$2,728,451	4.53% Actual	\$88,032
Sep 2006		\$33,628	\$2,762,079	4.93% Actual	
Dec 2006		\$35,286	\$2,797,365	5.11% Actual	
Mar 2007		\$36,156	\$2,833,521	5.17% Actual	
Jun 2007	\$426,809	\$37,048	\$3,297,378	5.23% Actual	\$142,118
Sep 2007		\$43,196	\$3,340,574	5.24% Actual	
Dec 2007		\$41,423	\$3,381,997	4.96% Actual	
Mar 2008		\$35,342	\$3,417,339	4.18% Actual	
Jun 2008	\$440,632	\$26,570	\$3,884,540	3.11% Actual	\$146,530
Sep 2008		\$26,900	\$3,911,441	2.77% Actual	
Dec 2008		\$24,838	\$3,936,278	2.54% Actual	
Mar 2009		\$18,796	\$3,955,074	1.91% Actual	6/18/2009
Jun 2009	\$450,341	\$14,930	\$535,806	1.51% Actual	\$85,464 \$3,884,540
Sep 2009		\$1,206	\$537,011	0.90% Actual	
Dec 2009		\$806	\$537,817	0.60% Actual	2/1/2010
Mar 2010		\$753	\$2,764	0.56% Actual	\$535,806
Jun 2010	\$458,214	\$4	\$460,982	0.56% Actual	\$2,768
Sep 2010		\$588	\$461,569	0.51% Actual	10/15/2010
Dec 2010		\$531	\$1,118	0.46% Actual	\$460,982
Mar 2011		\$1	\$1,119	0.51% Actual	
Jun 2011	\$423,201	\$1	\$424,321	0.48% Actual	\$1,121
Sep 2011		\$403	\$424,724	0.38% Actual	\$4,881,328
Dec 2011		\$403	\$425,127	0.38% Actual	
Mar 2012		\$531	\$425,659	0.50% Estimate	
Jun 2012	\$383,546	\$532	\$809,737	0.50% Estimate	\$1,870



VAVRINEK, TRINE, DAY
& COMPANY, LLP
Certified Public Accountants

VALUE THE DIFFERENCE

April 9, 2012

Mission-West Valley Land Corporation
c/o HalBear Enterprises
Attn: Mr. Mark Perlberger, Executive Director
2100 Northrop Avenue, #500
Sacramento, CA 95825
Mission West Valley

We are pleased to confirm our understanding of the services we are to provide for Mission-West Valley Land Corporation for the year ended June 30, 2012.

We will audit the statement of financial position of Mission-West Valley Land Corporation as of June 30, 2012, and the related statements of activities, and cash flows for the year then ended.

We will also prepare the Organization's federal and state information returns for the year ended June 30, 2012.

Audit Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from the Organization's attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization.

5000 Hopyard Road, Suite 335 Pleasanton, CA 94588 Tel: 925.734.6600 Fax: 925.734.6611 www.vtdcpa.com

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SACRAMENTO

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the Organization and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Management Responsibilities

You are responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee the tax services and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring the Organization complies with applicable laws and regulations. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Tax Services

We will prepare the Exempt Organization Tax Form 990 and the corresponding State Return Form 199 for the year ended June 30, 2012 from information you furnish to us and we may process them with an outside computer service. We will not audit or otherwise verify the data you submit, although, we may ask you to clarify some of the information.

By your signature below you agree it is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns, including but not limited to the auto, travel, entertainment, and related expenses and the required documents to support charitable contributions. If you have any questions as to the type of records required, please ask us for advice in that regard. It is also your responsibility to carefully examine and approve your completed tax returns before signing and transmitting them to the tax authorities. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest.

We will use our judgment to resolve questions in your favor where a tax law is unclear if there is a reasonable justification for doing so. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), we will explain the possible positions that may be taken on your return. We will follow whatever position you request, so long as it is consistent with the codes and regulations and interpretations that have been promulgated. If the IRS should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments.

If we are asked to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure until you have had an opportunity to argue that the communication is privileged. You agree to pay any and all reasonable expenses that we incur, including legal fees, that are a result of attempts to protect any communication as privileged.

It is our firm's policy to retain copies of tax returns for seven years, after which time they will be destroyed.

In the event of an examination, or other contact by taxing authorities, we are available to represent you. Fees for these services will be in addition to the fees charged for the preparation of your tax returns.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

Terri A. Montgomery is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit in mid August and to complete your information returns and issue our report by October 31, 2012.

We estimate that our fees for these services will be \$11,300 for the audit and \$800 for the information returns. You may also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. No additional expenses are estimated at this time. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

If a dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by either JAMS or the American Arbitration Association under its Commercial Mediation Rules. In the event mediation does not resolve the dispute then the parties shall submit the matter for binding arbitration administered by the American Arbitration Association or JAMS. The costs of any mediation or arbitration proceedings shall be shared equally by both parties. Such arbitration will be binding and final. IN AGREEING TO BINDING ARBITRATION, BOTH PARTIES ACKNOWLEDGE THAT, IN THE EVENT OF DISPUTE, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD, ARE ACCEPTING THE USE OF BINDING ARBITRATION FOR RESOLUTION.

Vavrinek, Trine, Day & Co., LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business and Professions Code. It is not anticipated that any of the non-licensed owners will be performing audit services for the District

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Vavrinek, Trine, Day & Co, LLP

RESPONSE:

This letter correctly sets forth the understanding of Mission-West Valley Land Corporation.

Signature

Title

Date