

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. 01-17667, entitled: "RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1350; CREATING THE DISTRICT FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND AND ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a meeting on February 12, 2001, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Councilmembers voted in favor thereof: unanimous

_____ ; voted
against the same: none ; abstained from
voting thereon: none ; or were absent: _____
Kennedy

WITNESS my hand officially this 12th day of February.

Marita Herold
Marita Herold, CMC/AE CITY CLERK

RESOLUTION NO. 01-17667

RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1350; CREATING THE DISTRICT FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND AND ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE.

BE IT RESOLVED by the City Council of the City of Billings (the "City"), Montana, as follows:

Section 1. Passage of Resolution of Intention. This Council, on January 22, 2001, adopted Resolution No. 17655 (the "Resolution of Intention"), pursuant to which this Council declared its intention to create a special improvement district, designated as Special Improvement District No. 1350 of the City, under Montana Code Annotated, Title 7, Chapter 12, Parts 41 and 42, as amended, for the purpose of financing the costs of certain local improvements described generally therein (the "Improvements") and paying costs incidental thereto, including costs associated with the sale and the security of special improvement district bonds drawn on the District (the "Bonds"), the creating and administration of the District, the funding of a deposit to the City's Special Improvement District Revolving Fund (the "Revolving Fund").

Section 2. Notice and Public Hearing. Notice of passage of the Resolution of Intention was duly published and mailed in all respects in accordance with the law, and on February 12, 2001, this Council conducted a public hearing on the creation or extension of the District and the making of the Improvements. The meeting of this Council at which this resolution was adopted is the first regular meeting of the Council following the expiration of the period ended 15 days after the first date of publication of the notice of passage of the Resolution of Intention (the "Protest Period").

Section 3. Protests. Within the Protest Period, 2176 protest was filed with the City Clerk and not withdrawn by the owners of property in the District subject to assessment for 100% of the total costs of the Improvements or representing 100% of the area of the District to be assessed for the cost of the Improvements. **The protest represents 21% of the assessed cost.**

Section 4. Creation of the District; Insufficiency of Protests. The District is hereby created on the terms and conditions set forth in, and otherwise in accordance with, the Resolution of Intention. The protests against the creation or extension of the District or the making of the Improvements filed during the Protest Period, if any, are hereby found to be insufficient. The findings and determinations made in the Resolution of Intention are hereby ratified and confirmed.

Section 5. Reimbursement Expenditures.

5.01. Regulations. The United States Department of Treasury has promulgated final regulations governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the City for project expenditures paid by the City prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the "Regulations") require that the City adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds within 18 months (or three years, if the reimbursement bond issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) after the later of (i) the date the expenditure is paid or (ii) the date the project is placed in service or abandoned, but (unless the issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) in no event more than three years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the bonds.

5.02. Prior Expenditures. Other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures permitted to be reimbursed under the transitional provision contained in Section 1.150-2 (j) (2) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2 (f) (2) of the Regulations, or (iv) expenditures in a "de minimus" amount (as defined in Section 1.150-2 (f) (1) of the Regulations), no expenditures for the Improvements have been paid by the City before the date 60 days before the date of adoption of this resolution.

5.03. Declaration of Intent. The City reasonably expects to reimburse the expenditures made for costs for the Improvements out of the proceeds of Bonds in an estimated maximum aggregate principal amount of **\$145,500** after the date of payment of all or a portion of the costs of the Improvements. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the Bonds or other expenditures eligible for reimbursement under Section 1.150-2 (d) (3) of the Regulations.

5.04. Budgetary Matters. As of the date hereof, there are not City funds reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Improvements, other than pursuant to the issuance of the Bonds. The statement of intent contained in this resolution, therefore, is determined to be consistent with the City's budgetary and financial circumstances as they exist or are reasonably foreseeable on the date hereof.

5.05. Reimbursement Allocations. The City's financial officer shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the City to make prior payment of the costs of the Improvements. Each allocation shall be evidenced by an entry on the official books and records of the City maintained for the Bonds or the Improvements and shall specifically identify the actual original expenditure being reimbursed.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, this 12th day of February 2001.



THE CITY OF BILLINGS:

BY: Charles F. Tooley
Charles F. Tooley MAYOR

ATTEST:

BY: Marita Herold
Marita Herold, CMC/AE CITY CLERK

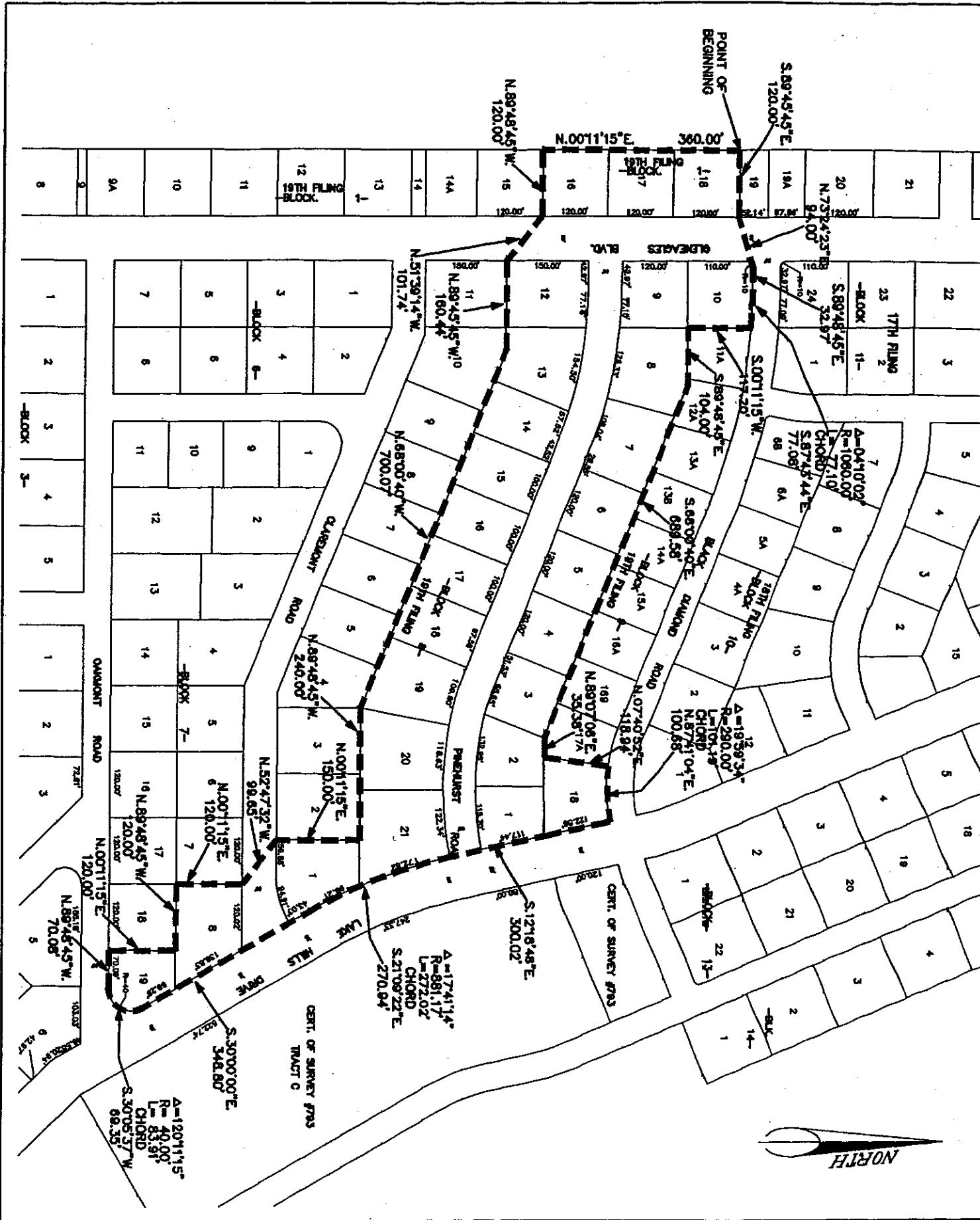


EXHIBIT A
DISTRICT BOUNDARY MAP
S.I.D. No. 1350



ENGINEERING, INC.
CONSULTING ENGINEERS & LAND SURVEYORS
SUITE 200 CROSSBOW
1001 1/2 8TH ST. WEST
BELLINGHAM, MONTANA 59100-1346
406-533-8236

DATE: 10/11/05	FILE: DISTRICT
PROJECT NO.: 21860Z	SHEET: 1 OF 1
CAD: DWG	DATE: 10/11/05
REVISION:	
APPROVED BY:	
QUALITY ASSURANCE:	

EXHIBIT B

DISTRICT BOUNDARY DESCRIPTION SID 1350 LAKE HILLS SUBDIVISION

A tract of land situated within the SW1/4 of Section 16, Township 1 North, Range 26 East, P.M.M., Yellowstone County, Montana, being more particularly described as follows:

Beginning at a point which is the northwest corner of Lot 18, Block 1, Lake Hills Subdivision, 19th Filing; thence, from said point of beginning, S89°48'45"E a distance of 120.00 feet; thence, N73°24'23"E a distance of 94.00 feet; thence, S89°48'45"E a distance of 32.97 feet; thence, along a curve to the right with a radius of 1,060.00 feet a distance of 77.10 feet (chord bearing S87°43'44"E, chord distance 77.08 feet); thence, S00°11'15"W a distance of 117.20 feet; thence, S89°48'45"E a distance of 104.00 feet; thence, S68°00'40"E a distance of 689.58 feet; thence, N89°07'06"E a distance of 35.38 feet; thence, N07°40'52"E a distance of 118.94 feet; thence, along a non-tangent curve to the left with a radius of 290.00 feet a distance of 101.19 feet (chord bearing N87°41'04"E, chord distance 100.68 feet); thence, S12°18'45"E a distance of 300.02 feet; thence, along a curve to the left with a radius of 881.17 feet a distance of 272.02 feet (chord bearing S21°09'22"E, chord distance 270.94 feet); thence, S30°00'00"E a distance of 348.80 feet; thence, along a curve to the right with a radius of 40.00 feet a distance of 83.91 feet (chord bearing S30°05'37"W, chord distance 69.35 feet); thence, N89°48'45"W a distance of 70.08 feet; thence, N00°11'15"E a distance of 120.00 feet; thence, N89°48'45"W a distance of 120.00 feet; thence, N00°11'15"E a distance of 120.00 feet; thence, N52°47'32"W a distance of 99.65 feet; thence, N00°11'15"E a distance of 150.00 feet; thence, N89°48'45"W a distance of 240.00 feet; thence, N68°00'40"W a distance of 700.07 feet; thence, N89°48'45"W a distance of 160.44 feet; thence, N51°35'14"W a distance of 101.74 feet; thence, N89°48'45"W a distance of 120.00 feet; thence, N00°11'15"E a distance of 360.00 feet to the point of beginning. Said tract containing a gross area of 537,817 square feet.

EXHIBIT C

SID 1350

Engineer's Estimate of Probable Cost Sanitary Sewer, Water, Storm Drain, and Street Improvements

This estimate is based on approximate quantities and costs for improvements, complete-in-place, to serve Pinehurst Road and portions of Lake Hills Drive and Gleneagles Boulevard of Lake Hills Subdivision

ALL ITEMS ARE COMPLETE IN PLACE

ITEM NO.	EST. QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE
<i>Water</i>					
101	1	EA	Connect to Existing 8-inch Water Main Stub in Black Diamond Road and Gleneagles Blvd	@ \$815.00 / EA =	\$815.00
102	1	EA	Connect to Existing 8-inch Water Main Stub in Lake Hills Drive and Black Diamond Road	@ \$815.00 / EA =	\$815.00
103	1	EA	Connect to Existing 8-inch Water Main Stub in Lake Hills Drive and Oakmont Road	@ \$815.00 / EA =	\$815.00
104	485	LF	12-inch Water Main	@ \$35.00 / LF =	\$16,975.00
105	2	EA	12-inch Valve	@ \$1,250.00 / EA =	\$2,500.00
106	2	EA	12x12x8-inch Tee	@ \$650.00 / EA =	\$1,300.00
107	2	EA	12-inch Plug & Thrust	@ \$550.00 / EA =	\$1,100.00
108	2,300	LF	8-inch Water Main	@ \$22.87 / LF =	\$52,601.00
109	7	EA	8-inch Valve	@ \$867.65 / EA =	\$6,073.55
110	5	EA	8-inch Bend	@ \$212.02 / EA =	\$1,060.10
111	2	EA	8-inch Tee	@ \$339.22 / EA =	\$678.44
112	1	EA	8-inch Plug & Thrust	@ \$353.71 / EA =	\$353.71

ITEM NO.	EST. QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE
113	26	EA	1-inch Water Service	@ \$305.46 / EA =	\$7,941.96
114	865	LF	1-inch Water Service Pipe	@ \$15.30 / LF =	\$13,234.50
115	4	EA	8x8x6-inch Hydrant Tee	@ \$302.58 / EA =	\$1,210.32
116	4	EA	6-inch Hydrant Valve	@ \$657.89 / EA =	\$2,631.56
117	160	LF	6-inch Hydrant Pipe	@ \$20.25 / LF =	\$3,240.00
118	4	EA	Fire Hydrant	@ \$1,703.48 / EA =	\$6,813.92
Subtotal - Water					\$120,159.06
<u>Sewer</u>					
201	2	EA	Connect to Existing 8-inch Sanitary Sewer Stub in Gleneagles Boulevard	@ \$794.12 / EA =	\$1,588.24
202	1,900	LF	8-inch Sanitary Sewer Main	@ \$24.96 / LF =	\$47,424.00
203	1	EA	8-inch Sanitary Sewer Cap	@ \$50.00 / EA =	\$50.00
204	9	EA	Standard Manhole	@ \$1,398.49 / EA =	\$12,586.41
205	15	VF	Extra Depth	@ \$100.72 / VF =	\$1,510.80
206	19	EA	6-inch Sanitary Sewer Service	@ \$82.34 / EA =	\$1,564.46
207	665	LF	6-inch Sanitary Sewer Service Pipe	@ \$15.05 / LF =	\$10,008.25
208	19	EA	6-inch Sanitary Sewer Service Cap	@ \$15.76 / EA =	\$299.44
Subtotal - Sewer					\$75,031.60
<u>Storm</u>					
301	2	EA	Connect to Existing Storm Drain Manhole	@ \$1,479.71 / EA =	\$2,959.42
302	5	EA	Storm Drain Manhole	@ \$1,910.86 / EA =	\$9,554.30
303	10	VF	Extra Depth	@ \$117.54 / VF =	\$1,175.40
304	1,275	LF	12 & 15-inch Storm Drain Main	@ \$22.95 / LF =	\$29,261.25
305	8	EA	Storm Drain Inlet	@ \$936.27 / EA =	\$7,490.16
306	400	LF	12-inch Inlet Pipe	@ \$18.95 / LF =	\$7,580.00
Subtotal - Storm					\$58,020.53
<u>Streets</u>					
401	5,117	CY	Unclassified Excavation	@ \$4.95 / CY =	\$25,329.15
402	3,440	CY	1 1/2-inch Base Gravel	@ \$14.33 / CY =	\$49,295.20
403	4,680	LF	Standard Curb & Gutter	@ \$9.24 / LF =	\$43,243.20
404	390	SF	3-foot Wide Double Gutter	@ \$5.00 / SF =	\$1,950.00
405	7	EA	Curb Return Fillet	@ \$538.33 / EA =	\$3,768.31
406	1,350	SF	HC Ramps	@ \$4.25 / SF =	\$5,737.50
407	1,873	TN	Asphalt (3-inch Thick)	@ \$24.63 / TN =	\$46,131.99
408	112	TN	Asphalt Oil (6%)	@ \$132.50 / TN =	\$14,840.00
409	13	EA	Adjust Manhole	@ \$191.67 / EA =	\$2,491.71
410	8	EA	Adjust Inlet	@ \$166.67 / EA =	\$1,333.36
411	8	EA	Adjust Valve	@ \$116.67 / EA =	\$933.36
412	10	EA	Monument Box	@ \$350.00 / EA =	\$3,500.00
413	1	EA	Road Closed and Nine Button Delineators	@ \$750.00 / EA =	\$750.00
414	1	EA	Relocate Existing Road Closed Sinage	@ \$500.00 / EA =	\$500.00
415	4	EA	Street Sign	@ \$293.67 / EA =	\$1,174.68
416	4	EA	Stop Sign	@ \$275.00 / EA =	\$1,100.00
417	1	LS	Traffic Control	@ \$1,100.00 / LS =	\$1,100.00
Subtotal - Streets					\$203,178.46

Total Construction Costs	=	\$456,389.65
Construction Contingency (7%)	=	\$31,947.28

TOTAL COST OF CONSTRUCTION IMPROVEMENTS	=	\$488,336.93
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Engineering Costs

Precreation Documents	=	\$5,500.00
Sewer Extension Application Fee	=	\$58.24
Preliminary Engineering & Design	=	\$11,298.00
Final Design	=	\$10,802.00
Construction Services	=	\$27,559.00
Advanced Costs	=	\$1,200.00

TOTAL ENGINEERING COSTS	=	\$56,417.24
TOTAL ENGINEERING COSTS PER LOT	=	\$2,089.53

CONSTRUCTION & ENGINEERING (C/E)	=	\$488,336.93
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Bond Analysis

Breakdown by Percentage of Construction & Engineering Total

Construction & Contingency	=	89.64%
Engineering	=	10.36%
		100.00%
Water Costs for 26 Lots	=	\$4,945.01
Sanitary Sewer Costs for 19 Lots	=	\$4,225.46
Storm Drain Costs for 27 Lots	=	\$2,299.33
Street Costs for 27	=	\$8,051.89
Case #1 - Cost per Lot Needing Water, SS, SD, & Streets (19 Lots)	=	\$21,611.22
Case #2 - Cost per Lot Needing Water, SD, & Streets (7 Lots)	=	\$17,385.75
Case #3 - Cost per Lot Needing SD & Streets (1 Lot)	=	\$12,440.75
Ron Hill Contribution to Construction & Engineering for 20 Lots (15 Case #1 Lots, 4 Case #2 Lots, & 1 Case #3 Lot)	=	\$406,152.05
Lake Hills Golf Club Contribution (1 Case #2 Lot)	=	\$17,385.75
1% Private Contract Fee to be Split by 21 Lots	=	\$4,235.38
Ron Hill Share	=	\$4,033.69
Lake Hills Golf Club Share	=	\$201.68

TOTAL CONTRIBUTIONS BY RON HILL = \$406,152.05

TOTAL CONTRIBUTIONS BY LAKE HILLS GOLF CLUB = \$17,385.75

REMAINDER OF CONSTRUCTION & ENGINEERING TO BE PAID BY OTHER THAN RON HILL & LAKE HILLS GOLF CLUB	=	\$121,216.36
89.64% of Remainder is Subject to City Costs	=	\$108,658.35
City Finance Fee (2.5%)	=	\$2,716.46
City Administration Costs (2.5%)	=	\$2,716.46
Construction, Engineering, & City Costs for Remaining 6 Lots	=	\$126,649.28
10% Revolving Fund Contribution	=	\$13,796.22
3.5% Bond Discounting Fee	=	\$4,828.68
Bond Rounding	=	\$225.81

TOTAL ESTIMATED PROJECT COST = \$1,013,000.00

BOND COSTS TO BE SPLIT BETWEEN REMAINING 6 LOTS	=	\$24,283.64
BOND COSTS PER LOT FOR REMAINING 6 LOTS	=	\$4,047.27

COST PER LOT FOR REMAINING 6 LOTS

Case #1 - Cost per Lot Needing Water, SS, SD, & Full Streets (4 Lots)	=	\$25,658.49
Case #2 - Cost per Lot Needing Water, SD, & Full Streets (2 Lots)	=	\$21,433.03

TOTAL PROJECT COST = \$1,013,000.00

EXHIBIT D

SID 1350 LAKE HILLS SUBDIVISION

PROJECT DESCRIPTION

Special Improvement District No. 1350 will provide the following improvements within Lake Hills Subdivision:

- 1) Construction of sanitary sewer laterals and services in Pinehurst Road and Lake Hills Drive. There are existing sanitary sewer laterals and services in Gleneagles Boulevard. The properties fronting Gleneagles Boulevard will not be assessed for sanitary sewer connections.
- 2) Construction of a new water main and services to serve the properties in the District. The only property not being assessed for the new water main and services is Lot 18, Block 9, Lake Hills Subdivision 19th Filing.
- 3) Construction of Street Improvements and Storm Drain Improvements to Lake Hills Drive, Gleneagles Boulevard, and Pinehurst Road. The Street and Storm Drain Improvements include base gravel, asphalt, curb and gutter, storm drain, and any associated signing and striping improvements to the above mentioned streets. All of the properties with frontage on the above mentioned streets will be assessed for the Street and Storm Drain Improvements.

SID 1350

Exhibit E

Tax Code	SID #	SID Pay-off	Delinquent	SID 1350 Assessment	SID Pay-off + Delinquent + SID 1350 Assessment	Estimated Market Value	Estimated Market Value After Improvements
A-21996	1281	\$ 470.49		\$ 21,433.02	\$ 21,903.51	\$ 3,295.00	\$ 24,728.02
A-21997	1281	\$ 470.49	\$ 604.69		\$ 18,460.93	\$ 3,295.00	\$ 20,680.75
A-21998	1281	\$ 470.49	\$ 507.78		\$ 18,364.02	\$ 1,357.00	\$ 18,742.75
A-22044				\$ 25,658.49	\$ 25,658.49	\$ 3,701.00	\$ 29,359.49
A-22055	1281	\$ 470.49			\$ 17,856.24	\$ 12,424.00	\$ 29,809.75
A-22056			\$ 232.01	\$ 25,658.49	\$ 25,890.50	\$ 3,593.00	\$ 29,251.49
A-22067	1281	\$ 470.49		\$ 21,433.02	\$ 21,903.51	\$ 3,623.00	\$ 25,056.02
A-22068					\$ 21,611.22	\$ 3,715.00	\$ 25,326.22
A-22069			\$ 205.91		\$ 21,817.13	\$ 3,341.00	\$ 24,952.22
A-22070					\$ 21,611.22	\$ 3,402.00	\$ 25,013.22
A-22071			\$ 207.52		\$ 21,818.74	\$ 1,400.00	\$ 23,011.22
A-22072			\$ 207.99		\$ 21,819.21	\$ 3,354.00	\$ 24,965.22
A-22073				\$ 25,658.49	\$ 25,658.49	\$ 3,354.00	\$ 29,012.49
A-22074					\$ 21,611.22	\$ 3,765.00	\$ 25,376.22
A-22075			\$ 262.86		\$ 21,874.08	\$ 1,599.00	\$ 23,210.22
A-22076					\$ 21,611.22	\$ 4,090.00	\$ 25,701.22
A-22077			\$ 183.86		\$ 21,795.08	\$ 1,288.00	\$ 22,899.22
A-22078			\$ 191.43		\$ 21,802.65	\$ 3,191.00	\$ 24,802.22
A-22079			\$ 200.48		\$ 21,811.70	\$ 1,353.00	\$ 22,964.22
A-22080			\$ 231.84		\$ 21,843.06	\$ 3,295.00	\$ 24,906.22
A-22081				\$ 25,658.49	\$ 25,658.49	\$ 3,295.00	\$ 28,953.49
A-22082					\$ 21,611.22	\$ 3,295.00	\$ 24,906.22
A-22083			\$ 231.25		\$ 21,842.47	\$ 1,475.00	\$ 23,086.22
A-22084			\$ 240.17		\$ 21,851.39	\$ 1,510.00	\$ 23,121.22
A-22085	1281	\$ 470.49	\$ 506.95		\$ 18,363.19	\$ 1,353.00	\$ 18,738.75
A-22086	1281	\$ 470.49			\$ 17,856.24	\$ 3,287.00	\$ 20,672.75
A-22094					\$ 12,440.75	\$ 3,259.00	\$ 15,699.75
Average		\$ 470.49	\$ 286.77	\$ 21,075.47	\$ 21,346.15	\$ 3,181.81	\$ 24,257.29
Median		\$ 470.49	\$ 231.55	\$ 21,611.22	\$ 21,811.70	\$ 3,295.00	\$ 24,906.22
Low		\$ 470.49	\$ 183.86	\$ 12,440.75	\$ 12,440.75	\$ 1,288.00	\$ 15,699.75
High		\$ 470.49	\$ 604.69	\$ 25,658.49	\$ 25,890.50	\$ 12,424.00	\$ 29,809.75

Note: Areas that are shaded represent cash contributions from Ron Hill and Lake Hills Golf Club

**AMERICAN
TITLE
&
ESCROW**

BILLINGS
1216 16TH STREET WEST, SUITE 21
BILLINGS, MONTANA 59102-4198
(406) 248-7877
FAX: (406) 248-7875
billings@amtitemontana.com

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409 N. CENTER AVENUE
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219 SOUTH MAIN, SUITE B
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ROUNDUP
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ROUNDUP, MONTANA 59072
(406) 323-3165
FAX: (406) 323-3311
roundup@amtitemontana.com

October 27, 2000

Attn. Marshall Phil
Engineering, Inc.
1001 S. 24th Street West, Ste 200
Billings, MT 59102

RE: Ownership Report
Our File # 3-74159

At your request, we have searched our tract indices derived from the records of Yellowstone County, Montana, to determine the record owners and contract purchasers if any, of the hereinafter described real property; and as of October 11, 2000 at 7:30 A.M., we report as follows on the attached pages.

This is not a title report and no examination of the title to the premises herein described has been made. For this reason, no liability is assumed hereunder, and the Company will not be responsible for errors or omissions contained herein.

Sincerely,
AMERICAN TITLE AND ESCROW
BY:

Michelle Rae Kroll

Michelle Rae Kroll

Enclosure/sn

1. RECORD OWNER(S): SCHNEITER ENTERPRISES, a limited partnership
TAX CODE: A21996
MAILING ADDRESS: 2009 Brassy Dr.
Las Vegas, NV 89142-2033
DESCRIPTION: Lot 16, Block 1, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
2. RECORD OWNER(S): SCHNEITER ENTERPRISES, a limited partnership
TAX CODE: A22067
MAILING ADDRESS: 2009 Brassy Dr.
Las Vegas, NV 59122-2003
DESCRIPTION: Lot 12, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
3. RECORD OWNER(S): RON S. HILL, TRUSTEE OF THE RON S. HILL LIVING TRUST
TAX CODE: A21998
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636
DESCRIPTION: Lot 18, Block 1, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
4. RECORD OWNER(S): RON S. HILL LIVING TRUST
TAX CODE: A21997
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636

1711 OKLAHOMA STAR TRAIL
BILLINGS, MT 59105

DESCRIPTION:

Lot 17, Block 1, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

5. **RECORD OWNER(S):** RON S. HILL LIVING TRUST

TAX CODE: A21995

MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105

DESCRIPTION:

Lot 15, Block 1, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

6. **RECORD OWNER(S):** RON S. HILL LIVING TRUST

TAX CODE: A22086

MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636

DESCRIPTION:

Lot 10, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

7. **RECORD OWNER(S):** RON S. HILL, TRUSTEE OF THE RON S. HILL LIVING TRUST

TAX CODE: A22085

MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636

DESCRIPTION:

Lot 9, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

8. **RECORD OWNER(S):** RON S. HILL, TRUSTEE OF THE RON S. HILL LIVING

TRUST

TAX CODE:

A22084

MAILING ADDRESS:

P.O. BOX 50636
BILLINGS, MT 59105

DESCRIPTION:

Lot 8, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

9. RECORD OWNER(S):

RON S. HILL, TRUSTEE OF THE RON S. HILL LIVING TRUST

TAX CODE:

A22083

MAILING ADDRESS:

P.O. BOX 50636
BILLINGS, MT 59105-0636

DESCRIPTION:

Lot 7, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

10. RECORD OWNER(S):

RON S. HILL LIVING TRUST

TAX CODE:

A22082

MAILING ADDRESS:

P.O. BOX 50636
BILLINGS, MT 59105-0636

DESCRIPTION:

Lot 6, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

11. RECORD OWNER(S):

RON HILL

TAX CODE:

A22068

MAILING ADDRESS:

P.O. BOX 50636
BILLINGS, MT 59105-0636

DESCRIPTION:

Lot 13, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

12. RECORD OWNER(S): RON S. HILL, TRUSTEE OF THE RON S. HILL LIVING TRUST
TAX CODE: A22069
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636
DESCRIPTION: Lot 14, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
13. RECORD OWNER(S): RON S. HILL LIVING TRUST
TAX CODE: A22070
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105
DESCRIPTION: Lot 15, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
14. RECORD OWNER(S): RON S. HILL, TRUSTEE OF THE RON S. HILL LIVING TRUST
TAX CODE: A22071
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636
DESCRIPTION: Lot 16, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
15. RECORD OWNER(S): RON S. HILL, TRUSTEE OF THE RON S. HILL LIVING TRUST
TAX CODE: A22094
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636
DESCRIPTION: Lot 18, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings,

Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

16. RECORD OWNER(S): CHANTEL KAAIAKAMANU
TAX CODE: A22056
MAILING ADDRESS: 1060 KAM HWY APT. 802A
PEARL CITY, HI 96782-2806
DESCRIPTION: Lot 1, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
17. RECORD OWNER(S): RON S. HILL, TRUSTEE OF THE RON S. HILL LIVING TRUST
TAX CODE: A22074
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636
DESCRIPTION: Lot 19, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
18. RECORD OWNER(S): RON S. HILL LIVING TRUST
TAX CODE: A22076
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636
DESCRIPTION: Lot 21, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
19. RECORD OWNER(S): RON S. HILL LIVING TRUST
TAX CODE: A22080
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636

1711 OKLAHOMA STAR TRAIL
BILLINGS, MT 59105

DESCRIPTION: Lot 4, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

20. **RECORD OWNER(S):** RON S. HILL LIVING TRUST

TAX CODE: A22075

MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636

1711 OKLAHOMA STAR TRAIL
BILLINGS, MT 59105

DESCRIPTION: Lot 20, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

21. **RECORD OWNER(S):** RON S. HILL LIVING TRUST

TAX CODE: A22077

MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636

1711 OKLAHOMA STAR TRAIL
BILLINGS, MT 59105

DESCRIPTION: Lot 1, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

22. **RECORD OWNER(S):** RON S. HILL LIVING TRUST

TAX CODE: A22078

MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636

1711 OKLAHOMA STAR TRAIL
BILLINGS, MT 59105

DESCRIPTION: Lot 2, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings,

Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

23. RECORD OWNER(S): RON S. HILL LIVING TRUST
TAX CODE: A22079
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636
1711 OKLAHOMA STAR TRAIL
BILLINGS, MT 59105
DESCRIPTION: Lot 3, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
24. RECORD OWNER(S): RON S. HILL LIVING TRUST
TAX CODE: A22072
MAILING ADDRESS: P.O. BOX 50636
BILLINGS, MT 59105-0636
1711 OKLAHOMA STAR TRAIL
BILLINGS, MT 59105
DESCRIPTION: Lot 17, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.
25. RECORD OWNER(S): LAKE HILLS GOLF CLUB
TAX CODE: A22055
MAILING ADDRESS: 1930 CLUB HOUSE WAY
BILLINGS, MT 59105-3404
DESCRIPTION: Lot 19, Block 7, of Lake Hills Subdivision, Third Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #586805.
26. RECORD OWNER(S): SCHNEITER ENTERPRISES, a limited partnership

TAX CODE: A22044

MAILING ADDRESS: 2009 BRASSY DR.
LAS VEGAS, NV 89142-2033

DESCRIPTION: Lot 8, Block 7, of Lake Hills Subdivision, Third Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #586805.

27. RECORD OWNER(S): SCHNEITER ENTERPRISES, a limited partnership

TAX CODE: A22073

MAILING ADDRESS: 2009 BRASSY DR.
LAS VEGAS, NV 89122-2033

DESCRIPTION: Lot 18, Block 8, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

28. RECORD OWNER(S): SCHNEITER ENTERPRISES, a limited partnership

TAX CODE: A22081

MAILING ADDRESS: 2009 BRASSY DR.
LAS VEGAS, NV 89122-2033

DESCRIPTION: Lot 5, Block 9, of Lake Hills Subdivision, Nineteenth Filing, in the City of Billings, Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #612469.

**CITY OF BILLINGS, MONTANA
SPECIAL IMPROVEMENT DISTRICT ASSESSMENT DATA
PART TWO**

CONSULTANT TO COMPLETE
DATE: 12-14-00

S.I.D. NUMBER: 1350

S.I.D. DESCRIPTION: Sanitary sewer, water, storm drain, and street improvements.

YEARS TO BE ASSESSED: 15

TOTAL S.I.D. AREA: 537,817 SF

MEASUREMENT: SF LF ✓ OTHER

S.I.D. COSTS:
 ✓ ESTIMATED PER PRELIMINARY PLANS
 ESTIMATED PER BID PRICE
 FINAL PER ACTUAL CONSTRUCTION

S.I.D. MAIN IMPROVEMENT COST: \$

SPECIAL ADDITIONS:

CODE	QUANTITY	UNIT COST	TOTAL
1 WATER SERVICE	6	\$ 6,997.26	\$ 41,983.53
2 SEWER SERVICE	4	\$ 4,225.46	\$ 16,901.86
3 STORM DRAIN	6	\$ 4,351.58	\$ 26,109.48
4 STREET IMPROV.	6	\$ 10,097.49	\$ 60,584.92
5 CASH CONTR.	-	\$ -	\$ 423,537.80
		TOTAL PROJECT COST = \$	<u>569,037.80</u>

TOTAL PROJECT COST = \$ 569,037.80

(ALL COSTS TO INCLUDE PRORATA SHARE OF ADMINISTRATIVE COSTS)

CITY CENTRAL SUPPORT SERVICES TO COMPLETE

FIRST YEAR TO BE ASSESSED:

TYPE ASSESSMENT: PENDING FINAL

INTEREST RATE:

BOND ISSUE RATE:

DATA PROCESSING	CARDS	COLS
A&B		2 - 5
A		6 - 39
A		59 - 60
A		61 - 71
A		89 - 96
A		40 - 41
A		42
A		53 - 58
A		73 - 78

SIO COSTS:
 XXX ESTIMATE PER PRELIMINARY PLANS
 ESTIMATE PER BID PRICES
 FINAL PER ACTUAL CONSTRUCTION

DATE: 12/20/00
 SID NUMBER: 1350
 COMPLETED BY: Marshall Phil
 CONSULTANT: Engineering, Inc.

BLK	LOT	TAX I.D. NUMBER	ASSESSMENT ITEMS				TOTAL COST
			#1 WATER SERVICE 6,990.6068774	#2 SEWER SERVICE 4,225.4637895	#3 STORM DRAIN 4,344.9315230	#4 STREET IMPROV. 10,097.4865267	
		6-13					
7	8	A-22044	6,990.61	4,225.46	4,344.93	10,097.49	\$25,658.49
	19	A-22055	0.00	0.00	0.00	0.00	\$17,385.75
1	16	A-21996	6,990.61	0.00	4,344.93	10,097.49	\$21,433.02
	17	A-21997	0.00	0.00	0.00	0.00	\$17,385.75
	18	A-21998	0.00	0.00	0.00	0.00	\$17,385.75
8	1	A-22056	6,990.61	4,225.46	4,344.93	10,097.49	\$25,658.49
	12	A-22067	6,990.61	0.00	4,344.93	10,097.49	\$21,433.02
	13	A-22068	0.00	0.00	0.00	0.00	\$21,611.22
	14	A-22069	0.00	0.00	0.00	0.00	\$21,611.22
	15	A-22070	0.00	0.00	0.00	0.00	\$21,611.22
	16	A-22071	0.00	0.00	0.00	0.00	\$21,611.22
	17	A-22072	0.00	0.00	0.00	0.00	\$21,611.22
	18	A-22073	6,990.61	4,225.46	4,344.93	10,097.49	\$25,658.49
	19	A-22074	0.00	0.00	0.00	0.00	\$21,611.22
	20	A-22075	0.00	0.00	0.00	0.00	\$21,611.22
	21	A-22076	0.00	0.00	0.00	0.00	\$21,611.22
9	1	A-22077	0.00	0.00	0.00	0.00	\$21,611.22
	2	A-22078	0.00	0.00	0.00	0.00	\$21,611.22
	3	A-22079	0.00	0.00	0.00	0.00	\$21,611.22
	4	A-22080	0.00	0.00	0.00	0.00	\$21,611.22
	6	A-22081	6,990.61	4,225.46	4,344.93	10,097.49	\$25,658.49
	6	A-22082	0.00	0.00	0.00	0.00	\$21,611.22
	7	A-22083	0.00	0.00	0.00	0.00	\$21,611.22
	8	A-22084	0.00	0.00	0.00	0.00	\$21,611.22
	9	A-22085	0.00	0.00	0.00	0.00	\$17,385.75
	10	A-22086	0.00	0.00	0.00	0.00	\$17,385.75
	18	A-22094	0.00	0.00	0.00	0.00	\$12,440.75
TOTAL:			41,943.64	16,901.86	26,069.59	60,584.92	\$569,037.81

THE HIGHLIGHTED ROWS REPRESENT THOSE LOTS THAT ARE NOT PAYING CASH UP FRONT

RON HILL CONTRIBUTIONS = \$406,152.05
 LAKE HILLS GOLF CLUB CONTRIBUTIONS = \$17,385.75
 SID PARTICIPANT CONTRIBUTIONS = \$146,500.00
 TOTAL = \$569,037.81