

9-1-2011

State v. Hill Clerk's Record v. 3 Dckt. 38808

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LAW CLERK Vol. 3 of. 6

IN THE
SUPREME COURT
OF THE
STATE OF IDAHO

STATE OF IDAHO
Plaintiff / Respondent

vs.

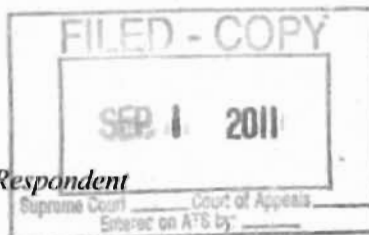
JERRY ALLAN HILL

Defendant / Appellant

*Appealed from the District Court of the First Judicial District
of the State of Idaho, in and for the County of Kootenai.*

Lawrence G. Wasden
Attorney General
P.O. Box 83720
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Attorney for Respondent



Molly Huskey
State Appellate Public Defender
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Boise, ID 83720-0005

Attorney for Appellant

38808

Vol. 3

ORIGINAL

116
STATE OF IDAHO }
COUNTY OF KOOTENAI } ss
FILED:

MARK A. JACKSON
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2011 JAN 26 AM 10: 33

CLERK, DISTRICT COURT

Kutan
DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

AFFIDAVIT OF SUZANNE S.
METZGER

STATE OF IDAHO)
)
) ss
COUNTY OF KOOTENAI)

I, Suzanne S. Metzger, being first duly sworn upon oath, deposes and says:

1. I am a Certified Public Accountant (CPA) licensed in the state of Idaho since 2002, and a Certified Valuation Analyst as certified by the National Association of Valuation Analysts. I hold a Bachelor of Science in Professional Accounting from Eastern Washington University and have attended numerous continuing professional education courses since receiving my CPA license. I am currently treasurer for the Coeur d'Alene Estate Planning Council and have served in the past as president of the Northern Chapter of the ISCPA, Idaho Society of Certified Public Accountants. I have served as an expert witness in

- court cases and have valued businesses in relation to marital dissolutions and estate and gift tax planning.
2. I am currently employed as a private client manager with The Grupp Law Firm, PLLC, where I am involved in accounting, tax planning, and strategizing for private clients.
 3. Prior to this position I worked for Magnuson, McHugh & Co., P.A. (hereafter referred to as "MM"), from June 2000 to September, 2010 (except for a one year leave from 9/05-9/06). While at MM, I performed a variety of CPA functions, and when I departed in 2010, I held the title of Manager - Tax Services.
 4. I was retained by Mr. Jerry Hill through Mr. Jackson's office in October, 2010. To date I have reviewed or obtained the following information pertaining to this case:
 - a. Transcript of the preliminary hearing.
 - b. Plaintiff's Supplemental Response to Discovery dated May 3, 2010, including a letter dated April 25, 2007 from Curtis Clark to Jerry Hill.
 - c. Plaintiff's Supplemental Response to Discovery dated May 6, 2010, including reports from Jordan, Hill & Hall, Inc. (hereafter referred to as "JHH") accounting records for shareholder activities.
 - d. Recorded testimony from the trial of Brad Jordan, Jerry Hill, Curtis Clark, and Sawnie Walker.
 - e. Exhibits from the trial, including Plaintiff's Exhibit No. 12 that was referenced in Curtis Clark's trial testimony.
 - f. Bankruptcy Chapter 7 submissions for Jordan, Hill & Hall Inc. including Schedules A through H submitted January 28, 2009, and Supplemental Information February 7, 2009.

- g. Invoice from City of Post Falls for a Planning and Zoning application dated March 7, 2005 addressed to Jordan, Hill and Hall, LLC for the Crimson King Subdivision on Mullan Ave. and 12th.
 - h. Letter from Beck & Poorman, LLC dated August 27, 2008 and related closing statement from the sale of property by Jerry and Jenny Hill.
 - i. Discussion with Ellie Primozich, the bookkeeper for Jordan, Hill and Hall Inc. during the time of the alleged acts.
 - j. Discussion with Martin Neils, Kootenai County Public Defender, in late summer 2010.
 - k. Other documents attached hereto. All of these documents and my exhibits are business records relating to the above case.
5. Please note the exhibits attached hereto are identified in **bold** print to distinguish them from other exhibit references on such documents.
6. I became aware of this criminal case against Jerry in approximately August, 2010. I was surprised that I was never contacted by Jerry's counsel or the prosecutor regarding my knowledge of JHH while I worked for MM, as my name is referenced during the trial. Jerry's attorney, Mr. Neils, first contacted me shortly before Jerry's September, 2010 **sentencing**. Mr. Neils and I had an approximately 10 minute phone conversation about the case and my recollections of dealing with JHH when I worked for MM. He then requested my time frame to evaluate the accounting records and prepare to testify. At that time I told Mr. Neils that I had first hand knowledge of JHH, and that in my opinion, the issues involving Jerry were simply a case of poor record keeping rather than deliberate theft. It was apparent to me when speaking with Mr. Neils that neither Jerry or Mr. Neils had

obtained an accountant to analyze the documentation presented in court. I told Martin at that time that I would need a retainer and many weeks to help him analyze any data. I never heard from him again. The next time I spoke to anyone was when Mr. Jackson called me about this matter.

7. As a staff accountant at MM, I interacted with Ellie Primozich, the JHH bookkeeper, during a portion of the years in question. I recall having discussions with Ellie about keeping track of the multiple entities and the various projects and personnel of JHH. The main evidence for the prosecution relating to Mr. Clark's testimony was Plaintiff's Exhibit No. 12 (attached and incorporated hereto as **Exhibit "A"**), a table that was represented in court as summarizing Mr. Hill's shareholder loans through a course of years. Mr. Clark's initial cover letter for Exhibit No. 12. The initial cover letter for Exhibit No. 12 to Brad Jordan, Patrick Hall, and GMAC is attached and incorporated hereto as **Exhibit "B"**. In Exhibit "B", Curtis Clark was even unsure of any criminal intent when he wrote: "We cannot opine as to whether Jerry's actions constitute a criminal offense, or if it is just bad business and bad bookkeeping." When I worked with JHH I found their bookkeeping methodologies unorganized and scattered.
8. During my tenure with MM, I did work for JHH under the supervision of Len Hodge including corporate tax work. Other accountants at MM also worked or communicated with JHH. Such work requires us to look at the accounting information, make inquiries, and provide adjustments to the client if necessary. During that time I became acquainted with various members of JHH, including the shareholders and Ellie Primozich, the bookkeeper at the time. I can recall meeting with Ellie to clarify entries made into their accounting system and

trying to track the various transactions within the company. JHH was a large client and I recall spending many hours on services for this client through the years. Shareholder loans at JHH with all three members was a constant point of discussion or dispute between JHH members and MM. I recall trying to reconcile these confusing shareholder loans with the three shareholders during the real estate boom years of approximately 2002 to 2005 as we tried to "follow the money trail" within the company.

9. As an accountant working with JHH in the 2004 to 2007 time frame, I did work for approximately 300 individual clients and 100 business clients per year. Like JHH, some of these clients were also involved in real estate sales and/or development. Many of these real estate clients had cash flow issues during the boom/post boom real estate years. Cash flow was the main priority with these businesses. Often I would see problems or issues involving multiple shareholder distributions and loans between the company and the owners each year as money came in and then money was needed for development. Cash flow over the long term was often a priority in discussions with clients affiliated with the real estate industry. "Hitting it big" through real estate development was also a topic of conversation with these clients, and larger financial risk was seen as worth the possible larger reward in these discussions. This larger risk return factor is often why we would see clients willing to leverage their own personal assets, as Jerry did in this case, when the company was unable to obtain credit. It is obvious that many of the financial decisions made by JHH regarding the Post Falls development were made in order to sustain the project long enough to reach full development.
10. Many of these real estate clients also wanted to maximize their

deductions, but had to be educated when it became known that personal purchases were listed as business expenses. It was very common for business owners to run their personal expenses through their business – not to be deceitful, but rather because they are either unaware or because it is someone else’s function to keep the books. It was seen as a standard procedure for an accountant to inquire from a business about draws or personal expenses, and to then re-categorize them to owner draws or loans when necessary. This was especially common with companies having cash flow issues, such as companies who use credit cards, loans, or had their principals frequently deposit checks from their own personal funds to cover expenses. This reclassification was not thought of as criminal but rather as the result of business people not understanding tax/accounting methods, and/or also knowing the accountant would “straighten out the information” in the end so they just got the information down in the accounting program and it was the accountant’s job to sort it out. These occurrences were not construed as one shareholder trying to steal from another owner or the government through intentional tax evasion. This was just “flying by the seat of their pants” especially in a company that was dealing with a great deal of money, multiple projects, and minimal administrative support.

11. A major part of this case against Jerry appears to be based on the prosecution theory that Crimson King, the subdivision development, was a company project, but that somehow the Mullan and Maverick properties belonged to Jerry and were not part of this project. **It is my opinion from the records, documents, and other information, that the Crimson King, Mullan, and Maverick properties were always a JHH project from the beginning.** In

my work as an accountant it was not uncommon for shareholders to individually purchase different "pieces of the pie" for reasons such as in this case where Jerry acquired the Mullan/Maverick properties at a better interest rate or a lower down payment personally, and then have the company reimburse him for the expenses. The issue here appears to be one of a contractual nature rather than accounting. If an assignment of the property had been made to JHH from Jerry then the property would have been properly shown on the books of JHH, along with the loans. This is important because then all the property transactions currently shown in Exhibit No. 12 as to Jerry Hill would be recorded on the accounting records in a manner more consistent to the intent of the parties. The Crimson King subdivision, the Mullan property, and Maverick property were all adjacent to one another. In fact, the Mullan property had to be acquired to complete the Crimson King project. I conclude from the analysis of the trial testimony and documents that all of the shareholders intended the Crimson King Estates project, including the Mullan and Maverick properties, to be a JHH project. I do not believe the jury understood this concept. The property used as the land for the Crimson King Estates initial phase consisted of properties referred to by the parties as the "Mullan Property" and the "Lang Property", and such map is attached and incorporated hereto as **Exhibit "C"**. The Maverick property was intended for the future development of Crimson King. That property is referenced on a "12th Street development" preliminary drawing and **noted as drawn for Patrick Hall**, attached and incorporated hereto as **Exhibit "D"**. **Exhibit "E"** attached and incorporated hereto, is a letter from Curtis Clark to J. Hill when he began his analysis, states (in the third paragraph) "we are aware that some of these postings relate

to a real estate project involving property and debt that may be titled in your name, but apparently was intended to be for the company”.

An invoice from the City of Post Falls for a Planning and Zoning hearing in April, 2005 confirms the treatment of Crimson King Estates as a JHH project. See **“Exhibit F”** attached and incorporated hereto.

12. Much of the claims made against Jerry at trial related to paybacks from JHH for Mullan and Maverick expenses, which would have been designated JHH transactions and therefore not included on Exhibit No. 12. Again, it was not uncommon for individual shareholders/partners to purchase properties for a business, and to run the business expenses and deductions through the business, even though such items were individually titled. What I would request from such partners at a meeting is simply a memorandum showing their intent to use the properties as a business expense and I would have advised that the properties be assigned to the corporation. In this case it is clear that Jerry was punished for purchasing property individually for a clear company project.
13. I have found in my experience in dealing with business owners that often paper trails do not follow the intent, i.e., a deal can go for decades on a handshake but the involved parties understand who owns what. Jerry testified that in October, 2006 he sold the Mullan property to JHH for what he had into it. This is consistent with simply a legal reassignment of ownership, since Jerry Hill would then stand to make his profit as a JHH shareholder when the real estate development were completed. If Jerry Hill had acted as if Mullan was his alone from which to profit, he would have secured a higher asking price in October, 2006 and reaped financial rewards at that time. During 2006 and 2007 the real estate market continued to deteriorate.

According to statements of Jerry Hill, JHH required additional capital - \$295,000 - in order to complete the Crimson Kings Subdivision. Jerry puts up his personal residence as security for a company loan from Idaho Independent Bank. This action is consistent with treating this as a corporate transaction, i.e., he stands to profit as a shareholder when the project is fully completed and sold. This never occurs and proceeds from the personal residence sale of \$216,231.27 are used to pay off Idaho Independent Bank company debt on 9/23/2008 (Exhibit "I" hereto).

14. Thus the time line of traceable events correspond with the Crimson King Estates project being a JHH project. The planning and zoning hearing receipt is April, 2005, Jerry buys Mullan in June, 2005, Crimson King LLC formed in October, 2005. Jerry's purchase date for Mullan being after JHH sets up a zoning hearing but before JHH form an LLC for the project is consistent with the project being a company activity all along.
15. I telephoned Ellie Primozich in late October, 2010. Ellie was the JHH bookkeeper from approximately 2002 to 2006. She knew nothing about Jerry's criminal charge or the case. She recalled the Post Falls real estate project was presented as a company project during that time frame and that there was a large framed picture of the entire project while she worked there.
16. State's Exhibit No. 12 was the mainstay of the entire prosecution, as it was a document prepared by Curtis Clark which led the jury to believe that Jerry stole more than \$354,000.00 from JHH. I would note that I have reviewed Mr. Jackson's June 10, 2008 letter to the prosecutor, which contained the **same document** as Exhibit No. 12, so it is apparent that Exhibit No. 12 remained unchanged from early 2008 to

the present. In my opinion, Exhibit No. 12 was incorrect and/or misleading to the jury.

- a. First, this document was commonly referred to both during and after trial as an "audit", which was wrong and misleading to the court and jury. **Exhibit No. 12 was not an audit.** From Exhibit "A" it is even impossible to determine if Mr. Clark was completing a "forensic accounting" or an "agreed upon procedure". The distinction is important since independence and reporting requirements for each service are different under AICPA (American Institute of Certified Public Accountants) guidance. In accounting terms, at best this document should have been referred to as an "agreed upon procedure" done by Mr. Clark in early 2008, which remained unchanged through trial more than 2 years later. The difference between an audit and an agreed upon procedure is scope and level of assurance. An audit is a process to test the **entire** financial statements and the underlying records on a wide basis to see if the CPA can provide assurance that all of the financial statements are accurate. An agreed-upon procedure is a process limited to the scope of what the client requests, and may or may not produce the level of assurance by the CPA that the financial statements are accurate. The word audit implies the entire financial process was examined of the entire company, which was the term the jury heard when I listened to the trial tapes. Not only was this not an audit, but as hereafter discussed, the entire company picture of loans and liabilities with all of the partners needed to be fully addressed to understand Mr. Hill's issues.
- b. Both an audit or agreed-upon procedure first requires a CPA to

consider his or her own **independence**. While Mr. Clark's correspondence with Mr. Hill he states he is performing an agreed upon procedure, statements at trial seemed to portray the work as possibly an audit (see Exhibit "E"). **If independence is compromised for a CPA, either in appearance or fact, they should not perform an audit or agreed-upon procedure, or if they do, the independence issue should be fully disclosed.** The prior contact with JHH in capacity as an employee of MM causes me to have a lack of independence had I been requested to do an "agreed upon procedures" analysis. I would assert that based upon Exhibit B not referencing it being an "agreed upon procedure", that Mr. Clark merely performed consulting services for JHH, and that he did not perform a forensic accounting. For consulting services, CPAs that are members of the AICPA are bound by "Statement of Standards for Consulting Services No 1" (referred hereafter as SSCS 1) attached hereto as **Exhibit "G"**. SSCS 1, paragraph 7 under "Standards for Consulting Services" states that independence Rule 102 requires a CPA to inform the client of conflicts of interest that may occur (see footnote 3, Exhibit "G"). Attached and incorporated here to as **Exhibit "H"**, is a copy of the Bankruptcy Debtors Summary and Schedule for JHH, filed in January, 2009. Lynn Anderson, Mr. Clark's business partner, is listed as a secured debtor in the amount of \$150,000.00. Mr. Clark's firm, Clark Anderson McNellis, is listed as an unsecured debtor in the amount of \$7,057.00. These could be interpreted as possible lack of independence, which should have been disclosed in any report that may have accompanied Plaintiff's

Exhibit No. 12 when it was initially created if it was deemed to be an agreed-upon procedure but simply communicated to JHH if this service is deemed to be a consulting service. Although it was unclear what service Curtis Clark performed to create Plaintiff's Exhibit No. 12, Mr. Clark's firm is materially impacted in dealings with JHH, and may not be considered "independent" in terms of testimony. This lack of independence was not brought to the attention of the court during the trial and should have been raised by Mr. Neils. Mr. Clark was obviously hired by 2 of the 3 shareholders for the specific purpose of analyzing Jerry's dealings with JHH. The jury was not privy to the relationship between those shareholders and Mr. Clark during the trial nor the relationship between Ms. Anderson and JHH.

- c. Even if Plaintiff's Exhibit No. 12 was to be taken as accurate, **then it showed that JHH owed Jerry Hill monies at several times during the relevant time periods**, which was not made clear to the jury. The periods in which JHH owed money to Jerry included from 3/4/2005 through 3/29/2005, 3/31/2005 through 4/4/2005, 4/28/2005, 8/5/2005, 8/22/2005 and briefly on 10/16/2006. This demonstrates a pattern of material fluctuations of shareholder loans, and that Jerry Hill had basis to believe that the company owed him money. It is my opinion that the jury did not understand this fact.
- d. Furthermore, if Plaintiff's Exhibit No. 12 is deemed correct, and we removed "Commissions" or "Commission's Due", then it would further establish a pattern of material fluctuations of shareholder loans, and that Jerry had a basis to believe that JHH owed him money. Commissions are income to a realtor, and an

- expense to the company. In this case, the commissions would be an expense to JHH and income independently to Jerry Hill for his work as a realtor and should not increase his shareholder loan. There were two items labeled "commissions" on Exhibit No. 12.
- e. These entries should have been removed, as explained below.
 - i. Item No. 38240, \$17,400 on 4/25/2005. This entry made it appear that Jerry owed JHH more money than he should. Removal of this item would cause Mr. Hill to have been in a position where JHH now owed him money on 3/4/2005 through 3/29/2005, 3/31/2005 through 4/4/2005, 4/28/2005 through 5/25/2005, 8/5/2005 through 8/8/2005, 8/22/05, 1/13/2006 through 2/13/06, 3/09/2006 and briefly on 10/16/2006. This was not explained to the jury.
 - ii. Item No. 39635, \$65,361.51 dated 8/26/2005 described as "past commissions due". Again, this payment was used to increase the shareholder loan. Correction of this entry considered in addition to correction of Item 38240 would cause Mr. Hill to have been in a position where JHH now owed Jerry money on 3/4/2005 through 3/29/2005, 3/31/2005 through 4/4/2005, 4/28/2005 through 5/25/2005, 8/5/2005 through 8/8/2005, 8/22/05, 1/13/2006 through 4/20/2006 and briefly on 10/16/2006. This was not explained to the jury.
 - iii. Again the above demonstrates a pattern of material fluctuations of shareholder loans and that Jerry, during 2005 and into 2006, had basis to believe that JHH owed him money.

17. Plaintiff's Exhibit No. 12 adds an arbitrary number of \$21,000.00 for interest at the rate of 15%, which has no support for this level of interest on a contractual basis and is simply a number added by Mr. Clark noted in the letter from him to Brad Jordan and Patrick Hall dated 8/9/2007 (Exhibit "B" hereto). Common practice in accounting is to impute interest when there are shareholder receivables but that is typically done at the current applicable federal rate, unless other arrangements have been made. The current applicable federal rate in 2006 was less than 5%.
18. It is undisputed that Jerry secured his primary residence to a JHH loan, which Jerry paid on a JHH loan in the amount of \$216,231.27 from the proceeds of the sale of that residence on 9/23/2008. This should have been noted on Plaintiff's Exhibit 12 and credited to Jerry. See closing statement and related attorney's letter attached and incorporated hereto as **Exhibit "I"**.
19. **To conclude, in accordance with my above statements, if I modify Plaintiff's Exhibit No. 12 to (1) remove Mullan and Maverick related items, (2) remove commission items, (3) remove interest applied, and (4) apply proceeds repaid from Jerry's lake home as described above, it would show that Jerry was owed in excess of \$168,000 from JHH at the time of trial.** Attached and incorporated hereto as **Exhibit "J"**, is my modified summary of Plaintiff's Exhibit No. 12. The first page of Exhibit "J" summarizes the corrections made to Exhibit No. 12 with my conclusion that as of September, 2008 Jerry was owed more than \$168,000.00 from JHH. The second page of Exhibit "J" shows the corrections to Exhibit No. 12 with respect to Mullan, Maverick, and the commissions (but references to the Delay loan and Mullan sale are still set forth on

page 1).

20. Also, the jury never heard or understood the ongoing confusion within JHH regarding shareholder loans and/or credits between Patrick Hall, Brad Jordan, Jerry Hill, and JHH. These shareholder loan problems are demonstrated by a memo from MM to JHH in 2006, attached and incorporated hereto as **Exhibit "K"**. In order to prepare their 2005 tax return, Len Hodge of MM sent the shareholders Exhibit "K". This memo references unanswered questions relating to accounting for receivables within JHH, and from this memo it appears that Patrick Hall even owed monies to JHH at the time. Another nuance gained from reviewing this memo is that there were consistently questions by their current CPA at the time in question regarding accounting issues. It should be noted that on page 1, final paragraph, that Len Hodge received the answer "owners say they do not owe". This statement is in plural, and it infers that several of the shareholders believed that they did not owe money to JHH. This memo would have been insightful to the jury to understand the confusion and disorganization within JHH of receivables and loans among the partners, making Jerry's position credible that his personal purchases were done as JHH owed him money.
21. I also believe it would have been helpful for the jury to see the JHH Debtor Schedule (Exhibit "H"). These show JHH had almost \$1 million in secured debt and over \$4 million in unsecured debt. These debts did not happen overnight, but more likely show a pattern of being highly leveraged. A highly leveraged company is more apt to employ creative purchasing tactics such as having a corporate shareholder purchase assets on credit in his own name in order to facilitate a transaction. It is also important to note such history suggests that this

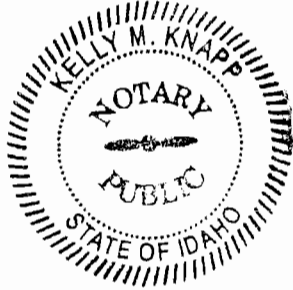
activity did not occur in a vacuum and that the other corporate owners were likely fully aware of the indebtedness of the company. This bankruptcy petition would also have inferred the impossible confusion in bookkeeping practices at JHH, thus showing the lack of criminal intent by Jerry to steal money.

22. In conclusion, I truly believe the jury should have heard the facts presented in this affidavit.

DATED this 26th day of January, 2011.

Suzanne Metzger
Suzanne S. Metzger

SUBSCRIBED AND SWORN TO before me this 26th day of January, 2011.



Kelly m. Knapp
Notary Public for Idaho
Residing in: CDA
My Commission Expires: 11-5-16

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 26 day of January, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- U.S. Mail
- Hand Delivered
- Overnight Mail
- Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816

[Signature]
Mark A. Jackson

1 JOHN D. MUNDING
munding@crumb-munding.com
2 ISBA # 4703
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111 S. Post Street, PH 2290
5 Spokane, WA 99201
6 Phone (509) 624-6464
Facsimile (509) 624-6155

7 Attorneys for Jordan, Hill & Hall, Inc., Debtor.

8 UNITED STATES BANKRUPTCY COURT
9 EASTERN DISTRICT OF WASHINGTON AT SPOKANE

10
11 In re) No. 09-20023-TLM


12 JORDAN, HILL & HALL, INC.,) Chapter 7

13 Debtor.)


14 **DEBTOR'S SUMMARY OF**
SCHEDULES AND SCHEDULES
SCHEDULES A, B, D, E, G + H
WITH DECLARATION

15
16 The corporate Debtor, Jordan, Hill & Hall, Inc. hereby submits its Summary of Schedules
17 and Schedules A, B, D, E, and G, and Declaration signed by director/officer Brad Jordan.

18 DATED this 24 day of January, 2009.

19
20
21 
JORDAN HILL & HALL, INC.
22 By: Brad Jordan

23 CRUMB & MUNDING, P.S.

24
25 
JOHN D. MUNDING, ISBA # 4703
26 Attorneys for Debtor

DEBTOR'S SUMMARY OF SCHEDULES
AND SCHEDULES A, B, D, E, AND G - 1

CRUMB & MUNDING, P.S.
THE DAVENPORT TOWER, PH 2290
111 S. POST STREET
SPOKANE, WA 99201
(509) 624-6464
FAX (509) 624-6155

EXHIBIT "H"
MEZGER

**United States Bankruptcy Court
District of Idaho**

In re Jordan, Hill, & Hall, Inc.

Debtor

Case No. _____

Chapter 7

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors must also complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

NAME OF SCHEDULE	ATTACHED (YES/NO)	NO. OF SHEETS	ASSETS	LIABILITIES	OTHER
A - Real Property	Yes	1	650,000.00		
B - Personal Property	Yes	3	5,000.00		
C - Property Claimed as Exempt	No	0			
D - Creditors Holding Secured Claims	Yes	3		954,604.00	
E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	Yes	1		0.00	
F - Creditors Holding Unsecured Nonpriority Claims	Yes	16		4,036,726.95	
G - Executory Contracts and Unexpired Leases	Yes	1			
H - Codebtors	Yes	1			
I - Current Income of Individual Debtor(s)	No	0			N/A
J - Current Expenditures of Individual Debtor(s)	No	0			N/A
Total Number of Sheets of ALL Schedules		26			
Total Assets			655,000.00		
			Total Liabilities	4,991,330.95	

**United States Bankruptcy Court
District of Idaho**

In re Jordan, Hill, & Hall, Inc.
Debtor

Case No. _____

Chapter 7

STATISTICAL SUMMARY OF CERTAIN LIABILITIES AND RELATED DATA (28 U.S.C. § 159)

If you are an individual debtor whose debts are primarily consumer debts, as defined in § 101(8) of the Bankruptcy Code (11 U.S.C. § 101(8)), filing a case under chapter 7, 11 or 13, you must report all information requested below.

Check this box if you are an individual debtor whose debts are NOT primarily consumer debts. You are not required to report any information here.

This information is for statistical purposes only under 28 U.S.C. § 159.

Summarize the following types of liabilities, as reported in the Schedules, and total them.

Type of Liability	Amount
Domestic Support Obligations (from Schedule E)	
Taxes and Certain Other Debts Owed to Governmental Units (from Schedule E)	
Claims for Death or Personal Injury While Debtor Was Intoxicated (from Schedule E) (whether disputed or undisputed)	
Student Loan Obligations (from Schedule F)	
Domestic Support, Separation Agreement, and Divorce Decree Obligations Not Reported on Schedule E	
Obligations to Pension or Profit-Sharing, and Other Similar Obligations (from Schedule F)	
TOTAL	

State the following:

Average Income (from Schedule I, Line 16)	
Average Expenses (from Schedule J, Line 18)	
Current Monthly Income (from Form 22A Line 12; OR, Form 22B Line 11; OR, Form 22C Line 20)	

State the following:

1. Total from Schedule D, "UNSECURED PORTION, IF ANY" column		
2. Total from Schedule E, "AMOUNT ENTITLED TO PRIORITY" column		
3. Total from Schedule E, "AMOUNT NOT ENTITLED TO PRIORITY, IF ANY" column		
4. Total from Schedule F		
5. Total of non-priority unsecured debt (sum of 1, 3, and 4)		

SCHEDULE A

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim." If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption	Amount of Secured Claim
10 Acres Vacant Land 4451 E. 12th Street, Post Falls, Idaho Estimated Value Range \$500k - \$600k Tract 43, Block 31, Kootanie County, Idaho	Fee, subject to ⁴/₄ deeds of trust	-	650,000.00	777,000.00

Sub-Total > **650,000.00** (Total of this page)

Total > **650,000.00**

(Report also on Summary of Schedules)

0 continuation sheets attached to the Schedule of Real Property

SCHEDULE B

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "x" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
1. Cash on hand	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		See Attached Checking and Savings Account Information	-	0.00
3. Security deposits with public utilities, telephone companies, landlords, and others.	X			
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X			
10. Annuities. Itemize and name each issuer.	X			
Sub-Total >				0.00
(Total of this page)				

2 continuation sheets attached to the Schedule of Personal Property

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).)	X			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.		See Attached Detailed Company Organizational Chart and Company Business Interests	-	
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and nonnegotiable instruments.	X			
16. Accounts receivable.		See attached list of accounts payable owing from real estate agents working under debtor.	-	
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.	X			
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	X			
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.		See Attached List of Potential Claims	-	

Sub-Total > **0.00**
(Total of this page)

Sheet 1 of 2 continuation sheets attached to the Schedule of Personal Property

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
22. Patents, copyrights, and other intellectual property. Give particulars.	X			
23. Licenses, franchises, and other general intangibles. Give particulars.		Real Estate Franchise Agreement / GMAC Real Estate, LLC date June 1, 2006. Subject to pending litigation.	-	[REDACTED]
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.		See attached list of real estate listings / pending closings as of date of filing.	-	[REDACTED]
25. Automobiles, trucks, trailers, and other vehicles and accessories.	X			
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.		Used office furniture, phones, office supplies (In storage).	-	5,000.00
29. Machinery, fixtures, equipment, and supplies used in business.	X			
30. Inventory.	X			
31. Animals.	X			
32. Crops - growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.	X			

Sub-Total >	5,000.00
(Total of this page)	
Total >	5,000.00

Sheet 2 of 2 continuation sheets attached to the Schedule of Personal Property

(Report also on Summary of Schedules)

Schedule B Supplement

NOTE: All personal property subject to alleged security interest of GMAC Real Estate, LLC. See attached U.C.C. Statement.

2. Bank Accounts

- U.S. Bank Account Number xxxxxx5241
Crimson King Estate Account
Balance: \$231.01
Allegedly subject to secured interest of GMAC Real Estate, LLC
- U.S. Bank Account Number xxxxxxx8203
Balance: \$0.00
- INB, Hayden Lake, ID Account Number xxxxx8447
General Office Checking Account
Balance: Less than ~~\$500.00~~ *Negative Balance*
- INB, Hayden Lake, ID Account Number xxxxx6803
Checking Account
Balance: \$0.00
- INB, Hayden Lake, ID Account Number xxxxx2282
Trust Account
Balance: \$6,701.00
- INB Account Number xxxx8239
Savings Account
Balance: \$173.33

13. Corporate Holdings

See Attached Organizational Chart

16. Accounts Receivable

See attached Accounts Receivable Statement

21. List of Pending and Potential Claims

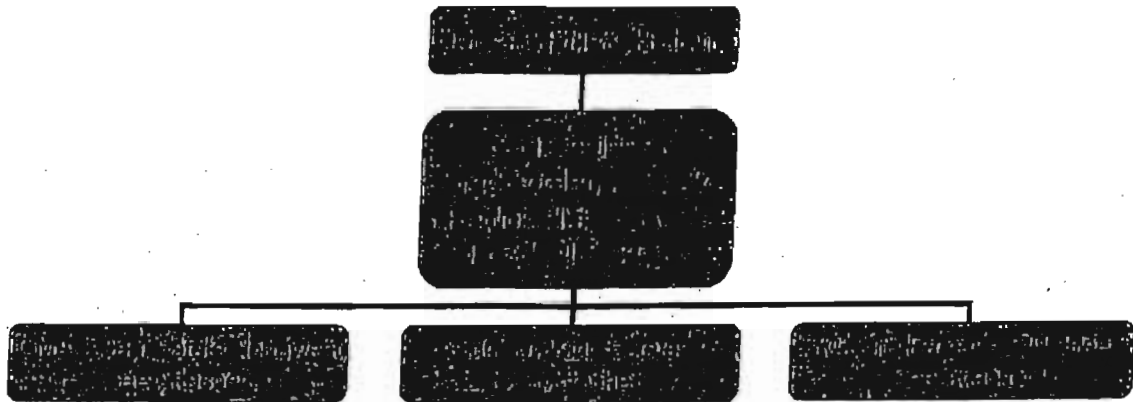
- Claims Against Jerry Hill, former officer, director of Debtor Corporation
- Criminal Restitution claim pending, Kootenai County, Idaho
- Civil Case
- Claim arising to transfer Maverick property; Potential equitable claim against property
- Mr. Hill is believed insolvent

- Claim against GMAC Real Estate, LLC arising from breach of covenant and good faith/fair dealing related to franchise agreement and recent litigation

24. Customer Lists / Closings

See attached list of pending closings. Complete listing provided to Chapter 7 Trustee.

Jordan, Hill, & Hall Inc.





IDAHO SECRETARY OF STATE
Viewing Business Entity

Ben Yursa, Secretary of State

[[New Search](#)] [[Back to Summary](#)]

[[Get a certificate of existence for CRIMSON KING ESTATES, L.L.C.](#)]

CRIMSON KING ESTATES, L.L.C.

2120 LAKEWOOD DR
COEUR D ALENE, ID 83814

Type of Business: LIMITED LIABILITY COMPANY

Status: EXISTING, 2ND AR NOTICE SENT 05 Nov 2008

State of Origin: IDAHO

Date of 06 Oct 2005

Origination/Authorization:

Current Registered Agent: BRAD JORDAN
1900 NW BLVD
COEUR D ALENE, ID 83814

File Number: W43494

Date of Last Annual Report: 15 Dec 2008

Original Filing:

Filed 06 Oct 2005 ARTICLES OF
ORGANIZATION

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Amendments:

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Annual Reports:

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Report for year 2008 ANNUAL REPORT

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Report for year 2007 ANNUAL REPORT

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Report for year 2006 ANNUAL REPORT

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[Idaho Secretary of State's Main Page](#)

[State of Idaho Home Page](#)

Comments, questions or suggestions can be emailed to: sosinfo@sos.idaho.gov

SUBMIT #1

Crimson King Estates

- 35 Lots
 - Block 1: Lots 1 – 15: Arizona Land Investors \$828000.00
 - Block 3: Lots 1, 2, 4, 5, 7, 8: DeArmond/Jones Note \$921000.00
 - Block 2: Lots 1 – 4: Panhandle State Bank \$196000.00
 - Block 1: Lots 17 – 20: Delay/Allegro \$320000.00
 - Block 3: Lots 9 – 11: Anderson Note \$249000.00
 - Block 3: Lot 6, Block 1: Lot 16: Coddling Note \$150000.00
 - No Liens, No Personal Guarantees: Northwest Fence \$45000.00
 - \$5000.00 Per Lot Lien: Adams & Clark \$35000.00
 - \$10000.00 Per Lot Lien: J Foote Excavation \$60000.00*

Note: Bob DeArmond – Investor has a Letter of Credit for \$271000.00 to City of Post Falls. Approximately 60% should be released with Compaction or Sewer Lift Station. Balance is held until 12th St is Paved – Approximately \$50000.00 to complete. Owners do not have funds to complete.

*J Foote has Deed of Trust on Costs behind other loans.

ARIZONA LAND COMPANY
 14020 S.E. JOHNSON RD #201
 PORTLAND, OR 97267

BOB DEARMOND
 1-541-664-3331

No. W 43494		Due no later than Oct 31, 2008 Annual Report Form		2. Registered Agent and Address (NO PO BOX)			
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		1. Mailing Address: Correct in this box if needed. CRIMSON KING ESTATES, L.L.C. BRAD JORDAN 2120 LAKEWOOD DR STE 100 COEUR D ALENE ID 83814		BRAD JORDAN 1900 NW BLVD COEUR D ALENE ID 83814			
				3. <u>New</u> Registered Agent Signature:*			
4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.							
Office Held	Name	Street or PO Address	City	State	Country	Postal Code	
MEMBER	BRAD JORDAN JORDAN HILL & HALL INC	2120 LAKEWOOD DR	COEUR D ALENE	ID	USA	83814	
MEMBER	PATRICK J HALL	2120 LAKEWOOD DR	COEUR D'ALENE	ID	USA	83814	
5. Organized Under the Laws of: ID W 43494		6. Annual Report must be signed.* Signature: RM Guttromson Name (type or print): RM Guttromson					Date: 12/15/2008 Title: Admin. Secretary
Processed 12/15/2008		* Electronically provided signatures are accepted as original signatures.					

Pendings 12-31

Closings Pending Report

Northwest - GMAC

REPORT CRITERIA: Status: Pending, Sides: In-House, Listing Side, Buying Side, Transaction Types: Below Contract.

Over 14 days past est. close: 0-14 days until est. close:
 1-14 days past est. close: Greater than 14 days until est. close:

Number	Box	Seller/Buyer	Contract Date	Estimated Close	Address	Title Company	Listing Side	Buying Side	Units	Volume	Days in Process	Days to Closing	
800228	B	D891	11/21/08	01/08/09	51493 N. Barbara St		CS1 Buyer	W Brock	1	121,750	50	50	
800220	B	D801	11/02/08	01/08/09	1335 E. Moore Ln		Terrific B	K. Harrell	1	189,600	64	64	
700424	I	0101	09/27/07	01/01/09	18213 Boyd Hill Road		P Hill	P Hill	2	890,000	471	21	
800179	B	0801	08/25/08	01/01/09	2864 Mentors Place		Reflex By th	C Peterson	1	194,000	138	21	
800214	F	0101	10/20/08	02/16/09	16672 N Yellowstone Rd	North Idaho Title Company	N Adams	N Adams	2	210,000	82	37	
800230	L	0109	11/21/08	02/28/09	10900 N Lafayette Dr.		R Jordan	Keller-Will	1	585,000	90	41	
800235	L	0108	11/21/08	03/31/09	680 E. Dana Ln.		S Dubois	CS1 Buyer	1	195,000	80	80	
Total Transactions Pending:										9	2,145,250		

7

Total Transactions Pending:

Printed by: Dorian Jordan

466

GMAC Real Estate Northwest
A/R Aging Summary

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
*BBemis	0.00	0.00	0.00	0.00	2,003.10	2,003.10
*BDuffus	0.00	0.00	0.00	0.00	538.16	538.16
*BKing	0.00	0.00	0.00	0.00	52.24	52.24
*CFraser	0.00	0.00	0.00	0.00	1,528.74	1,528.74
*CGray	0.00	0.00	0.00	0.00	594.57	594.57
*CDegaard	0.00	0.00	105.22	150.22	860.85	1,116.29
*CRickards	0.00	0.00	0.00	0.00	137.70	137.70
*DCoppemoll	0.00	0.00	0.00	0.00	268.67	268.67
*FORNOnote	0.00	0.00	0.00	0.00	8,028.42	8,028.42
*JAlverson	0.00	0.00	0.00	0.00	1,240.77	1,240.77
*KAmes	0.00	0.00	0.00	0.00	135.00	135.00
*KHanson	0.00	0.00	0.00	0.00	28,805.83	28,805.83
*LRehard	0.00	0.00	0.00	0.00	933.81	933.81
*MHonnell	0.00	0.00	0.00	0.00	1,512.75	1,512.75
*MStrope	0.00	0.00	0.00	0.00	402.41	402.41
*NKay	0.00	0.00	0.00	0.00	269.37	269.37
*NKlanknecht	0.00	0.00	0.00	0.00	1,157.18	1,157.18
*PMclvain	0.00	0.00	0.00	0.00	1,023.99	1,023.99
*PWard	0.00	0.00	0.00	0.00	1,015.03	1,015.03
*SLamson	0.00	0.00	0.00	0.00	206.82	206.82
*SLoebs	0.00	0.00	0.00	0.00	1,242.62	1,242.62
*SMcLaughlin	0.00	0.00	0.00	0.00	135.00	135.00
*SPowell	0.00	0.00	0.00	0.00	286.70	286.70
*TWaldo	0.00	0.00	0.00	0.00	181.64	181.64
TOTAL	0.00	0.00	105.22	150.22	50,361.37	50,616.81
CPeterson	0.00	0.00	117.07	320.58	0.00	437.65
DBrockway	0.00	0.00	577.32	0.00	0.00	577.32
DHarris	0.00	0.00	108.31	135.60	130.00	373.91
GHudson	0.00	0.00	60.50	60.20	65.00	185.70
JBatson	0.00	0.00	144.02	170.61	1,880.62	2,195.15
JKelplin	0.00	-21.50	0.00	0.00	781.25	759.75
KMason	30.00	0.00	153.46	270.83	665.53	1,119.82
KPalm	0.00	0.00	0.00	0.00	499.00	499.00
MAbraham	0.00	0.00	129.98	156.84	1,182.24	1,479.06
MCrippen	0.00	0.00	106.82	133.20	0.00	240.02
MFaux	0.00	0.00	73.83	72.38	718.93	865.14
MJolly	0.00	0.00	103.00	0.00	0.00	103.00
MSorenson	50.00	0.00	16.97	0.00	0.00	66.97
RSnookal	0.00	0.00	0.00	51.57	478.48	530.05
RWeaver	0.00	0.00	106.10	142.85	0.00	248.95
SFox	0.00	0.00	825.80	0.00	0.00	825.80
SJones	0.00	0.00	26.22	0.00	0.00	26.22
TPiscitelli	0.00	0.00	160.99	226.53	1,276.61	1,664.13
WBrock	0.00	0.00	167.31	314.88	2,804.69	3,286.88
TOTAL	80.00	-21.50	2,677.70	2,056.07	10,492.25	16,284.52
BHollingsworth	0.00	0.00	0.00	0.00	-588.65	-588.65
CTaylor	0.00	-35.80	0.00	0.00	0.00	-35.80
CMiller	0.00	-835.51	243.56	247.95	109.01	-35.00
DTaylor	0.00	-5.00	0.00	0.00	0.00	-5.00
JFish	0.00	0.00	-34.52	0.00	0.00	-34.52
MWebler	0.00	-35.00	0.00	0.00	0.00	-35.00
SCulbreth	0.00	-40.00	0.00	0.00	0.00	-40.00
TOTAL	0.00	-761.11	208.03	247.95	-479.64	-773.77

08 CV 7354
 JUDGE HOLDERMAN
 MAGISTRATE JUDGE ASHMAN

F159

UCC FINANCING STATEMENT
 FOLLOW INSTRUCTIONS (front and back) CAREFULLY

PH

A. NAME & PHONE OF CONTACT AT FILER (optional)
 Phone: (800) 331-3282 Fax: (818) 862-4141

B. SEND ACKNOWLEDGEMENT TO (Name and Address)

UCC Direct Services 8856304
 P.O. Box 29071
 Glendale, CA 91209-9071

ID, Secretary of State

UCC Direct Services
 Representation of filing

This filing is Completed
 File Number : B200810093091
 File Date : 18-JUL-2008

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1 DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a ORGANIZATION NAME
 Jordan Hill & Hall, Inc.

OR

1b INDIVIDUAL LAST NAME FIRST NAME MIDDLE NAME SUFFIX

1c MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
 1000 Northwest Blvd., Suite A Coeur d'Alene ID 83814 US

1d SEE INSTRUCTIONS **ADD'L INFO RE ORGANIZATION DEBTOR** **1e TYPE OF ORGANIZATION** Corporation **1f JURISDICTION OF ORGANIZATION ID** **1g ORGANIZATIONAL ID#, if any** C0075959 NONE

2 ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a ORGANIZATION NAME

OR

2b INDIVIDUAL LAST NAME FIRST NAME MIDDLE NAME SUFFIX

2c MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

2d SEE INSTRUCTIONS **ADD'L INFO RE ORGANIZATION DEBTOR** **2e TYPE OF ORGANIZATION** **2f JURISDICTION OF ORGANIZATION** **2g ORGANIZATIONAL ID#, if any** NONE

3 SECURED PARTY'S (or NAME of TOTAL ASSIGNEE of ASSIGNOR & P) - insert only one secured party name (3a or 3b)

3a ORGANIZATION NAME
 GMAC Real Estate, LLC

OR

3b INDIVIDUAL LAST NAME FIRST NAME MIDDLE NAME SUFFIX

3c MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
 2021 Spring Road, Suite 300 Oak Brook IL 60523 US

4 This FINANCING STATEMENT covers the following collateral:
 As security for the payment of all amounts owing to the Lender and as security for the satisfaction of all other obligations of the Company to the Lender, the Company grants to this Lender a security interest in the following property of the Company, including property presently owned or later acquired (together, the "Collateral"): Accounts Receivable, Equipment and Fixtures, Inventory, General Intangibles, Contract Rights and documents of title, Investment Property, all instruments evidencing any obligations to the Company by third parties, all property of the Company with the Lender (excluding property of the Company held by the Lender in escrow for third-parties), all other property of the Company (including, but not limited to, real estate owned or leased by or to the Company), all replacements, substitutions, additions, accessions, products or proceeds to or for any of the foregoing;



5 ALTERNATE DESIGNATION (if applicable) LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOB SELLER/BUYER AGENT NON-UCC FILING

6 This FINANCING STATEMENT is to be filed (or recorded) (or re-recorded) in the REAL ESTATE RECORDS (Attach Addendum if applicable) (Check to REQUEST SEARCH REPORT(S) on Debtor(s) (Additional Fee) (optional) All Debtors Debtor 1 Debtor 2

8 OPTIONAL FILER REFERENCE DATA FRN300
 21429 653

FILING OFFICE COPY - UCC FINANCING STATEMENT (FORM UCC1) (REV. 03/02/02)

UCC FINANCING STATEMENT

ELECTRONIC FILING*

A. NAME, PHONE, EMAIL, FAX OF CONTACT AT FILER: --- | --- | John Xu@uccdirect.com | ---	
B. SEND ACKNOWLEDGMENT TO: (Name and Address) UCC Direct Services 2727 Allen Parkway Houston, TX 77019	

IDAHO SECRETARY OF STATE
7/18/2006 08:40:00:21
\$3.00
Filing Number:
B 2006-1009309-1

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME: - insert only one debtor name (1a or 1b) - do not abbreviate or combine names					
1a. ORGANIZATION'S NAME: Jordan Hill & Hall, Inc.					
OR	1b. LAST NAME:		FIRST NAME:	MIDDLE NAME:	SUFFIX:
1c. MAILING ADDRESS: 1900 Northwest Blvd. Suite A		CITY: Coeur d'Alene	STATE: ID	POSTAL CODE: 83814	COUNTRY: USA
1d. TAX ID #: SSN OR TIN	ADD. INFO. FROM UCC FILING SYSTEM DEBTOR	1e. TYPE OF ORG.: Corporation	1f. JURISDICTION OF ORG.: ID	1g. ORGANIZATIONAL ID #: (if any) C0075959	
3. SECURED PARTY'S NAME: (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)					
3a. ORGANIZATION'S NAME: GMAC Real Estate, LLC					
OR	3b. LAST NAME:		FIRST NAME:	MIDDLE NAME:	SUFFIX:
3c. MAILING ADDRESS: 2021 Spring Road Suite 300		CITY: Oak Brook	STATE: IL	POSTAL CODE: 60523	COUNTRY: USA

4. This FINANCING STATEMENT covers the following collateral:

As security for the payment of all amounts owing to the Lender and as security for the satisfaction of all other obligations of the Company to the Lender, the Company grants to the Lender a security interest in the following property of the Company, including property presently owned or later acquired (together, the "Collateral"): Accounts Receivable, Equipment and Fixtures, Inventory, General Intangibles, Contract Rights and documents of title, Investment Property, all instruments evidencing any obligations to the Company by third parties, all property of the Company with the Lender (excluding property of the Company held by the Lender in escrow for third-parties), all other property of the Company (including, but not limited to, real estate owned or leased by or to the Company), all replacements, substitutions, additions, accessions, products or proceeds to or for any of the foregoing;

5. ALTERNATIVE DESIGNATION (If applicable):

LESSOR/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER

6. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) ADDITIONAL FEE (optional) All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA:

ID-0-21429653-FRN300

*Electronically generated from original XML Document

SCHEDULE D

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is a creditor, the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community".

If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Total the columns labeled "Amount of Claim Without Deducting Value of Collateral" and "Unsecured Portion, if Any" in the boxes labeled "Total(s)" on the last sheet of the completed schedule. Report the total from the column labeled "Amount of Claim" also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report the total from the column labeled "Unsecured Portion" on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	H W J C	Husband, Wife, Joint, or Community			C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
		DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN							
Account No. Chuck & Lynn Anderson 1675 S. Cedarbloom Road Coeur D Alene, ID 83814		deed of trust 2nd Deed of Trust on 10 acres vacant land						150,000.00	0.00
Account No. xxx-xxx3761 CIT Technology Financing Asset Management Resolution 23895 Network Place Chicago, IL 60673-1238		Copier Lease Copiers						1,216.00	1,216.00
Account No. CPL 5537 CitiCorp Vendor Finance, Inc One International Blvd. Mahwah, NJ 07430		8/2003 Copier - AFICIO 2035						0.00	0.00
Account No. Franchise / Secured Loan GMAC Real Estate, LLC 465 South Street, Suite 202 Morristown, NJ 07960		2008 UCC Security Agreement Franchise Loan, secured by FFE.			X	X	X	153,388.00	153,388.00
Subtotal								304,604.00	154,604.00
(Total of this page)									

2 continuation sheets attached

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS
(Continuation Sheet)

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B Y C R E D I T O R	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
Account No. 200140656 H & H Business Systems, Inc. 5140 E. Seltice Way Post Falls, ID 83854			Copier Lease - RICO 4 Value \$ 0.00				0.00	0.00
Account No. J. Foote Excavation 1720 Industrial Drive Sandpoint, ID 83864			Secured claim for services on 10 acres vacant land Value \$ 650,000.00				60,000.00	0.00
Account No. Kootenai County Treasurer 451 Government Way Coeur D Alene, ID 83815			Statutory Tax Lien Unpaid Real Property Taxes, 10 acres parcel Value \$ 0.00				19,450.00	19,450.00
Account No. Panhandle State Bank P.O. Box 967 Sandpoint, ID 83864			Deed of Trust 10 Acres Vacant Land Value \$ 650,000.00				250,000.00	0.00
Account No. Patrick & Sue Hall 869 Breezy Way Post Falls, ID 83854			3rd Deed of Trust on 10 Acres Vacant Land Value \$ 650,000.00				340,000.00	0.00
Subtotal (Total of this page)							669,450.00	19,450.00

Sheet 1 of 2 continuation sheets attached to
Schedule of Creditors Holding Secured Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS
(Continuation Sheet)

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R R	H W J C	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
			DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	Value \$					
Account No. xxxxxxxxxxxx0528 Pitney Bowes Purchase Power P.O. Box 856042 Louisville, KY 40285-6042									
				Copier / Postage					
				Value \$	0.00			0.00	0.00
Account No. Wells Fargo Finacial Leasing 400 Locust Street Des Moines, IA 50309									
				Copier Lease - Richo 3025					
				Value \$	0.00			0.00	0.00
Account No. Wells Fargo Financial Leasing, Inc. 400 Locust Street Des Moines, IA 50309									
				Copier Lease - Richoh Aficio 3025					
				Value \$	0.00			0.00	0.00
Account No.									
				Value \$					
Account No.									
				Value \$					
Subtotal (Total of this page)								0.00	0.00
Total (Report on Summary of Schedules)								974,054.00	174,054.00

Sheet 2 of 2 continuation sheets attached to
Schedule of Creditors Holding Secured Claims

SCHEDULE E

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts not entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)

Domestic support obligations

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

Extensions of credit in an involuntary case

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

Wages, salaries, and commissions

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$10,950* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

Contributions to employee benefit plans

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

Certain farmers and fishermen

Claims of certain farmers and fishermen, up to \$5,400* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

Deposits by individuals

Claims of individuals up to \$2,425* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

Taxes and certain other debts owed to governmental units

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

Commitments to maintain the capital of an insured depository institution

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507(a)(9).

Claims for death or personal injury while debtor was intoxicated

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

* Amounts are subject to adjustment on April 1, 2010, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

0 continuation sheets attached

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser", "Agent", etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no executory contracts or unexpired leases.

Name and Mailing Address, including Zip Code,
of Other Parties to Lease or Contract

Description of Contract or Lease and Nature of Debtor's Interest.
State whether lease is for nonresidential real property.
State contract number of any government contract.

See Attached Copier Leases

**Copier Leases. Notice provided on Schedule D
and F. Leases attached.**

0

continuation sheets attached to Schedule of Executory Contracts and Unexpired Leases

When making payment reference this Account Number: 8000-9000-0825-0528 Page 1 of 2
Customer Identification #: 18852316860

09/25/08

\$4,123.59

\$1,570.00

10/22/08

\$

MAKE CHECK PAYABLE TO:

000000

PURCHASE POWER
PO BOX 856042
LOUISVILLE KY 40285-6042

Accounts Payable
GMAC MORTGAGE
2900 NW BLVD
COEUR D ALENE ID 83814-2515

The Pitney Bowes Bank, Inc. Tax ID # 84-1386389
When making payments reference
Account Number noted at the top of this page.

Check here for address / phone
change and note on back

3744870-116

99 8000 9000 0825 0528 00157000 00412359

DETACH THE ABOVE AND MAIL WITH YOUR PAYMENT

PURCHASE POWER

Account Number: 8000-9000-0825-0528
Postage By Phone Number: 37512208

Purchase Power

Did you know you are earning rewards points when you use your Purchase Power account? You earn two points for supplies purchased on-line and one point for every other dollar you spend using Purchase Power. Points can be redeemed for postage, supplies, gift cards and more. For more information visit www.pb.com/rewards.

ACCOUNT SUMMARY

Total New Activity	MONTHLY ACTIVITY	\$0.00
---------------------------	-------------------------	---------------

ACCOUNT ACTIVITY

Previous Balance	\$4,123.59
Payments	\$0.00
Credits and Other Charges	\$0.00
New Activity	\$0.00
Finance Charges	\$0.00
Total Amount Due	\$4,123.59

Past Due Amount	\$1,363.00
Amount Over Credit Limit	\$0.00
Minimum Payment	\$1,570.00

Credit Limit: \$12,300.00

Available: \$8,176.41

Payment Due Date: 10/22/08

PAYMENTS

Tran Date	Post Date	Description	Amount
			Total Payments:
			\$0.00

When making payment reference this Account Number: 8000-8000-0825-0528

Page 1 of 2

Customer Identification #: 18852316860

08/25/08

\$4,123.59

\$1,363.00

09/21/08

\$.

MAKE CHECK PAYABLE TO:

000000

PURCHASE POWER
PO BOX 856042
LOUISVILLE KY 40285-6042

Accounts Payable
GMAC MORTGAGE
1900 NW BLVD
COEUR D ALENE ID 83814-2615

The Pitney Bowes Bank, Inc. Tax ID # 84-1386389

Check here for address / phone change and note on back

When making payments reference Account Number noted at the top of the page.

99 8000 9000 0825 0528 00136300 00412359

DETACH THE ABOVE AND MAIL WITH YOUR PAYMENT

PURCHASE POWER

Account Number: 8000-8000-0825-0528
Postage By Phone Number: 37512209

Purchase Power

YOUR ACCOUNT IS SERIOUSLY DELINQUENT AND IS AT RISK FOR REFERRAL TO A THIRD PARTY AGENCY FOR COLLECTION. PLEASE CONTACT US IMMEDIATELY AT 1-866-575-1234.

ACCOUNT SUMMARY

Total New Activity	MONTHLY ACTIVITY	\$0.00
---------------------------	-------------------------	---------------

ACCOUNT ACTIVITY

Previous Balance	\$4,123.59
Payments	\$0.00
Credits and Other Charges	\$0.00
New Activity	\$0.00
Finance Charges	\$0.00
Total Amount Due	\$4,123.59

Past Due Amount	\$1,156.00
Amount Over Credit Limit	\$0.00
Minimum Payment	\$1,363.00

Credit Limit: \$12,300.00

Available: \$8,176.41

Payment Due Date: 09/21/08

PAYMENTS

Tran Date	Post Date	Description	Amount
Total Payments:			\$0.00

When making payment reference this Account Number: 8000-9000-0825-0528

Page 1 of 2

Customer Identification #: 18852316860

07/25/08

\$4,123.59

\$1,156.00

08/21/08

\$

MAKE CHECK PAYABLE TO:

000000

PURCHASE POWER
PO BOX B56042
LOUISVILLE KY 40205-6042

Accounts Payable
GMAC MORTGAGE
1900 NW BLVD
CORR D ALENE ID 83814-2615

The Pitney Bowes Bank, Inc. Tax ID # 84-1386389

Check here for address / phone change and note on back

When making payments reference Account Number noted at the top of this page.

99 8000 9000 0825 0528 00115600 00412359

DETACH THE ABOVE AND MAIL WITH YOUR PAYMENT

PURCHASE POWER

Account Number: 8000-9000-0825-0528
Postage By Phone Number: 37512208

Purchase Power

YOUR ACCOUNT IS SERIOUSLY DELINQUENT. PLEASE CONTACT US IMMEDIATELY AT 1-888-575-1234 TO MAKE PAYMENT ARRANGEMENTS AND AVOID FUTURE ACTION.

ACCOUNT SUMMARY

	MONTHLY ACTIVITY
Total New Activity	\$0.00

ACCOUNT ACTIVITY

Previous Balance	\$4,043.13
Payments	\$0.00
Credits and Other Charges	\$80.46
New Activity	\$0.00
Finance Charges	\$0.00
Total Amount Due	\$4,123.59

Past Due Amount	\$949.00
Amount Over Credit Limit	\$0.00
Minimum Payment	\$1,156.00

Credit Limit: \$12,300.00

Available: \$8,176.41

Payment Due Date: 08/21/08

PAYMENTS

Tran Date	Post Date	Description	Amount
Total Payments:			\$0.00

When making payment reference this Account Number: 8000-8000-0825-0528

Page 2 of 2

Customer Identification #: 18852316860

For changes of address: Mail your changes in with your payment.

New Phone Number ()

E-Mail Address:

Changes in Address:

*If you provide an e-mail address, we may contact you about your account. We may also use your e-mail address to send you information about products and services you might find useful.

Customer Service: Inquiries call 1-800-243-7800 or visit our website at www.postagebyphone.com
Inquiries regarding Pitney Bowes Supplies call 1-800-243-7824
Billing Inquiries regarding equipment and service call 1-800-322-8000

CREDITS AND OTHER CHARGES

Tran Date	Post Date	Description	Amount
07/22	07/22	LATE FEE	\$80.46
Total Credits and Other Charges:			\$80.46

Rewards Summary

	<u>This Period</u>	<u>Total to Date</u>		<u>This Period</u>	<u>Total to Date</u>
Beginning Balance	3,909		Adjustments	0	
Points Earned	0	3,909	Bonus Points	0	0
Points Redeemed	0	0	Points Available		3,909



EQUIPMENT ACQUISITION AGREEMENT

BUSINESS SYSTEMS, INC.

PROGRAM: _____ SALE: LEASE: RENTAL: CONNECTED: (Attach Addendum 1, 2, 3)

CUSTOMER AGREES TO PURCHASE AND H & H BUSINESS SYSTEMS, INC. AGREES TO SELL, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT, THE EQUIPMENT AND/OR GOODS LISTED BELOW AT THE PRICES SHOWN.

Table with 6 columns: QUANTITY, MODEL DESCRIPTION, PRODUCT CODE, SERIAL NUMBER, UNIT PRICE, TOTAL PRICE. Rows include Aficio 2022sp, Df 75, Pt 280 1 Bin, Shift Sort, Cabinet, and Vip Maint \$ 0.009 per copy all parts labor toner & Supplies included no paper includes property Tax.

NO TERMS OR CONDITIONS, EXPRESSED OR IMPLIED, ARE AUTHORIZED UNLESS THEY APPEAR ON 'ORIGINAL' OF THIS AGREEMENT, SIGNED BY THE CUSTOMER AND AN OFFICER OF H & H BUSINESS SYSTEMS, INC.

THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE INCORPORATED IN AND MADE PART OF THIS AGREEMENT. NO ONE IS AUTHORIZED TO CHANGE, ALTER, OR AMEND THE TERMS OR CONDITIONS OF THIS AGREEMENT UNLESS AGREED TO IN WRITING BY AN OFFICER OF H & H BUSINESS SYSTEMS, INC.

TERMS: SALE - NET TEN (10) DAYS LEASE RENTAL 60 MONTHS FMV 10% \$1.00

V.I.P. M/A ANNUAL PLUS SERVICE PLUS WA TERMS: 0.009

PLEASE INITIAL SELECTED MAINTENANCE PLAN

CHECK ATTACHED DEPOSIT AMOUNT \$ _____ USED EQUIPMENT TRADE-IN MODEL _____ SERIAL NUMBER _____

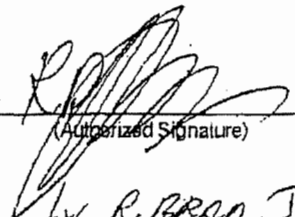
Summary table with rows: SUB TOTAL (INCLUSIVE OF FEDERAL TAX) \$, LESS TRADE ALLOWANCE \$, PERCENT STATE TAXES \$, DELIVERY/INSTALLATION CHARGE \$, TOTAL PRICE \$.

CUSTOMER ACCEPTANCE ('CUSTOMER') form with fields for COMPANY NAME (Gmac Realestate Northwest), ADDRESS (201 n Church), CITY/STATE/ZIP (Sandpoint Idaho 8854), BY (SIGNATURE) (BRAD JORDAN), DATE (MONTH / DAY / YEAR) (6-21-05), TAX EXEMPTION NO., PHONE, FAX, E-MAIL, TITLE, PURCHASE ORDER NO., H & H BUSINESS SYSTEMS, INC., MARKETING REPRESENTATIVE (PLEASE PRINT) (Steven T Wilson), DATE (MONTH / DAY / YEAR) (6/23/05), BRANCH/AGENCY GENERAL MANAGER (SIGNATURE), LOCATION, CORPORATE GENERAL MANAGER (SIGNATURE), DATE (MONTH / DAY / YEAR).

Equipment Delivery and
Acceptance Receipt

The undersigned does hereby acknowledge the complete and satisfactory delivery and installation of the Equipment leased from Citicorp Vendor Finance, Inc. The undersigned does further acknowledge that Lessor has made no warranties expressed or implied regarding the equipment; that our obligations to Lessor or its assignees as set forth in the aforementioned lease are free of any and all claims, counter claims, defenses, or set-offs.

GMAE Real Estate Northwest
(Full Legal Name of Lessee)

By  President
(Authorized Signature) (Title)

R. BRAD JORDAN
(Print Name of Signer)

6-21-08
(Date)

Equipment Lease Agreement

LESSEE INFORMATION

LESSEE (FULL LEGAL NAME) Gmac Real Estate Northwest DATE 6/25/05
 STREET ADDRESS 1900 Northwest Blvd
 CITY Coeur d'Alene STATE IDaho ZIP 83814 PHONE NUMBER (208) 667-1005
 BY X [Signature] AUTHORIZED SIGNATURE TITLE President THIS AGREEMENT IS NOT CANCELABLE



SUPPLIER
 H&H Business System Inc
 5140 E Sellice Way
 Post Falls, Id. 83854

DESCRIPTION OF EQUIPMENT LEASED	MAKE AND TYPE	MODEL NUMBER	SERIAL NUMBER	UNIT QUANTITY
<u>COPIER</u>	<u>RICOH</u>	<u>2022SP</u>		

EQUIPMENT LOCATION: SAME () OTHER () ADDRESS CITY STATE ZIP

TERM AND PAYMENT SCHEDULE

TERM IN MONTHS 60 LEASE PAYMENTS: MONTHLY () QUARTERLY () OTHER
 \$ 126.00 (PLUS APPLICABLE TAXES)
 AT THE TIME OF THIS LEASE AGREEMENT YOU AGREE TO PAY PAYMENT(S) IN ADVANCE AS SECURITY AND INCLUDE A CHECK IN THE AMOUNT OF: 0

PURCHASE OPTIONS SUBJECT TO SECTION 6 BELOW: FAIR MARKET VALUE PURCHASE OPTION
 10% PURCHASE OPTION
 \$1.00 PURCHASE OPTION
 IF YOU ARE EXEMPT, PLEASE ATTACH CERTIFICATE ALSO WRITE YOUR TAX EXEMPT #

SOLE PROPRIETORSHIP:
 NAME: _____ DATE OF BIRTH: _____
 ADDRESS: _____ SS#: _____

CORPORATION/PARTNERSHIP:
 TAXID#: _____

LEASE GUARANTY
 I guarantee that the Lessee will make all payments and perform all other obligations under the Lease until completed. My obligation shall be continuing, direct and unconditional. I waive notice of Lessee's default, acceptance, demand and protest and I consent to any modifications to the Lease. I AGREE TO BE SUBJECT TO SUIT IN THE NEW JERSEY STATE AND FEDERAL COURTS, CONSENTING TO SUCH JURISDICTION (WAIVE TRIAL BY JURY IN ANY ACTION) and I shall not assign this Guaranty. This guaranty shall be binding upon my permitted successors and assigns and inure to the benefit of Lessor's successors and assigns. If there is more than one Guarantor, our obligations are joint and several.

X _____ X _____
 SIGNED DATED SIGNED DATED
 PRINTNAME PRINTNAME

TERMS AND CONDITIONS

The words YOU and YOUR mean the Lessee. The words WE, US, and OUR refer to the Lessor.

IMPORTANT INFORMATION ABOUT ESTABLISHING A RELATIONSHIP WITH CITICAPITAL: To help the United States Government fight terrorism and money laundering, Federal law requires us to obtain, verify, and record information that identifies each person or business that opens an account or establishes a relationship. What this means for you: when you open an account or establish a relationship, we will ask for your name, street address, date of birth, and identification number, such as a social security number or taxpayer identification number. For businesses, we will ask for the business name, street address and tax identification number. Federal law requires us to obtain this information. We may also ask to see your driver's license or other identifying documents that will allow us to identify you. We appreciate your cooperation.

1. RENTAL: We agree to rent to you and you agree to rent from us the equipment described above. You promise to pay us the rent according to the payment schedule shown above. The parties intend this Lease to be a finance lease under Article 2A of the Uniform Commercial Code ("UCC").

2. TERM AND RENT: The term shall commence on the day that any of the Equipment is delivered to you ("the Commencement Date"). Rent shall be payable in advance, commencing on the Commencement Date and thereafter until all amounts are fully paid. Lessee's obligations shall be absolute and unconditional without any abatement, set-off, defense or claim for any reason whatsoever. If any payment hereunder is not made by Lessee when due, Lessee shall be charged a late fee of ten percent (10%) of the amount of such payment, plus interest on such amount at the rate of 1.15% per month from the due date until the date paid, but to each of the foregoing, in no event more than the maximum rate permitted by law.

3. DELIVERY AND ACCEPTANCE: Your confirmation to us, by telephone or other means, of the delivery of the Equipment shall constitute your acknowledgment that you have inspected the Equipment, have found it to be satisfactory in all respects and that you accept the equipment.

4. NO WARRANTIES: We are renting the Equipment to you "AS IS". WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. We transfer to you for the term of this Lease any warranties made by manufacturer or supplier to us. NEITHER SUPPLIER NOR ANY AGENT OF SUPPLIER IS AN AGENT OF LESSOR OR IS AUTHORIZED TO WAIVE OR MODIFY ANY TERM OR CONDITION OF THIS LEASE. Notwithstanding the foregoing, we nor our affiliates, officers, directors or shareholders shall be liable for any consequential or incidental damages.

5. OWNERSHIP, REDELIVERY AND RENEWAL: We are the owner of the Equipment. If this Lease is deemed to be a security agreement, you grant us a security interest in the Equipment and in any other equipment financed by us and/or our affiliates ("Other Equipment") and all proceeds therefrom and you hereby authorize us to file UCC Financing Statements, to sign such statements, grant us the right to execute your name thereto and agree to pay for such filings. More than one hundred eighty (180) days but not less than ninety (90) days prior to the end of the initial term or any renewal term of this Lease you shall give us

written notice of your intention to either return the Equipment to us or purchase the Equipment, as provided below. Provided you have given such timely notice, you shall return the Equipment to us at your cost, in good condition and working order in a manner and to a location designated by us or remit the purchase option. If you fail to do so, or having notified us, you fail to return the Equipment as provided herein, or fail to remit the purchase option at the end of the term, this Lease shall renew for additional terms of ninety (90) days each at a periodic rent equal to 100% of the rent provided herein. In the event that you have been granted a purchase option and you do not exercise such option, then, upon termination of this Agreement you shall remit to us a one hundred fifty (\$150) dollar fee, payable upon your request for authorization to return the Equipment. The fee is payable in addition to shipping costs for return of Equipment.

6. OPTION TO PURCHASE: We hereby grant to you, provided you are not in default hereunder, the option to purchase, "AS IS, WHERE IS", all (not part) of the Equipment at the expiration of the initial term of this Lease for its then in-place and in-use fair market value, as determined by us, \$1.00 Purchase Option or 10% purchase option (as provided above), plus all applicable taxes.

7. MAINTENANCE, RISK OF LOSS AND INSURANCE: You are responsible for installing and keeping the Equipment in good repair, condition and working order and for protecting the Equipment from damage and loss of any kind. If the Equipment is damaged or lost, you agree to contribute to pay rent. You will obtain adequate property damage and public liability insurance covering the Equipment and its use during the term of this Lease, such insurance policies to name us as loss payee and additional insured. You agree to provide us certificates or other evidence of insurance. Should you fail to provide such insurance, you agree that we may obtain such insurance and charge you therefor.

8. INDEMNITY: We are not responsible for any losses or injuries caused by the Equipment or any use thereof. You agree to reimburse us for and to defend us against any claims for losses or injuries (including reasonable attorney's fees and costs) caused by the Equipment or use thereof.

9. TAXES AND FEES: You agree to pay us when due or reimburse us for all taxes, fees, fines and penalties relating to use or ownership of the Equipment or to this Lease, now or hereafter imposed, levied or assessed by any state, federal or local government or agency, including any taxes to be paid up front. You agree to pay us a non-refundable origination fee of \$57.50 in connection with this Lease. We may charge you a processing fee for administering property tax filing.

10. LOCATION OF EQUIPMENT: You will keep and use the Equipment only at your address shown above and you will not move the Equipment from that address without our written prior consent. You agree that the Equipment will be used for business purposes only.

11. DEFAULT: If you (a) fail to pay any amount hereunder and/or under any other agreement with us and/or our affiliate concerning the finance of Other Equipment when due; or (b) breach any representation or warranty, or fail to perform any covenant in this Lease and/or under any other agreement with us and/or our affiliate concerning the finance of Other Equipment after 10 days written notice; or (c) sustain a substantial deterioration in your condition (financial or otherwise), or become insolvent or make an or have made assignment for the benefit of creditors, file or have filed against you a petition in bankruptcy or a receiver, trustee, conservator or liquidator is appointed for you, you shall be in default under this Lease.

12. REMEDIES: If you default, we may do one or more of the following: (i)

recover from you all amounts then due under this Lease plus the present value of (x) the sum of the rent payments for the unexpired term of this Lease and (y) the anticipated value of the Equipment at the end of the initial term or renewal term of the Lease, all discounted at the rate of 6% per annum; (ii) declare any other agreements between you and us and/or any affiliate of ours concerning the finance of equipment in default; (iii) require you to return all of the Equipment and/or the Other Equipment, at your expense, to a place reasonably designated by us, or take the Equipment and/or the Other Equipment, in which case we will not be held responsible for any losses directly or indirectly arising out of, or by reason of the presence and/or use of any and all proprietary information residing on or within the Equipment and/or the Other Equipment, and to lease or sell the Equipment and/or the Other Equipment or any portion thereof, and to apply the proceeds, less reasonable selling and administrative expenses, to the amounts due hereunder; (iv) charge you for expenses incurred in connection with the enforcement of our remedies including collection costs, reasonable attorney's fees and court costs. Lessee shall also be liable for the pre- and post-judgment attorney's fees and costs incurred by Lessor after a judgement has been entered against Lessee by any court. All our remedies are cumulative, are in addition to any other remedies provided for by law and may be exercised either concurrently or separately. Any failure or delay by us to exercise any right shall not operate as a waiver of any right, other or future rights or to modify the terms of this Lease. We shall retain any Security Deposit made as a deposit for the full performance of your obligations. At the end of this Lease and full payment of all sums due hereunder, the Security Deposit shall be returned to you with no interest. In the event of default we may apply the Security Deposit to amounts due under this Lease.

13. ASSIGNMENT: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THIS LEASE OR THE EQUIPMENT. We may sell, assign or transfer this Lease, without notice. You agree that if we sell, assign or transfer this Lease, the new owner will have the same rights and benefits that we have now and will not have to perform any of our obligations, for which we remain responsible. You agree that the right of the new owner will not be subject to any claims, defenses, or set offs that you may have against us.

14. GOVERNING LAW; CONSENT TO JURISDICTION; WAIVERS: THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF NEW JERSEY BUT ONLY TO THE EXTENT SUCH STATE LAW IS NOT PREEMPTED BY FEDERAL LAW OR REGULATION. YOU AGREE TO BE SUBJECT TO SUIT IN THE NEW JERSEY STATE AND FEDERAL COURTS, CONSENTING TO SUCH JURISDICTION, PROVIDED NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT THE JURISDICTIONS IN WHICH SUIT MAY BE FILED BY ANY PARTY. YOU WAIVE TRIAL BY JURY IN ANY ACTION. YOU HEREBY WAIVE ANY AND ALL RIGHTS AND REMEDIES GRANTED YOU BY SECTION 2A-508 THROUGH 2A-522 OF THE UNIFORM COMMERCIAL CODE.

15. CUSTOMER P.O.: You agree that any Purchase Order issued to us covering the Equipment is issued for authorization purposes and your internal use only, and none of its terms and conditions shall modify the terms of this Lease.

16. ENTIRE LEASE: You agree that we may insert or correct missing information on this Lease including your legal name and the Equipment's description, serial number and location, otherwise, this Lease contains the entire arrangement between you and us, and no modification of this Lease shall be effective unless in writing and signed by both parties.

ACCEPTED BY:

LESSOR	BY	TITLE	ACCEPTED ON
CITICORP VENDOR FINANCE, INC.	X		

Equipment Lease Agreement...



LESSEE INFORMATION

LESSEE (FULL LEGAL NAME)		DATE	
Gmac Real Estate Northwest		6/25/05	
STREET ADDRESS			
1900 Northwest Blvd			
CITY	STATE	ZIP	PHONE NUMBER
Coeur d'Alene	IDAHO	83814	(208) 667-1505
BY X <i>[Signature]</i>		TITLE	
PRESIDENT		THIS AGREEMENT IS NOT CANCELABLE	

SUPPLIER
H&M Business System Inc 5140 E Seltice Way Post Falls, Id. 83854

EQUIPMENT DESCRIPTION

DESCRIPTION OF EQUIPMENT LEASED	MAKE AND TYPE	MODEL NUMBER	SERIAL NUMBER	UNIT QUANTITY
COPIER	RICOH	2022SP		
EQUIPMENT LOCATION: SAME () OTHER () ADDRESS CITY STATE ZIP				

TERM AND PAYMENT SCHEDULE

TERM IN MONTHS	LEASE PAYMENTS: <input checked="" type="checkbox"/> MONTHLY () QUARTERLY () OTHER	AT THE TIME OF THIS LEASE AGREEMENT YOU AGREE TO PAY PAYMENT(S), IN ADVANCE AS SECURITY AND INCLUDE A CHECK IN THE AMOUNT OF:
60	\$ 126.00 (PLUS APPLICABLE TAXES)	\$ 0
PURCHASE OPTIONS SUBJECT TO SECTION 6 BELOW:		IF YOU ARE EXEMPT, PLEASE ATTACH CERTIFICATE ALSO WRITE YOUR TAX EXEMPT #
<input checked="" type="checkbox"/> FAIR MARKET VALUE PURCHASE OPTION <input type="checkbox"/> 10% PURCHASE OPTION <input type="checkbox"/> \$1.00 PURCHASE OPTION		

SOLE PROPRIETORSHIP:

NAME: _____ DATE OF BIRTH: _____
 ADDRESS: _____ SS#: _____
 CORPORATION/PARTNERSHIP:
 TAX ID#: _____

LEASE GUARANTEE

I guarantee that the Lessee will make all payments and perform all other obligations under the Lease until completed. My obligation shall be continuing, direct and unconditional. I agree to be subject to suit in the New Jersey State and Federal Courts, consenting to such jurisdiction. I waive trial by jury in any action and shall not assign this Guaranty. This Guaranty shall be binding upon my permitted successors and assigns and inure to the benefit of Lessor's successors and assigns. If there is more than one Guarantor, our obligations are joint and several.

<input checked="" type="checkbox"/> SIGNED	_____ DATED _____	<input checked="" type="checkbox"/> SIGNED	_____ DATED _____
PRINT NAME	_____	PRINT NAME	_____

TERMS AND CONDITIONS

The words YOU and YOUR mean the Lessee. The words WE, US, and OUR refer to the Lessor.

IMPORTANT INFORMATION ABOUT ESTABLISHING A RELATIONSHIP WITH CITICAPITAL: To help the United States Government fight terrorism and money laundering, Federal law requires us to obtain, verify, and record information that identifies each person or business that opens an account or establishes a relationship. What this means for you: when you open an account or establish a relationship, we will ask for your name, street address, date of birth, and identification number, such as a social security number or taxpayer identification number. For businesses, we will ask for the business name, street address and tax identification number. Federal law requires us to obtain this information. We may also ask to see your driver's license or other identifying documents that will allow us to identify you. We appreciate your cooperation.

1. RENTAL: We agree to rent to you and you agree to rent from us the equipment described above. You promise to pay us the rent according to the payment schedule shown above. The parties intend this Lease to be a financed lease under Article 2A of the Uniform Commercial Code ("UCC").

2. TERM AND RENT: The term shall commence on the day that any of the Equipment is delivered to you ("the Commencement Date"). Rent shall be payable in advance, commencing on the Commencement Date and thereafter until all amounts are fully paid. Lessee's obligations shall be absolute and unconditional without any abatement, set-off, defense or claim for any reason whatsoever. If any payment hereunder is not made by Lessee when due, Lessee shall be charged a late fee of ten percent (10%) of the amount of such payment, plus interest on such amount at the rate of 1.15% per month from the due date until the date paid, but as to each of the foregoing, in no event more than the maximum rate permitted by law.

3. DELIVERY AND ACCEPTANCE: Your confirmation to us, by telephone or other means, of the delivery of the Equipment shall constitute your acknowledgment that you have inspected the Equipment, have found it to be satisfactory in all respects and that you accept the Equipment.

4. NO WARRANTIES: We are renting the Equipment to you "AS IS". WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. We transfer to you for the term of this Lease any warranties made by manufacturer or supplier to us. NEITHER SUPPLIER NOR ANY AGENT OF SUPPLIER IS AN AGENT OF LESSOR OR IS AUTHORIZED TO WAIVE OR MODIFY ANY TERM OR CONDITION OF THIS LEASE. Notwithstanding the foregoing, we nor our affiliates, officers, directors or shareholders shall be liable for any consequential or incidental damages.

5. OWNERSHIP, REDELIVERY AND RENEWAL: We are the owner of the Equipment. If this Lease is deemed to be a security agreement, you grant us a security interest in the Equipment and in any other equipment financed by us and/or our affiliates ("Other Equipment") and all proceeds therefrom and you hereby authorize us to file UCC Financing Statements, to sign such statements, grant us the right to execute your name thereto and agree to pay for such filings. No more than one hundred eighty (180) days but not less than ninety (90) days prior to the end of the initial term or any renewal term of this Lease you shall give us

written notice of your intention to either return the Equipment to us or purchase the Equipment, as provided below. Provided you have given such timely notice, you shall return the Equipment to us at your cost, in good condition and working order to a location designated by us or remit the purchase option. If you fail to so notify us, or having notified us, you fail to return the Equipment as provided herein, or fail to remit the purchase option at the end of the term, this Lease shall renew for additional terms of ninety (90) days each at a periodic rent equal to 100% of the rent provided herein. In the event that you have been granted a purchase option and you do not exercise such option, then, upon termination of this Agreement you shall remit to us a one hundred fifty (\$150) dollar fee, payable upon your request for authorization to return the Equipment. The fee is payable in addition to shipping costs for return of Equipment.

6. OPTION TO PURCHASE: We hereby grant to you, provided you are not in default hereunder, the option to purchase, "AS IS, WHERE IS", all (not part) of the Equipment at the expiration of the initial term of this Lease for its then in-place and in-use fair market value, as determined by us, \$1.00 Purchase Option or 10% purchase option (as provided above), plus all applicable taxes.

7. MAINTENANCE, RISK OF LOSS AND INSURANCE: You are responsible for installing and keeping the Equipment in good repair, condition and working order and for protecting the Equipment from damage and loss of any kind. If the Equipment is damaged or lost, you agree to continue to pay rent. You will obtain adequate property damage and public liability insurance covering the Equipment and its use during the term of this Lease, such insurance policies to name us as loss payee and additional insured. You agree to provide us certificates or other evidence of insurance. Should you fail to provide such insurance, you agree that we may obtain such insurance and charge you therefor.

8. INDEMNITY: We are not responsible for any losses or injuries caused by the Equipment or any use thereof. You agree to reimburse us for and to defend us against any claims for losses or injuries (including reasonable attorney's fees and costs) caused by the Equipment or use thereof.

9. TAXES AND FEES: You agree to pay us when due or reimburse us for all taxes, fees, fines and penalties relating to use or ownership of the Equipment or to this Lease, now or hereafter imposed, levied or assessed by any state, federal or local government or agency, including any taxes to be paid up front. You agree to pay us a non-refundable origination fee of \$67.50 in connection with this Lease. We may charge you a processing fee for administering property tax filing.

10. LOCATION OF EQUIPMENT: You will keep and use the Equipment only at your address shown above and you will not move the Equipment from that address without our written prior consent. You agree that the Equipment will be used for business purposes only.

11. DEFAULT: If you (a) fail to pay any amount hereunder and/or under any other agreement with us and/or our affiliate concerning the finance of Other Equipment when due; or (b) breach any representation or warranty, or fail to perform any covenant in this Lease and/or under any other agreement with us and/or our affiliate concerning the finance of Other Equipment after 10 days written notice; or (c) sustain a substantial deterioration in your condition (financial or otherwise), or become insolvent or make an or have made assignment for the benefit of creditors, file or have filed against you a petition in bankruptcy or a receiver, trustee, conservator or liquidator is appointed for you, you shall be in default under this Lease.

12. REMEDIES: If you default, we may do one or more of the following: (i)

recover from you all amounts then due under this Lease plus the present value of (x) the sum of the rent payments for the unexpired term of this Lease and (y) the anticipated value of the Equipment at the end of the initial term or renewal term of the Lease, all discounted at the rate of 8% per annum; (ii) declare any other agreements between you and us and/or any affiliate of ours concerning the finance of equipment in default; (iii) require you to return all of the Equipment and/or the Other Equipment, at your expense, to a place reasonably designated by us, or take the Equipment and/or the Other Equipment, in which case we will not be held responsible for any losses directly or indirectly arising out of, or by reason of the presence and/or use of any and all proprietary information residing on or within the Equipment and/or the Other Equipment, and to lease or sell the Equipment and/or the Other Equipment or any portion thereof, and to apply the proceeds, less reasonable selling and administrative expenses, to the amounts due hereunder; (iv) charge you for expenses incurred in connection with the enforcement of our remedies including collection costs, reasonable attorney's fees and court costs. Lessee shall also be liable for the pre- and post-judgment attorney's fees and costs incurred by Lessor after a judgment has been entered against Lessee by any court. All our remedies are cumulative, are in addition to any other remedies provided for by law and may be exercised either concurrently or separately. Any failure or delay by us to exercise any right shall not operate as a waiver of any right, either or future rights or to modify the terms of this Lease. We shall retain any Security Deposit made as a deposit for the full performance of your obligations. At the end of this Lease and full payment of all sums due hereunder, the Security Deposit shall be returned to you with no interest. In the event of default we may apply the Security Deposit to amounts due under this Lease.

13. ASSIGNMENT: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THIS LEASE OR THE EQUIPMENT. We may sell, assign or transfer this Lease, without notice. You agree that if we sell, assign or transfer this Lease, the new owner will have the same rights and benefits that we have now and will not have to perform any of our obligations, for which we remain responsible. You agree that the right of the new owner will not be subject to any claims, defenses, or set offs that you may have against us.

14. GOVERNING LAW; CONSENT TO JURISDICTION; WAIVERS: THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF NEW JERSEY, BUT ONLY TO THE EXTENT SUCH STATE LAW IS NOT PREEMPTED BY FEDERAL LAW OR REGULATION. YOU AGREE TO BE SUBJECT TO SUIT IN THE NEW JERSEY STATE AND FEDERAL COURTS, CONSENTING TO SUCH JURISDICTION, PROVIDED NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT THE JURISDICTIONS IN WHICH SUIT MAY BE FILED BY ANY PARTY. YOU WAIVE TRIAL BY JURY IN ANY ACTION. YOU HEREBY WAIVE ANY AND ALL RIGHTS AND REMEDIES GRANTED YOU BY SECTION 2A-608 THROUGH 2A-622 OF THE UNIFORM COMMERCIAL CODE.

15. CUSTOMER P.O.: You agree that any Purchase Order issued to us covering the Equipment is issued for authorization purposes and your intent we only, and none of its terms and conditions shall modify the terms of this Lease.

16. ENTIRE LEASE: You agree that we may insert or correct missing information on this Lease including your legal name and the Equipment's description, serial number and location, otherwise, this Lease contains the entire agreement between you and us and no modification of this Lease shall be effective unless in writing and signed by both parties.

ACCEPTED BY:

LESSOR:	BY	TITLE	ACCEPTED ON
CITICORP VENDOR FINANCE, INC.	X		

FORM #2000-REV10/03

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A member of citigroup®



EQUIPMENT ACQUISITION AGREEMENT

BUSINESS SYSTEMS, INC.

PROGRAM: 60 mo

SALE:

LEASE:

RENTAL:

CONNECTED:

(Attach Addendum 1, 2, 3)

CUSTOMER AGREES TO PURCHASE AND H & H BUSINESS SYSTEMS, INC. AGREES TO SELL, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT, THE EQUIPMENT AND/OR GOODS LISTED BELOW AT THE PRICES SHOWN.

QUANTITY	MODEL DESCRIPTION	PRODUCT CODE	SERIAL NUMBER	UNIT PRICE	TOTAL PRICE
1	Ricoh Mp c3500	413343		60 mo	312.92
1	Paper deck	412844			inc
	inc Buyout Of Lease				
	# 3420340				
	551,3506,1022				
	Vip maint Inc all parts				
	Labor toner & Supplies				
	Black \$ 0.008				
	Color \$ 0.08				
	No Paper				

NO TERMS OR CONDITIONS, EXPRESSED OR IMPLIED, ARE AUTHORIZED UNLESS THEY APPEAR ON "ORIGINAL" OF THIS AGREEMENT, SIGNED BY THE CUSTOMER AND AN OFFICER OF H & H BUSINESS SYSTEMS, INC.

THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE INCORPORATED IN AND MADE PART OF THIS AGREEMENT. NO ONE IS AUTHORIZED TO CHANGE, ALTER, OR AMEND THE TERMS OR CONDITIONS OF THIS AGREEMENT UNLESS AGREED TO IN WRITING BY AN OFFICER OF H & H BUSINESS SYSTEMS, INC.

SUB TOTAL (INCLUSIVE OF FEDERAL TAX)	\$
LESS TRADE ALLOWANCE	\$
5 PERCENT STATE TAXES	\$
DELIVERY/INSTALLATION CHARGE	\$
TOTAL PRICE	\$

TERMS: SALE - NET TEN (10) DAYS
 LEASE RENTAL MONTHS FMV 10% \$1.00

V.I.P. ANNUAL SERVICE
M/A PLUS PLUS

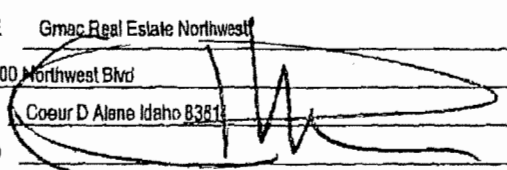
PLEASE INITIAL
SELECTED
MAINTENANCE
PLAN

CHECK ATTACHED DEPOSIT AMOUNT \$

USED EQUIPMENT TRADE-IN

MODEL SERIAL NUMBER
MODEL SERIAL NUMBER

M/A TERMS:

CUSTOMER ACCEPTANCE ("CUSTOMER")	
COMPANY NAME <u>Gmac Real Estate Northwest</u>	TAX EXEMPTION NO. (ATTACH CERTIFICATE) <u> </u>
ADDRESS <u>1900 Northwest Blvd</u>	PHONE <u>208-667-1505</u>
CITY/STATE/ZIP <u>Coeur D Alene Idaho 83814</u>	FAX <u> </u>
BY (SIGNATURE) 	E-MAIL <u> </u>
NAME (PLEASE PRINT) <u>PATRICK HALL</u>	TITLE <u> </u>
DATE (MONTH/DAY/YEAR) <u>JAN 31, 2007</u>	PURCHASE ORDER NO <u> </u>
H & H BUSINESS SYSTEMS, INC.	
MARKETING REPRESENTATIVE (PLEASE PRINT) <u>Steven T Wilson</u>	DATE (MONTH / DAY / YEAR) <u>1/31/07</u>
BRANCH/AGENCY GENERAL MANAGER (SIGNATURE) <u> </u>	LOCATION <u> </u>
CORPORATE GENERAL MANAGER (SIGNATURE) <u> </u>	DATE (MONTH / DAY / YEAR) <u> </u>

RICOH
MAJOR ACCOUNT PROGRAM LEASE AGREEMENT 3808470

citicapital™

Customer Bill - To Information <input type="checkbox"/> See Attached Addendum (Order form(s)) if Multiple Bill - Tos Apply		Equipment Location <input type="checkbox"/> See Attached Addendum (Order form(s)) if Multiple Installation Locations Number of Orders: _____	
Parent Company <u>GMAC Real Estate Northwest</u>		Customer Name <u>Same</u>	
Customer Name _____ Dept. Name _____ Street/P.O. Box <u>1900 Northwest Blvd</u> Bldg _____ Floor _____ Room _____ Suite _____ City <u>Coeur d'Alene</u> State <u>IDAHO</u> Zip Code <u>83814</u> County <u>Teton</u> Billing Contact Name <u>JERRY HILL</u> Bill - To Phone: <u>208 667-1505</u> Fax: () _____		Dept. Name _____ Street/P.O. Box _____ Bldg _____ Floor _____ Room _____ Suite _____ City _____ State _____ Zip Code _____ County _____ Shipping Contact Name _____ Phone: () _____ Fax: () _____	

LEASE

Unit #	Equipment/Accessory Description	Installation Charges*	Equipment Payment	Maintenance Payment	Copy Allowance**	Cost-Per Copy Over Allowance**	Meter Read Frequency**
<u>2</u>	<u>Office 2035</u>	<u>0</u>	<u>327.30</u>	<u>0</u>	<u>0</u>	<u>0</u>	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
							<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
							<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
							<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

*Listed Installation Charges above if being billed separately from the Equipment Payment.
 **Not Applicable for Facsimile Equipment Orders

Supplemental Equipment Schedule attached

Billing Preference Each unit invoiced separately (include all billing locations on Information Schedule).
 All units on one invoice.
 All units added to current invoice.

All payments are exclusive of sale and tax.

Tax Exempt No Yes (attached Tax Exempt Certificate by State)

Lease Terms 12 Month 48 Month
 24 Month 60 Month
 36 Month Other

Payments Due: Monthly Other _____

Purchase option: FMV 10% \$1.00
 (Do not leave blank. Appropriate box must be checked.)

Program Description: _____

Is Lease Equipment Purchase Order required?
 No Yes P.O. # _____

The Terms and Conditions of any Equipment Purchase Order shall not alter or amend the terms and Conditions of the Lease and the Terms and Conditions of the lease shall supersede any conflicting provisions in any Equipment Purchase Order.

Is Lessee Maintenance P.O. required?
 No Yes P.O. # _____

Maintenance Program Type: _____
 Supplies included in Maintenance Program? No Yes

Lessee agrees to all the terms and conditions contained on the reverse side of this Lease, and in any attachments to same (all of which are included by reference) and become part of this Lease. You acknowledge to have read and agree to all the terms and conditions and understand that this is a non-cancelable Lease for the full term shown above. The undersigned affirms that he or she has been duly authorized to execute this Lease on behalf of Lessee.

Lessee
 Full Legal Name GMAC Real Estate Northwest
 X Jerry A Hill
 By JERRY A. HILL
 Signature Jerry A Hill
 Title OWNER
 Date 7/2/03

CITICORP VENDOR FINANCE, INC., Lessor
 ONE INTERNATIONAL BOULEVARD, MAHWAH, NJ 07430-0631
 Signature Matthew Andrea
 Title Account Manager
 Date 8/20/03

(THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE PART OF THIS LEASE)

For Internal Use Only

RICOH

TRADE-IN ADDENDUM

(Lease)

Lease Contract No. _____

Customer name: Gmae Realstate Northwest

Address: 1900 Northwest Blvd

City: Coeur d'Alene State: ID Zip Code: 83814

Telephone No.: 208-667-1595

TERMS AND CONDITIONS

1. Customer agrees to Lease a RICOH AFICIO 2035 with a trade in value of \$ 31.69

4086 Model DC1711835771 Serial Number

- 2. Customer warrants they are the lawful owner of the Equipment being traded in as described above; that such Equipment is free from all claims and encumbrances; that transfer of such Equipment is rightful; and that it shall defend it's ownership against the claims and demands of all persons.
- 3. Customer agrees to remove all supplies (including toner, ink, fuser oil and developer) from the Equipment being traded in prior to removal of the Equipment by RICOH.
- 4. The Equipment being traded in (Trade-in Unit) must be located at the installation address of the unit being purchased, and shall be removed by RICOH at the same time that Customer accepts delivery of the newly purchased Unit.
- 5. This agreement is contingent upon acceptance by RICOH of the RICOH Purchase Contract or Lease excepted by the Customer.

CUSTOMER

RICOH CORPORATION

Name: Jerry A Hill
(Please Print)

Signature: JERRY A HILL

Title: OWNER

Date: 7-20-03

Signature: _____

Title: _____

Date: _____

RICOH
MAJOR ACCOUNT PROGRAM LEASE AGREEMENT

3420340 **citicapital**

Customer Bill - To Information
 See Attached Addendum (Order form(s)) if
 Multiple Bill - To Apply

Equipment Location
 See Attached Addendum (Order form(s)) if
 Multiple Installation Locations
 Number of Orders: _____

CPL 3205

Parent Company JORDAN-HILL & ASSOCIATES INC
 Customer Name _____
 Dept. Name _____
 Street/P.O. Box 1900 NORTHWEST BLVD
 Bldg _____ Floor _____ Room _____ Suite _____
 City Coevrdalene State Ed
 Zip Code 83814 County substant
 Billing Contact Name TERRY HILL
 Bill - To Phone: 667-1505 Fax#() _____

Customer Name Same
 Dept. Name _____
 Street/P.O. Box _____
 Bldg _____ Floor _____ Room _____ Suite _____
 City _____ State _____
 Zip Code _____ County _____
 Shipping Contact Name _____
 Phone#() _____ Fax#() _____

LEASE

Unit #	Equipment/Accessory Description	Installation Charges*	Equipment Payment	Maintenance Payment	Copy Allowance**	Cost-Per Copy Over Allowance**	Meter Read Frequency**
1	551p AFicio	0	266.31	0	6	0	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
1	3506 AFicio	0	111.37	0	7	0	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
1	1022 AFicio	0	122.00	0	9	0	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
			449.68				<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

*Listed Installation Charges above if being billed separately from the Equipment Payment.
 **Not Applicable for Facsimile Equipment Orders

Supplemental Equipment Schedule attached

All payments are exclusive of sale and tax.
 Tax Exempt No Yes (attached Tax Exempt Certificate by State)

Lease Terms: 12 Month 48 Month
 24 Month 60 Month
 36 Month Other

Payments Due: Monthly Other _____

Purchase option: FMV 10% \$1,00
 (Do not leave blank. Appropriate box must be checked.)

Program Description: _____

Billing Preference Each unit invoiced separately (include all billing locations on Information Schedule).
 All units on one invoice.
 All units added to current invoice.

Is Lease Equipment Purchase Order required?
 No Yes P.O. # _____

The Terms and Conditions of any Equipment Purchase Order shall not alter or amend the terms and Conditions of the Lease and the Terms and Conditions of the lease shall supersede any conflicting provisions in any Equipment Purchase Order.

Is Lessee Maintenance P.O. required?
 No Yes P.O. # _____

Maintenance Program Type: _____
 Supplies included in Maintenance Program? No Yes

Lessee agrees to all the terms and conditions contained on the reverse side of this Lease, and in any attachments to same (all of which are included by reference) and become part of this Lease. You acknowledge to have read and agree to all the terms and conditions and understand that this is a non-cancellable Lease for the full term shown above. The undersigned affirms that he or she has been duly authorized to execute this Lease on behalf of Lessee.

LESSEE X Jordan-Hill & Associates Inc
 By JERRY A. HILL
 Signature Jerry A Hill
 Title Vice President
 Date 4/24/02

CITICORP VENDOR FINANCE, INC., Lessor
 ONE INTERNATIONAL BOULEVARD, MAHWAH, NJ 07430-0631
 Signature Michael Bair
 Title Accountant
 Date 7/31/02

(THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE PART OF THIS LEASE)

For Internal Use Only

CitiCapital is a service mark of Citicorp.

A member of citigroup

Date: August 5, 2002

RE: Lease Agreement between Jordan-Hill & Associates, Inc. ("Lessee"), and Citicorp Vendor Finance, Inc. ("Lessor"), dated 4/24/02, covering one Ricoh Aficio 551P, one Ricoh Aficio 3506 and one Ricoh Aficio 1022, ("Equipment").

To Whom it may concern:

Regarding the above referenced Lease Agreement, the undersigned Lessee hereby certifies that the Lessee name therein shall, in fact, for all purposes read:

"GMAC Real Estate Northwest"

All other terms and conditions of the Agreement shall remain in full force and effect.

Acknowledged and Agreed:

By: GMAC Real Estate Northwest
(Lessor)

James A Hill / owner
(Name / Title)

RICOH

PURCHASE CONTRACT AND / OR LEASE ADDENDUM TRADE-IN EQUIPMENT

Purchase or Lease Contract No. _____

Customer name: JORDAN Hill & ASSOC. INC.

Address: 1900 Northwest Blvd

City: Covent Avenue State: Id Zip Code: 83814

Telephone No.: 208 - 667-1505

TERMS AND CONDITIONS

- Customer agrees to purchase or lease a RICOH AFIELD 554 with a purchase price of \$ 14648.00 and a trade in value of \$ 777.69 for a net purchase price of \$ 13870.31.

<u>Sharp</u>	<u>NR 337</u>	<u>0650280</u>
Manufacturer	Trade-in Description	Serial Number

- Customer warrants it is the lawful owner of the Equipment being traded in as described above; that such Equipment is free from all claims and encumbrances; that it's transfer of such Equipment is rightful; and that it shall defend it's title against the claims and demands of all persons.
- Customer agrees to remove all supplies (including toner, ink, fuser oil and developer) from the Equipment being traded in prior to removal of the Equipment by RICOH.
- The Equipment being traded in (Trade-in Unit) must be located at the installation address of the unit being purchased, and shall be removed by RICOH at the same time that Customer accepts delivery of the newly purchased Unit.
- This agreement is contingent upon acceptance by RICOH of the RICOH Purchase Contract or Lease excepted by the Customer.

CUSTOMER

RICOH CORPORATION

Name: J Hill
(Please Print)

Signature: J Hill

Title: VP

Date: 4-7-2002

Signature: _____

Title: _____

Date: _____

RICOH
MAJOR ACCOUNT PROGRAM LEASE AGREEMENT

2010490
citicapital

Customer Bill - To Information <input type="checkbox"/> See Attached Addendum (Order form(s)) if Multiple Bill - To Apply	Equipment Location <input checked="" type="checkbox"/> See Attached Addendum (Order form(s)) if Multiple Installation Locations Number of Orders: _____
Parent Company <u>GMAC Real Estate Northwest</u> Customer Name _____ Dept. Name _____ Street/P.O. Box <u>1900 Northwest Blvd</u> Bldg _____ Floor _____ Room _____ Suite _____ City <u>Cosumés Alamo</u> State <u>CA</u> Zip Code <u>93814</u> County <u>Butte</u> Billing Contact Name <u>Jerry Hill</u> Bill - To Phone# <u>208 667-1505</u> Fax# () _____	Customer Name <u>Same</u> Dept. Name _____ Street/P.O. Box _____ Bldg _____ Floor _____ Room _____ Suite _____ City _____ State _____ Zip Code _____ County _____ Shipping Contact Name _____ Phone#() _____ Fax#() _____

LEASE

Unk#	Equipment/Accessory Description	Installation Charges*	Equipment Payment	Maintenance Payment	Copy Allowance**	Cost-Per Copy Over Allowance**	Meter Read Frequency**
1	Afficio 1045p	0	224.53				<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
							<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
							<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
							<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

*Listed Installation Charges above if being billed separately from the Equipment Payment.
 **Not Applicable for Facsimile Equipment Orders

Supplemental Equipment Schedule attached

All payments are exclusive of sale and tax.
 Tax Exempt No Yes (attached Tax Exempt Certificate by State)

Lease Terms: 12 Month 48 Month
 24 Month 60 Month
 36 Month Other _____

Payments Due: Monthly Other _____

Purchase option: FMV 10% \$1.00
 (Do not leave blank. Appropriate box must be checked.)

Program Description: _____

Billing Preference Each unit invoiced separately (include all billing locations on Information Schedule).
 All units on one invoice.
 All units added to current invoice.

Is Lease Equipment Purchase Order required?
 No Yes P.O.# _____

The Terms and Conditions of any Equipment Purchase Order shall not alter or amend the terms and Conditions of the Lease and the Terms and Conditions of the lease shall supersede any conflicting provisions in any Equipment Purchase Order.

Is Lessee Maintenance P.O. required?
 No Yes P.O.# _____

Maintenance Program Type: _____

Supplies Included in Maintenance Program? No Yes

Lessee agrees to all the terms and conditions contained on the reverse side of this Lease, and in any attachments to same (all of which are included by reference) and become part of this Lease. You acknowledge to have read and agree to all the terms and conditions and understand that this is a non-cancelable Lease for the full term shown above. The undersigned affirms that he or she has been duly authorized to execute this Lease on behalf of Lessee.

Lessee
 Full Legal Name GMAC Real Estate, Northwest
 X Jerry A Hill
 By Jerry A Hill
 Signature Jerry A Hill
 Title Vice President
 Date 12/16/02

CITICORP VENDOR FINANCE, INC., Lessor
 ONE INTERNATIONAL BOULEVARD, MAHWAH, NJ 07430-0631
 Signature Matthew Lee
 Title Vice Pres
 Date 3/4/03

(THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE PART OF THIS LEASE)

For Internal Use Only

RICOH

MAJOR ACCOUNT PROGRAM LEASE AGREEMENT

140010
citicapital

Customer Bill - To Information
 See Attached Addendum (Order form(s)) if Multiple Bill - Tos Apply

Equipment Location
 See Attached Addendum (Order form(s)) if Multiple Installation Locations
 Number of Orders: _____

CPL 6030

Parent Company GMAC Real Estate Northwest Customer Name Sun
 Customer Name _____ Dept. Name _____
 Dept. Name _____ Street/P.O. Box _____
 Street/P.O. Box 1900 Northwest Blvd Bldg _____ Floor _____ Room _____ Suite _____
 Bldg _____ Floor _____ Room _____ Suite _____ City _____ State _____
 City Coeur d'Alene State ID Zip Code _____ County _____
 Zip Code 83814 County Neotoma Shipping Contact Name _____
 Billing Contact Name Scott Hill Phone#() _____ Fax#() _____
 Bill - To Phone#() 667-1505 Fax#() _____

LEASE

Unit #	Equipment/Accessory Description	Installation Charges*	Equipment Payment	Maintenance Payment	Copy Allowance**	Cost-Per Copy Over Allowance**	Meter Read Frequency**
1	Afficio 2035	0	174.01	0	0	0	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
							<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
							<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
							<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

*Listed Installation Charges above if being billed separately from the Equipment Payment.
**Not Applicable for Facsimile Equipment Orders

Supplemental Equipment Schedule attached

All payments are exclusive of sale and tax.
 Tax Exempt No Yes (attached Tax Exempt Certificate by State)

Lease Terms: 12 Month 48 Month
 24 Month 60 Month
 36 Month Other

Payments Due: Monthly Other _____

Purchase option: FMV 10% \$1.00
 (Do not leave blank. Appropriate box must be checked.)

Program Description: _____

Billing Preference Each unit invoiced separately (include all billing locations on information Schedule).
 All units on one invoice.
 All units added to current invoice.

Is Lease Equipment Purchase Order required?
 No Yes P.O. # _____

The Terms and Conditions of any Equipment Purchase Order shall not alter or amend the terms and Conditions of the Lease and the Terms and Conditions of the lease shall supersede any conflicting provisions in any Equipment Purchase Order.

Is Lessee Maintenance P.O. required?
 No Yes P.O. # _____

Maintenance Program Type: _____
 Supplies included in Maintenance Program? No Yes

Lessee agrees to all the terms and conditions contained on the reverse side of this Lease, and in any attachments to same (all of which are included by reference) and become part of this Lease. You acknowledge to have read and agree to all the terms and conditions and understand that this is a non-cancellable Lease for the full term shown above. The undersigned affirms that he or she has been duly authorized to execute this Lease on behalf of Lessee.

Lessee
 Full Legal Name GMAC Real Estate Northwest
 X Jerry A Hill
 (Signature)
 By Jerry A Hill
 (Print Name)
 Signature Jerry A Hill
 Title OWNER/MANAGER
 Date Jan 21, 2004

CITICORP VENDOR FINANCE, INC., Lessor
 ONE INTERNATIONAL BOULEVARD, MAHWAH, NJ 07430-0631
 Signature Shelley Ambler
 Title Acting VP
 Date 1/21/04

(THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE PART OF THIS LEASE)

For internal Use Only

TRADE-IN ADDENDUM

(Lease)

Lease Contract No. _____

Customer name: GMAE Realstate Northwest

Address: 1700 Northwest Blvd

City: Beur d Alton State: ID Zip Code: 83814

Telephone No.: 667-1505

TERMS AND CONDITIONS

1. Customer agrees to Lease a RICOH A FICIO 2035 with a trade in value of \$ 190.73

Toshiba 1710
Model

56932711
Serial Number

- 2. Customer warrants they are the lawful owner of the Equipment being traded in as described above; that such Equipment is free from all claims and encumbrances; that transfer of such Equipment is rightful; and that it shall defend it's ownership against the claims and demands of all persons.
- 3. Customer agrees to remove all supplies (including toner, ink, fuser oil and developer) from the Equipment being traded in prior to removal of the Equipment by RICOH.
- 4. The Equipment being traded in (Trade-in Unit) must be located at the installation address of the unit being purchased, and shall be removed by RICOH at the same time that Customer accepts delivery of the newly purchased Unit.
- 5. This agreement is contingent upon acceptance by RICOH of the RICOH Purchase Contract or Lease excepted by the Customer.

CUSTOMER

RICOH CORPORATION

Name: Ben Jordan
(Please Print)

Signature: Ben Jordan

Title: Owner

Date: 1-21-04

Signature: _____

Title: _____

Date: _____

EQUIPMENT LEASE AGREEMENT

SUPPLIER: H & H Business Systems



Form fields: LESSOR (FULL LEGAL NAME): GMAC Real Estate Northwest; STREET ADDRESS: 1900 Northwest Blvd; CITY: Coeur D Alene; STATE: Id; ZIP: 83814; PHONE NUMBER: (208) 667-1505; DESCRIPTION OF EQUIPMENT LEASED: Copier; MAKE AND TYPE: Ricoh Aficio; MODEL NUMBER: Mp C3500; SERIAL NUMBER: ; QTY: 1; END OF LEASE PURCHASE OPTION: 10% PURCHASE OPTION; ADVANCEMENT \$: \$312.92

IMPORTANT INFORMATION ABOUT ESTABLISHING A RELATIONSHIP WITH CITICAPITAL... To obtain, verify, and record information that identifies each person or business that opens an account or establishes a relationship.

TERMS AND CONDITIONS... 1. RISK OF LOSS AND INSURANCE: You bear all risk of loss or damage to or from the Equipment from any cause whatsoever until the Equipment is returned to and received by us.

ELSEWHERE HEREIN WITH RESPECT TO ARBITRATION PROCEEDINGS, YOU CONSENT TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS OF NEW JERSEY. YOU WAIVE TRIAL BY JURY IN ANY ACTION.

2. PAYMENT: You agree to lease to you and you agree to lease from us the equipment described on and any attached schedule (collectively, "Equipment"). The parties intend this Lease to be a finance lease under Article 2A of the Uniform Commercial Code (UCC). You agree that this Lease is non-cancelable.

3. TAXES AND FEES: You agree to pay when due, reimburse us for or pay as part of the Rent payment, all sales, personal property and other taxes, fees and charges (including lines and penalties) relating to ownership or use of the Equipment or to this Lease.

15. CUSTOMER POLICY: You agree that any Purchase Order issued to us covering the Equipment is limited for authorization purposes and your internal use only, and none of its terms or conditions shall modify the terms of this Lease.

4. REMEDIES: Upon a Default, we may do one or more of the following: (a) declare all accrued amounts under this Lease, plus the present value (discounted at 5% per annum) of the sum of all payments for the unexpired term of this Lease and our anticipated residual recovery from the Equipment at the scheduled expiration of this Lease as determined by us to be immediately due and payable;

5. LOCATION OF EQUIPMENT: The Equipment cannot be moved from the location shown above without our prior written consent. We may inspect the Equipment during the Lease term.

16. ENTIRE AGREEMENT: This Lease contains the entire agreement between the parties and no modifications of this Lease shall be effective unless in writing and signed by both parties. All of our rights, privileges and indemnities under this Lease shall survive expiration or termination and be enforceable by us and our successors and assigns.

6. ASSIGNMENT: You may not assign this Lease or sublease the Equipment without our prior written consent. We may sell or assign this Lease or any right hereunder or in the Equipment without notice, and the new owner will have all of our rights hereunder, but none of our obligations, for which we remain responsible.

7. REMEDIES: Upon a Default, we may do one or more of the following: (a) declare all accrued amounts under this Lease, plus the present value (discounted at 5% per annum) of the sum of all payments for the unexpired term of this Lease and our anticipated residual recovery from the Equipment at the scheduled expiration of this Lease as determined by us to be immediately due and payable;

17. ASSIGNMENT: Except as otherwise expressly set forth in this section, any issue, claim or dispute between us and you or any of our or your respective successors, assigns, agents, offices or employees arising out of or in connection with or relating to this Lease or any dealings between us and you with respect to this Lease or the Equipment, whether based on contract, statute, regulation, tort (including fraud or any intentional tort) or any other legal or equitable ground including the arbitrability of the matter and the scope of the arbitration, shall be resolved by binding arbitration in accordance with the provisions of this section.

8. WAIVER: You agree to pay when due, reimburse us for or pay as part of the Rent payment, all sales, personal property and other taxes, fees and charges (including lines and penalties) relating to ownership or use of the Equipment or to this Lease.

9. ASSIGNMENT: You may not assign this Lease or sublease the Equipment without our prior written consent. We may sell or assign this Lease or any right hereunder or in the Equipment without notice, and the new owner will have all of our rights hereunder, but none of our obligations, for which we remain responsible.

18. WAIVER: You agree that any Purchase Order issued to us covering the Equipment is limited for authorization purposes and your internal use only, and none of its terms or conditions shall modify the terms of this Lease.

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EQUIPMENT ACQUISITION AGREEMENT

BUSINESS SYSTEMS, INC.

PROGRAM: 60 mo SALE: [] LEASE: [X] RENTAL: [] CONNECTED: [] (Attach Addendum 1, 2, 3)

CUSTOMER AGREES TO PURCHASE AND H & H BUSINESS SYSTEMS, INC. AGREES TO SELL, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT, THE EQUIPMENT AND/OR GOODS LISTED BELOW AT THE PRICES SHOWN.

Table with 6 columns: QUANTITY, MODEL DESCRIPTION, PRODUCT CODE, SERIAL NUMBER, UNIT PRICE, TOTAL PRICE. Rows include Ricoh Mp c3500, Paper deck, Inc Buyout Of Lease, # 3420340, 551,3506,1022, Vip maint Inc all parts, Labor toner & Supples, Black \$ 0.008, Color \$ 0.08, No Paper.

NO TERMS OR CONDITIONS, EXPRESSED OR IMPLIED, ARE AUTHORIZED UNLESS THEY APPEAR ON "ORIGINAL" OF THIS AGREEMENT, SIGNED BY THE CUSTOMER AND AN OFFICER OF H & H BUSINESS SYSTEMS, INC.

THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE INCORPORATED IN AND MADE PART OF THIS AGREEMENT. NO ONE IS AUTHORIZED TO CHANGE, ALTER, OR AMEND THE TERMS OR CONDITIONS OF THIS AGREEMENT UNLESS AGREED TO IN WRITING BY AN OFFICER OF H & H BUSINESS SYSTEMS, INC.

Summary table with 2 columns: Description, Amount. Rows: SUB TOTAL (INCLUSIVE OF FEDERAL TAX) \$, LESS TRADE ALLOWANCE \$, 5 PERCENT STATE TAXES \$, DELIVERY/INSTALLATION CHARGE \$, TOTAL PRICE \$.

TERMS: [] SALE - NET TEN (10) DAYS [] LEASE [] RENTAL MONTHS FMV [] 10% [] \$1.00 []

V.I.P. M/A ANNUAL PLUS SERVICE PLUS

PLEASE INITIAL SELECTED MAINTENANCE PLAN

CHECK ATTACHED [] DEPOSIT AMOUNT \$ USED EQUIPMENT TRADE-IN MODEL SERIAL NUMBER

M/A TERMS:

CUSTOMER ACCEPTANCE ("CUSTOMER") form with fields for COMPANY NAME (Gmac Real Estate Northwest), ADDRESS (1900 Northwest Blvd), CITY/STATE/ZIP (Coeur D Alene Idaho 83814), BY (SIGNATURE) (Patrick Hall), NAME (PLEASE PRINT) (PATRICK HALL), DATE (MONTH/DAY/YEAR) (JAN. 31, 2007), TAX EXEMPTION NO., PHONE (208-667-1505), FAX, E-MAIL, TITLE, PURCHASE ORDER NO., H & H BUSINESS SYSTEMS, INC., MARKETING REPRESENTATIVE (PLEASE PRINT) (Steven T Wilson), DATE (MONTH/DAY/YEAR) (1/31/07), BRANCH/AGENCY GENERAL MANAGER (SIGNATURE), LOCATION, CORPORATE GENERAL MANAGER (SIGNATURE), DATE (MONTH/DAY/YEAR).

Return 551p
3506 Color
1022

266.31

117.31

122.00

Receipt

Total

505.62

Current Color copier

Maint approx 1800 x .01786 = 321.48

Total

827.08

1045

224.53

total

1051.61

Lease 3500 Color Print/Scan

312.92

Maint 1800 x .088 =

158.40

Total

456.40

Return 1045

RD

101.55

TJZ
o&e

Total

557.95

Equipment Lease Agreement



LESSEE INFORMATION

LESSEE (FULL LEGAL NAME) Gmac Real Estate Northwest DATE 6/25/03

STREET ADDRESS 1900 Northwest Blvd

CITY Coeur d'Alene STATE IDAHO ZIP 83814 PHONE NUMBER (208) 667-1505

BY X [Signature] PRESIDENT TITLE THIS AGREEMENT IS NOT CANCELABLE

SUPPLIER
H&H Business System Inc
 5140 E Sellice Way
 Post Falls, Id. 83854

EQUIPMENT DESCRIPTION

DESCRIPTION OF EQUIPMENT LEASED	MAKE AND TYPE	MODEL NUMBER	SERIAL NUMBER	UNIT QUANTITY
<u>COPIER</u>	<u>RICOH</u>	<u>2022SP</u>		
EQUIPMENT LOCATION: SAME () OTHER ()		ADDRESS	CITY	STATE
				ZIP

TERM AND PAYMENT SCHEDULE

TERM IN MONTHS 60 LEASE PAYMENTS: 4 MONTHLY () QUARTERLY () OTHER ()

\$ 126.00 (PLUS APPLICABLE TAXES)

AT THE TIME OF THIS LEASE AGREEMENT YOU AGREE TO PAY PAYMENT(S), IN ADVANCE AS SECURITY AND INCLUDE A CHECK IN THE AMOUNT OF: \$ 0

PURCHASE OPTIONS SUBJECT TO SECTION B BELOW: FAIR MARKET VALUE PURCHASE OPTION
 10% PURCHASE OPTION
 \$1.00 PURCHASE OPTION

IF YOU ARE EXEMPT, PLEASE ATTACH CERTIFICATE ALSO WRITE YOUR TAX EXEMPT # _____

SOLE PROPRIETORSHIP:

NAME _____ DATE OF BIRTH: _____

ADDRESS _____ SSN: _____

CORPORATION/PARTNERSHIP:

TAX ID# _____

LEASE GUARANTY

I guaranty that the Lessee will make all payments and perform all other obligations under the Lease until completed. My obligation shall be continuing, direct and unconditional. I waive notice of Lessee's default, acceptance, demand and protest and consent to any modifications to the Lease. I AGREE TO BE SUBJECT TO SUIT IN THE NEW JERSEY STATE AND FEDERAL COURTS, CONSENTING TO SUCH JURISDICTION, I WAIVE TRIAL BY JURY IN ANY ACTION and I shall not assign this Guaranty. This guaranty shall be binding upon my permitted successors and assigns and inure to the benefit of Lessor's successor's and assigns. If there is more than one Guarantor, our obligations are joint and several.

SIGNED _____ DATED _____ SIGNED _____ DATED _____

PRINT NAME _____ PRINT NAME _____

TERMS AND CONDITIONS

The words YOU and YOUR mean the Lessee. The words WE, US, and OUR refer to the Lessor.

IMPORTANT INFORMATION ABOUT ESTABLISHING A RELATIONSHIP WITH CITICAPITAL: To help the United States Government fight terrorism and money laundering, Federal law requires us to obtain, verify, and record information that identifies each person or business that opens an account or establishes a relationship. What this means for you: when you open an account or establish a relationship, we will ask for your name, street address, date of birth, and identification number, such as a social security number or taxpayer identification number. For businesses, we will ask for the business name, street address and tax identification number. Federal law requires us to obtain this information. We may also ask to see your driver's license or other identifying documents that will allow us to identify you. We appreciate your cooperation.

1. RENTAL: We agree to rent to you and you agree to rent from us the equipment described above. You promise to pay us the rent according to the payment schedule shown above. The parties intend this Lease to be a finance lease under Article 2A of the Uniform Commercial Code ("UCC").

2. TERM AND RENT: The term shall commence on the day that any of the Equipment is delivered to you ("the Commencement Date"). Rent shall be payable in advance, commencing on the Commencement Date and thereafter until all amounts are fully paid. Lessee's obligations shall be absolute and unconditional without any abatement, set-off, defense or claim for any reason whatsoever. If any payment hereunder is not made by Lessee when due, Lessee shall be charged a late fee of ten percent (10%) of the amount of such payment, plus interest on such amount at the rate of 1.15% per month from the due date until the date paid, but as to each of the foregoing, in no event more than the maximum rate permitted by law.

3. DELIVERY AND ACCEPTANCE: Your confirmation to us, by telephone or other means, of the delivery of the Equipment shall constitute your acknowledgment that you have inspected the Equipment, have found it to be satisfactory in all respects and that you accept the Equipment.

4. NO WARRANTIES: We are renting the Equipment to you "AS IS". WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. We transfer to you for the term of this Lease any warranties made by manufacturer or supplier to us. NEITHER SUPPLIER NOR ANY AGENT OF SUPPLIER IS AN AGENT OF LESSOR OR IS AUTHORIZED TO WAIVE OR MODIFY ANY TERM OR CONDITION OF THIS LEASE. Notwithstanding the foregoing, we nor our affiliates, officers, directors or shareholders shall be liable for any consequential or incidental damages.

5. OWNERSHIP, REDELIVERY AND RENEWAL: We are the owner of the Equipment. If this Lease is deemed to be a security agreement, you grant us a security interest in the Equipment and in any other equipment financed by us and/or our affiliates ("Other Equipment") and all proceeds therefrom and you hereby authorize us to file UCC Financing Statements, to sign such statements, grant us the right to execute your name thereto and agree to pay for such filings. No more than one hundred eighty (180) days but not less than ninety (90) days prior to the end of the initial term or any renewal term of this Lease you shall give us

written notice of your intention to either return the Equipment to us or purchase the Equipment, as provided below. Provided you have given such timely notice, you shall return the Equipment to us at your cost, in good condition and working order in a manner and to a location designated by us or remit the purchase option. If you fail to do either, or having notified us, you fail to return the Equipment as provided herein, or fail to remit the purchase option at the end of the term, this Lease shall renew for additional terms of ninety (90) days each at a periodic rate equal to 100% of the rate provided herein. In the event that you have been granted a purchase option and you do not exercise such option, then, upon termination of this Agreement you shall remit to us a one hundred fifty (\$150) dollar fee, payable upon your request for authorization to return the Equipment. This fee is payable in addition to shipping costs for return of Equipment.

6. OPTION TO PURCHASE: We hereby grant to you, provided you are not in default hereunder, the option to purchase, "AS IS, WHERE IS", all (not part) of the Equipment at the expiration of the initial term of this Lease for its then in-place and in-use fair market value, as determined by us, \$1.00 Purchase Option or 10% purchase option (as provided above), plus all applicable taxes.

7. MAINTENANCE, RISK OF LOSS AND INSURANCE: You are responsible for installing and keeping the Equipment in good repair, condition and working order and for protecting the Equipment from damage and loss of any kind. If the Equipment is damaged or lost, you agree to continue to pay rent. You will obtain adequate property damage and public liability insurance covering the Equipment and its use during the term of this Lease, such insurance policies to name us as loss payee and additional insured. You agree to provide us certificates of other evidence of insurance. Should you fail to provide such insurance, you agree that we may obtain such insurance and charge you therefor.

8. INDEMNITY: We are not responsible for any losses or injuries caused by the Equipment or any use thereof. You agree to reimburse us for and to defend us against any claims for losses or injuries (including reasonable attorney's fees and costs) caused by the Equipment or use thereof.

9. TAXES AND FEES: You agree to pay us when due or reimburse us for all taxes, fees, fines and penalties relating to use or ownership of the Equipment or to this Lease, now or hereafter imposed, levied or assessed by any state, federal or local government or agency, including any taxes to be paid up front. You agree to pay us a non-refundable origination fee of \$87.50 in connection with this Lease. We may charge you a processing fee for administering property tax filing.

10. LOCATION OF EQUIPMENT: You will keep and use the Equipment only at the address shown above and you will not move the Equipment from that address without our written prior consent. You agree that the Equipment will be used for business purposes only.

11. DEFAULT: If you (a) fail to pay any amount hereunder and/or under any other agreement with us and/or our affiliates concerning the finance of Other Equipment when due; or (b) breach any representation or warranty, or fail to perform any covenant in this Lease and/or under any other agreement with us and/or our affiliates concerning the finance of Other Equipment after 10 days written notice; or (c) sustain a substantial deterioration in your condition (financial or otherwise), or become insolvent or make an or have made assignment for the benefit of creditors, file or have filed against you a petition in bankruptcy or a receiver, trustee, conservator or liquidator is appointed for you, you shall be in default under this Lease.

12. REMEDIES: If you default, we may do one or more of the following: (i)

recover from you all amounts then due under this Lease plus the present value of (x) the sum of the rent payments for the unexpired term of this Lease and (y) the anticipated value of the Equipment at the end of the initial term or renewal term of the Lease, all discounted at the rate of 6% per annum; (ii) declare any other agreements between you and us and/or any affiliate of ours concerning the finance of equipment in default; (iii) require you to return all of the Equipment and/or the Other Equipment, at your expense, to a place reasonably designated by us, or take the Equipment and/or the Other Equipment, in which case we will not be held responsible for any losses directly or indirectly arising out of, or by reason of the presence and/or use of any and all proprietary information residing on or within the Equipment and/or the Other Equipment, and to lease or sell the Equipment and/or the Other Equipment, or any portion thereof, and to apply the proceeds, less reasonable selling and administrative expenses, to the amounts due hereunder; (iv) charge you for expenses incurred in connection with the enforcement of our remedies including collection costs, reasonable attorney's fees and court costs. Lessee shall also be liable for the pre- and post-judgment attorney's fees and costs incurred by Lessor after a judgement has been entered against Lessee by any court. All our remedies are cumulative, are in addition to any other remedies provided for by law and may be exercised either concurrently or separately. Any failure or delay by us to exercise any right shall not operate as a waiver of any right, other or future rights or to modify the terms of this Lease. We shall retain any Security Deposit made as a deposit for the full performance of your obligations. At the end of this Lease and full payment of all sums due hereunder, the Security Deposit shall be returned to you with no interest. In the event of default we may apply the Security Deposit to amounts due under this Lease.

13. ASSIGNMENT: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THIS LEASE OR THE EQUIPMENT. We may sell, assign or transfer this Lease, without notice. You agree that if we sell, assign or transfer this Lease, the new owner will have the same rights and benefits that we have now and will not have to perform any of our obligations, for which we remain responsible. You agree that the right of the new owner will not be subject to any claims, defenses, or set offs that you may have against us.

14. GOVERNING LAW; CONSENT TO JURISDICTION; WAIVERS: THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF NEW JERSEY, BUT ONLY TO THE EXTENT SUCH STATE LAW IS NOT PREEMPTED BY FEDERAL LAW OR REGULATION. YOU AGREE TO BE SUBJECT TO SUIT IN THE NEW JERSEY STATE AND FEDERAL COURTS, CONSENTING TO SUCH JURISDICTION, PROVIDED NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT THE JURISDICTIONS IN WHICH SUIT MAY BE FILED BY ANY PARTY. YOU WAIVE TRIAL BY JURY IN ANY ACTION. YOU HEREBY WAIVE ANY AND ALL RIGHTS AND REMEDIES GRANTED YOU BY SECTION 2A-508 THROUGH 2A-622 OF THE UNIFORM COMMERCIAL CODE.

15. CUSTOMER P.O.: You agree that any Purchase Order issued to us covering the Equipment is issued for authorization purposes and your intent is use only, and none of its terms and conditions shall modify the terms of this Lease.

16. ENTIRE LEASE: You agree that we may insert or correct missing information on this Lease including your legal name and the Equipment's description, serial number and location, otherwise, this Lease contains the entire arrangement between you and us and no modification of this Lease shall be effective unless in writing and signed by both parties.

ACCEPTED BY:

LESSOR:	BY	TITLE	ACCEPTED ON
CITICORP VENDOR FINANCE, INC.	X		

FORM #2000-REV10/03

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A member of citigroup.



EQUIPMENT ACQUISITION AGREEMENT

BUSINESS SYSTEMS, INC.

PROGRAM: _____ SALE: LEASE: RENTAL: CONNECTED:
(Attach Addendum 1, 2, 3)

CUSTOMER AGREES TO PURCHASE AND H & H BUSINESS SYSTEMS, INC. AGREES TO SELL, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT, THE EQUIPMENT AND/OR GOODS LISTED BELOW AT THE PRICES SHOWN.

QUANTITY	MODEL DESCRIPTION	PRODUCT CODE	SERIAL NUMBER	UNIT PRICE	TOTAL PRICE
1	Aficio 2022sp	411710	J8355101860	60 mo lease	126.00
1	Df 75	410952	J0948103132		inc
1	Pt 280 1Bin	410961			inc
1	Shlft Sort	410964			inc
1	Cabinet	K81034071448			inc
	Vip Maint \$ 0.009				
	per copy all parts				
	labor toner & Supplies				
	included no paper				
	includes property Tax				

NO TERMS OR CONDITIONS, EXPRESSED OR IMPLIED, ARE AUTHORIZED UNLESS THEY APPEAR ON "ORIGINAL" OF THIS AGREEMENT, SIGNED BY THE CUSTOMER AND AN OFFICER OF H & H BUSINESS SYSTEMS, INC.

THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE INCORPORATED IN AND MADE PART OF THIS AGREEMENT. NO ONE IS AUTHORIZED TO CHANGE, ALTER, OR AMEND THE TERMS OR CONDITIONS OF THIS AGREEMENT UNLESS AGREED TO IN WRITING BY AN OFFICER OF H & H BUSINESS SYSTEMS, INC.

TERMS: SALE - NET TEN (10) DAYS
 LEASE RENTAL 60 MONTHS FMV 10% \$1.00

V.I.P. ANNUAL SERVICE
M/A PLUS PLUS

M/A TERMS: 0.009

PLEASE INITIAL
SELECTED
MAINTENANCE
PLAN

CHECK ATTACHED DEPOSIT AMOUNT \$ _____

USED EQUIPMENT TRADE-IN

MODEL _____ SERIAL NUMBER _____

MODEL _____ SERIAL NUMBER _____

SUB TOTAL (INCLUSIVE OF FEDERAL TAX)	\$
LESS TRADE ALLOWANCE	\$
____ PERCENT STATE TAXES	\$
DELIVERY/INSTALLATION CHARGE	\$
TOTAL PRICE	\$

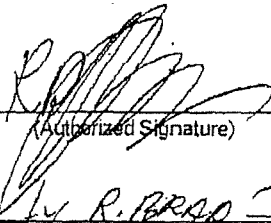
CUSTOMER ACCEPTANCE ("CUSTOMER")	
COMPANY NAME <u>Gmac Realestate Northwest</u>	TAX EXEMPTION NO. (ATTACH CERTIFICATE) _____
ADDRESS <u>201 n Church</u>	PHONE _____
CITY/STATE/ZIP <u>Sandpoint Idaho 83854</u>	FAX _____
BY (SIGNATURE) <u>[Signature]</u>	E-MAIL _____
NAME (PLEASE PRINT) <u>BRAD JORDAN</u>	TITLE _____
DATE (MONTH/DAY/YEAR) <u>0-21-05</u>	PURCHASE ORDER NO _____
H & H BUSINESS SYSTEMS, INC.	
MARKETING REPRESENTATIVE (PLEASE PRINT) <u>Steven T Wilson</u>	DATE (MONTH/DAY/YEAR) <u>6/23/05</u>
BRANCH/AGENCY GENERAL MANAGER (SIGNATURE) _____	LOCATION _____
CORPORATE GENERAL MANAGER (SIGNATURE) _____	DATE (MONTH/DAY/YEAR) _____

Equipment Delivery and
Acceptance Receipt

The undersigned does hereby acknowledge the complete and satisfactory delivery and installation of the Equipment leased from Citicorp Vendor Finance, Inc. The undersigned does further acknowledge that Lessor has made no warranties expressed or implied regarding the equipment; that our obligations to Lessor or its assignees as set forth in the aforementioned lease are free of any and all claims, counter claims, defenses, or set-offs.

GMAE Real Estate Northwest

(Full Legal Name of Lessee)

By  President
(Authorized Signature) (Title)

R. BRAD JORDAN
(Print Name of Signer)

6-21-05
(Date)

Equipment Lease Agreement

Lease #: ML-6-413-001



Lessee (Leasing Customer) - Use EXACT registered name if a corp., LLC or LP		Lessee's Chief Executive Office - Street		City
Gmac realestate Northwest		1900 Northwest Blvd		Coeur d Alene
Equipment Supplier		State	County	Zip Code
H & H Business Systems		ID	Kootenai	83814
Lessee's Telephone (not cell)				
(208) - 667 - 1505				

In this lease, the words "You" and "Your" mean the above lessee. "We," "Us" and "Our" mean Wells Fargo Financial Leasing, Inc. "Supplier" means the above equipment supplier. This Lease is the final and only agreement between You and Us and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements. There are no unwritten oral agreements between You and Us. This Lease can be changed only by a written agreement between You and Us. Other agreements not stated herein are not binding on Us.

1. **LEASE.** You agree to lease from Us the personal property listed below (together with all existing and future accessories, attachments and replacements, the "Equipment") upon the terms stated herein. This Lease is binding on You as of the date You sign it. After You sign, We may insert any information missing in the boxes herein and change the payment amount by up to 15% due to a change in the Equipment or its cost or a tax or payment miscalculation. This Lease may be executed in counterparts, all of which together shall be deemed the same document. A facsimile or other copy containing a faxed or copied signature shall be as enforceable as the original. You represent to Us that this Lease is legally enforceable against You in accordance with its terms.

Equipment Description: <input type="checkbox"/> See Attached Schedule			
Quantity	Equipment Make, Model & Serial Number (Required)	Quantity	Equipment Make, Model & Serial Number (Required)
1	Ricoh Aficio 3025 SN- K8564900144		

Equipment Location (If different than "Chief Executive Office" shown above):			
Term: 60 mos.	Commencement Date:	Advance Payment: \$0.00 applied as	Security Deposit: \$0.00.
Lease Payment: \$126.00 per <input checked="" type="checkbox"/> month <input type="checkbox"/> quarter <input type="checkbox"/> other.		Check here <input type="checkbox"/> If Lease Payment includes sales/use tax.	

2. **NO WARRANTIES; UNCONDITIONAL OBLIGATION.** We are leasing the Equipment to You "as is". We hereby disclaim any and all warranties, express or implied, arising by applicable law or otherwise, including without limitation, the implied warranties of merchantability and fitness for a particular purpose. We hereby transfer to You all automatically transferable warranties, if any, made to Us by the Supplier. You agree that: We are a separate and independent company from the Supplier; no statement or warranty by any Supplier is binding on Us; no Supplier has authority to waive or alter any Lease term; You selected the Equipment and the Supplier on Your own; if You have a service or other contract with any Supplier, it is NOT part of this Lease (even though We may, as a convenience to You, bill and collect monies owed by You to such Supplier) and no breach by any Supplier will excuse You from Your obligations to Us hereunder; and if the Equipment is unsatisfactory for any reason, You will not make any claim against Us and will continue to fully perform hereunder.

3. **LEASE TERM; AUTOMATIC RENEWAL.** The original term of this Lease will begin on a date designated by Us after We sign below (the "Commencement Date") and will continue for the number of months shown above ("Original Term") and is non-cancelable during the full Present Term. "Present Term" means the term presently in effect at any time, whether it is the Original Term or a Renewal Term (as defined below). Unless You notify Us in writing at least 60 days but not more than 120 days before the end of a Present Term (the "Notice Period") that You intend to return the Equipment at the end of such Present Term, then: (a) this Lease will automatically renew for an additional one-year period (each, a "Renewal Term"); (b) each renewal Lease Payment will be an amount equal to 90% of each Lease Payment that was due during the immediately preceding Present Term, and (c) the other terms of this Lease will continue to apply. If You do notify Us in writing within the Notice Period that You intend to return the Equipment at the end of a Present Term, then, promptly upon the expiration of such Present Term, You shall send the Equipment to any location(s) We designate and pay Us a handling and restocking fee of \$250.00. The Equipment must be properly packed, freight prepaid and fully insured, and must be received in Good Condition (as defined in Section 5) within 15 days after the expiration of the Present Term. If it is not received in Good Condition or not received within 15 days of the date of demand, You agree to continue paying Lease Payments and all other amounts due hereunder until it is received and accepted (or put) by Us in Good Condition.

4. **LEASE PAYMENTS.** Lease Payments, plus taxes and other charges, are payable in advance periodically as stated herein. Restrictive endorsements on checks are not binding on Us. All payments received will be applied to past due amounts and to the current amount due in such order as We determine. Any security deposit or estimated future Governmental Charge (as defined in Section 8) that You pay is non-interest bearing. If We do not receive a payment on or before its due date, You shall pay (i) a late fee equal to the greater of 10% of the late amount or \$29.00, plus (ii) interest of 1.5% per month ("Time-Value Interest") on the late portion from the due date to the date paid. If any check is dishonored, You shall pay Us a fee of \$20.00.

5. **FINANCE LEASE; OWNERSHIP; MAINTENANCE.** This is a "finance lease" as defined in Article 2A of the Uniform Commercial Code ("UCC"). You hereby waive any and all rights under UCC Sections 2A-303 and 2A-508 through 522. If it is determined that this is other than a "lease" as defined in Article 2A, You hereby grant Us a security interest in the Equipment and all proceeds. You authorize Us to record (and amend) a UCC financing statement to protect Our interests. You may be entitled under Article 2A to the promises and warranties (if any) provided to Us by the Supplier in connection with the contract (if any) by which We acquire the Equipment, and You may contact the Supplier for a complete statement thereof. We hereby transfer to You, without recourse to Us, all automatically transferable promises and warranties, if any, made to Us by the Supplier. You are responsible for Equipment maintenance. You shall not remove the Equipment from the Equipment Location unless You first get Our permission. You shall give Us access to the Equipment Location to inspect the Equipment, and You agree to pay Our related costs. We will have title to the Equipment (excluding any software) during the Lease, and without Our prior written consent, You shall not permit it to become attached to real property or subject to liens or encumbrances. You agree that the Equipment will be used solely for commercial purposes and not for personal, family or household purposes. You shall use the Equipment in accordance with all operation manuals and service contracts (if any), and shall not make any alterations. At Your cost, You shall keep the Equipment in good and warrantable condition, ordinary wear and tear excepted ("Good Condition").

6. **LOSS; DAMAGE; INSURANCE.** You shall (i) bear the risk of loss and damage to the Equipment and shall continue performing Your obligations even if it suffers damage or loss, (ii) keep the Equipment insured against all risks of damage and loss ("Property Insurance") in an amount equal to its replacement cost, with Us named as sole "loss payee," and (iii) carry liability insurance covering bodily injury and property damage ("Liability Insurance") in an amount acceptable to Us, with Us named as "additional insured." You have the choice of satisfying these requirements by providing Us with evidence of insurance ("Insurance Proof") within 30 days of the Commencement Date. Such Insurance Proof must provide for at least 30 days prior written notice to Us before it may be terminated and must contain other terms satisfactory to Us. If You fail to provide Insurance Proof within such time, or if such Insurance terminates, (a) We will have the right but not the obligation to obtain such insurance from an insurer of Our choice ("Other Insurance"), and (b) We may charge you a periodic charge for it, which will include reimbursement for premiums advanced by Us, billing and tracking fees, processing fees, and a finance charge of up to 18% per annum on any advances We make for premiums (collectively, the "Insurance Charge"). We and/or one or more of our insurance company affiliates and/or agents may receive part of the Insurance Charge, which may include a profit. We may cancel any Other Insurance at any time without notice to You. Any Other Insurance need not protect Your interests and may have a cost to You that is higher than if You obtained Property and Liability Insurance on Your own.

7. **ASSIGNMENT.** You shall not sell, transfer, assign, pledge or otherwise encumber (collectively, "Transfer") this Lease, or Transfer or sublease any Equipment, in whole or in part. We may, without notice to You, Transfer Our interests in the Equipment and/or this Lease, in whole or in part, to a third party (a "New Owner"), in which case the New Owner will have all of Our rights but will not have to perform Our obligations (if any). You agree not to assert against the New Owner any claim, defense or offset You may have against Us or any predecessor in interest.

8. **TAXES AND OTHER FEES.** You are responsible for all taxes (including sales, use and personal property taxes, and excluding only taxes based on Our income), assessments, license and registration fees and other governmental charges relating to this Lease (collectively "Governmental Charges"). You shall promptly pay estimated Governmental Charges if billed by Us. You authorize Us to pay any Governmental Charges as they fall due, and You agree to promptly reimburse Us. You hereby appoint Us as Your attorney-in-fact to sign Your name to tax returns, and You agree to pay Us a fee for preparing and filing the same. You also agree to promptly pay Us (i) for all costs of filing, amending and releasing UCC financing statements and a fee for each filing, and (ii) a processing fee of \$75.00 to cover Our investigation, documentation and other costs in originating this Lease. You also agree to pay Us a fee, in accordance with Our current fee schedule, which may change from time to time, for additional services We may provide to You at Your request during the term of this Lease. You agree that the fees set forth in this Lease may include a profit.

9. **DEFAULT.** You will be in default if, under this Lease or any other agreement between You and Us, You fail to pay any amount within 15 days of the due date or fail to perform any other obligation. If You default, You agree We may: (A) cancel this Lease, (B) enter Your premises and take possession of the Equipment, (C) require You to pay (i) all amounts then due and past due, (ii) all remaining amounts to become due during the Present Term plus Our residual interest in the Equipment, discounted at a rate of 6% per annum, (iii) Time-Value Interest on the amounts specified in clauses "i" and "ii" above from the date of demand to the date paid, and (iv) all other amounts that may thereafter become due, and/or (D) exercise any other remedy available under law. You shall reimburse Us on demand for all reasonable expenses of enforcement (including, without limitation, attorneys' fees) and reasonable expenses of repossession and disposing ("Remarketing") of the Equipment. If We are successful in Remarketing the Equipment, We will give You a credit against any monies You owe Us in an amount equal to the present value of the proceeds received and to be received from Remarketing minus the above-mentioned costs (the "Net Proceeds"). If the Net Proceeds are less than the Balance Due, You shall pay Us the deficiency. If We are holding any money belonging to You at any time, You agree that We may retain and utilize the same to cure or otherwise cover any default by You hereunder.

10. **APPLICABLE LAW; VENUE; INDEMNIFICATION.** This Lease shall be governed by Iowa law, without regard to Iowa's choice-of-law laws. All law suits relating to this Lease shall be filed and adjudicated only in a state or federal court located in Polk County, Iowa. You consent to personal jurisdiction in such courts. You and We hereby waive Your and Our respective rights to a trial by jury in any law suit. You shall indemnify and defend Us against, and hold Us harmless for, any and all claims, damages and losses (including but not limited to reasonable attorneys' fees) made against or suffered or incurred by Us relating to the Equipment or this Lease. This obligation shall survive the termination of this Lease.

Accepted by Wells Fargo Financial Leasing, Inc., the lessor	Lessee: Gmac Real Estate Northwest
400 Locust Street, Des Moines, Polk County, Iowa 50309	By: X <u>Jerry A Hill</u> 1/12/06 (Date)
By: <u>Charonica Pina</u> 1/21/06 (Date)	Print Name: <u>JERRY A. HILL</u> Title: <u>Owner</u>

February 10, 2006

GMAC Real Estate Northwest
1900 Northwest Blvd.
Coeur d Alene, ID 83814

Re: *Property Insurance Coverage on Your Equipment*
001-0032243-001

Dear Valued Customer:

Thank you for choosing Wells Fargo Financial Leasing for your new equipment lease or loan. Enclosed for your records is a copy of your contract, signed by us. We appreciate your business and will work hard to make your Wells Fargo experience a positive one.

We would like to remind you that under the terms of your contract, you are required to maintain property insurance protecting our interests in the equipment against losses such as fire, theft and other perils. If you wish to use your own insurance to satisfy this requirement, please have your agent or broker fax an insurance certificate to 866-497-6667, or send it to the above address. Your agent or broker should reference your Wells Fargo account number and verify that your property insurance covers the specific equipment referenced in your Wells Fargo contract and includes:

- (1) "Wells Fargo Financial Leasing, Inc., its successors and assigns" as the "Loss Payee;"
- (2) "Special form" coverage that specifically includes theft (in addition to other standard perils); and
- (3) Coverage for equipment replacement cost, effective on the lease commencement date.

If your agent or broker does not confirm the above coverage and provide us with a "Loss Payee" certificate from your insurance company, then, pursuant to the terms of your contract, we may obtain insurance coverage on the equipment at your expense. We have obtained our own property insurance policy through American Bankers Insurance Company of Florida for this purpose. If we obtain coverage under our policy, a monthly charge will be added to each invoice we send you for your lease or loan payment. **This insurance charge will include reimbursement for insurance premiums we pay to the insurer, billing and tracking fees, processing charges and other related fees, and finance charges of up to 10% per annum. These charges may be more than the cost of similar insurance you obtain on your own. We and/or one or more of our affiliates will receive a portion of the monthly insurance charge, which may include a profit.** Please also note that our policy may not provide us with coverage on all of your equipment.

It is also important for you to understand that **you would not be an insured, additional insured or loss payee under our insurance policy.** However, in the event of a total loss specifically covered under the policy, we would give you the option of either canceling the remaining payments due under your contract (you would still be required to pay all amounts due prior to the date of the loss) or using the insurance proceeds paid to us to purchase new equipment.* In the event of a partial loss, the insurance proceeds paid to us would be used to repair the equipment.*

If you have any questions regarding the information in this letter, please call our insurance coordinator at 1-866-497-0867. And thanks again for choosing Wells Fargo!

Sincerely,

Wells Fargo Financial Leasing, Inc.

** Subject to important terms, conditions and limitations. See reverse side of this letter for details.*



Equipment Lease Agreement

Lease #: 011w-243-001

Lessee (Leasing Customer) - Use EXACT registered name if a corp., LLC or LP Gmac realestate Northwest		Lessee's Chief Executive Office - Street 1900 Northwest Blvd		City Coeur d Alene
Equipment Supplier H & H Business Systems		State ID	County Kootenai	Zip Code 83814
				Lessee's Telephone (not cell) (208) - 667 - 1505

In this lease, the words "You" and "Your" mean the above lessee. "We," "Us" and "Our" mean Wells Fargo Financial Leasing, Inc. "Supplier" means the above equipment supplier. This Lease is the final and only agreement between You and Us and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements. There are no unwritten oral agreements between You and Us. This Lease can be changed only by a written agreement between You and Us. Other agreements not stated herein are not binding on Us.

1. **LEASE.** You agree to lease from Us the personal property listed below (together with all existing and future accessories, attachments and replacements, the "Equipment") upon the terms stated herein. This Lease is binding on You as of the date You sign it. After You sign, We may insert any information missing in the boxes herein and change the payment amount by up to 15% due to a change in the Equipment or its cost or a tax or payment miscalculation. This Lease may be executed in counterparts, all of which together shall be deemed the same document. A facsimile or other copy containing a faxed or copied signature shall be as enforceable as the original. You represent to Us that this Lease is legally enforceable against You in accordance with its terms.

Equipment Description: <input type="checkbox"/> See Attached Schedule			
Quantity	Equipment Make, Model & Serial Number (Required)	Quantity	Equipment Make, Model & Serial Number (Required)
1	Ricoh Aficio 3025 SN- K8504900144		

Equipment Location (if different than "Chief Executive Office" shown above):			
Term: 60 mos.	Commencement Date:	Advance Payment: \$0.00 applied as	Security Deposit: \$0.00.
Lease Payment: \$126.00 per <input checked="" type="checkbox"/> month <input type="checkbox"/> quarter <input type="checkbox"/> other.		Check here <input type="checkbox"/> if Lease Payment includes sales/use tax.	

2. **NO WARRANTIES; UNCONDITIONAL OBLIGATION.** We are leasing the Equipment to You "as is". We hereby disclaim any and all warranties, express or implied, arising by applicable law or otherwise, including without limitation, the implied warranties of merchantability and fitness for a particular purpose. We hereby transfer to You all automatically transferable warranties, if any, made to Us by the Supplier. You agree that: We are a separate and independent company from the Supplier; no statement or warranty by any Supplier is binding on Us; no Supplier has authority to waive or alter any Lease term; You selected the Equipment and the Supplier on Your own; if You have a service or other contract with any Supplier, it is NOT part of this Lease (even though We may, as a convenience to You, bill and collect monies owed by You to such Supplier) and no breach by any Supplier will excuse You from Your obligations to Us hereunder; and if the Equipment is unsatisfactory for any reason, You will not make any claim against Us and will continue to fully perform hereunder.

3. **LEASE TERM; AUTOMATIC RENEWAL.** The original term of this Lease will begin on a date designated by Us after We sign below (the "Commencement Date") and will continue for the number of months shown above ("Original Term") and is non-cancelable during the full Present Term. "Present Term" means the term presently in effect at any time, whether it is the Original Term or a Renewal Term (as defined below). Unless You notify Us in writing at least 60 days but not more than 120 days before the end of a Present Term (the "Notice Period") that You intend to return the Equipment at the end of such Present Term, then: (a) this Lease will automatically renew for an additional one-year period (each, a "Renewal Term"), (b) each renewal Lease Payment will be an amount equal to 90% of each Lease Payment that was due during the immediately preceding Present Term, and (c) the other terms of this Lease will continue to apply. If You do notify Us in writing within the Notice Period that You intend to return the Equipment at the end of a Present Term, then, promptly upon the expiration of such Present Term, You shall send the Equipment to any location(s) We designate and pay Us a handling and restocking fee of \$250.00. The Equipment must be properly packed, freight prepaid and fully insured, and must be received in Good Condition (as defined in Section 5) within 15 days after the expiration of the Present Term. If it is not received in Good Condition or not received within 15 days of the date of demand, You agree to continue paying Lease Payments and all other amounts due hereunder until it is received and accepted (or put) by Us in Good Condition.

4. **LEASE PAYMENTS.** Lease Payments, plus taxes and other charges, are payable in advance periodically as stated herein. Restrictive endorsements on checks are not binding on Us. All payments received will be applied to past due amounts and to the current amount due in such order as We determine. Any security deposit or estimated future Governmental Charge (as defined in Section 8) that You pay is non-interest bearing. If We do not receive a payment on or before its due date, You shall pay (i) a late fee equal to the greater of 10% of the late amount or \$29.00, plus (ii) interest of 1.6% per month ("Time-Value Interest") on the late portion from the due date to the date paid. If any check is dishonored, You shall pay Us a fee of \$20.00.

5. **FINANCE LEASE; OWNERSHIP; MAINTENANCE.** This is a "finance lease" as defined in Article 2A of the Uniform Commercial Code ("UCC"). You hereby waive any and all rights under UCC Sections 2A-303 and 2A-508 through 522. If it is determined that this is other than a "lease" as defined in Article 2A, You hereby grant Us a security interest in the Equipment and all proceeds. You authorize Us to record (and amend) a UCC financing statement to protect Our interests. You may be entitled under Article 2A to the promise and warranties (if any) provided to Us by the Supplier in connection with the contract (if any) by which We acquire the Equipment, and You may contact the Supplier for a complete statement thereof. We hereby transfer to You, without recourse to Us, all automatically transferable promises and warranties, if any, made to Us by the Supplier. You are responsible for Equipment maintenance. You shall not remove the Equipment from the Equipment Location unless You first get Our permission. You shall give Us access to the Equipment Location to inspect the Equipment, and You agree to pay Our related costs. We will have title to the Equipment (excluding any software) during the Lease, and without Our prior written consent, You shall not permit it to become attached to real property or subject to liens or encumbrances. You agree that the Equipment will be used solely for commercial purposes and not for personal, family or household purposes. You shall use the Equipment in accordance with all operation manuals and service contracts (if any), and shall not make any alterations. At Your cost, You shall keep the Equipment in good and warrantable condition, ordinary wear and tear excepted ("Good Condition").

6. **LOSS; DAMAGE; INSURANCE.** You shall (i) bear the risk of loss and damage to the Equipment and shall continue performing Your obligations even if it suffers damage or loss, (ii) keep the Equipment insured against all risks of damage and loss ("Property Insurance") in an amount equal to its replacement cost, with Us named as sole "loss payee," and (iii) carry liability insurance covering bodily injury and property damage ("Liability Insurance") in an amount acceptable to Us, with Us named as "additional insured." You have the choice of satisfying these requirements by providing Us with evidence of insurance ("Insurance Proof") within 30 days of the Commencement Date. Such Insurance Proof must provide for at least 30 days prior written notice to Us before it may be terminated and must contain other terms satisfactory to Us. If you fail to provide Insurance Proof within such time, or if such insurance terminates, (a) We will have the right but not the obligation to obtain such insurance from an insurer of Our choice ("Other Insurance"), and (b) We may charge you a periodic charge for it, which will include reimbursement for premiums advanced by Us, billing and tracking fees, processing fees, and a finance charge of up to 18% per annum on any advances We make for premiums (collectively, the "Insurance Charge"). We and/or one or more of our insurance company affiliates and/or agents may receive part of the Insurance Charge, which may include a profit. We may cancel any Other Insurance at any time without notice to You. Any Other Insurance need not protect Your interests and may have a cost to You that is higher than if You obtained Property and Liability Insurance on Your own.

7. **ASSIGNMENT.** You shall not sell, transfer, assign, pledge or otherwise encumber (collectively, "Transfer") this Lease, or Transfer or sublease any Equipment, in whole or in part. We may, without notice to You, Transfer Our interests in the Equipment and/or this Lease, in whole or in part, to a third party (a "New Owner"), in which case the New Owner will have all of Our rights but will not have to perform Our obligations (if any). You agree not to assert against the New Owner any claim, defense or offset You may have against Us or any predecessor in interest.

8. **TAXES AND OTHER FEES.** You are responsible for all taxes (including sales, use and personal property taxes, and excluding only taxes based on Our income), assessments, license and registration fees and other governmental charges relating to this Lease (collectively "Governmental Charges"). You shall promptly pay estimated Governmental Charges if billed by Us. You authorize Us to pay any Governmental Charges as they fall due, and You agree to promptly reimburse Us. You hereby appoint Us as Your attorney-in-fact to sign Your name to tax returns, and You agree to pay Us a fee for preparing and filing the same. You also agree to promptly pay Us (i) for all costs of filing, amending and releasing UCC financing statements and a fee for each filing, and (ii) a processing fee of \$75.00 to cover Our investigation, documentation and other costs in originating this Lease. You also agree to pay Us a fee, in accordance with Our current fee schedule, which may change from time to time, for additional services We may provide to You at Your request during the term of this Lease. You agree that the fees set forth in this Lease may include a profit.

9. **DEFAULT.** You will be in default if, under this Lease or any other agreement between You and Us, You fail to pay any amount within 15 days of the due date or fail to perform any other obligation. If You default, You agree We may: (A) cancel this Lease, (B) enter Your premises and take possession of the Equipment, (C) require You to pay (i) all amounts then due and past due, (ii) all remaining amounts to become due during the Present Term plus Our residual interest in the Equipment, discounted at a rate of 6% per annum, (iii) Time-Value Interest on the amounts specified in clauses "i" and "ii" above from the date of demand to the date paid, and (iv) all other amounts that may thereafter become due, and/or (D) exercise any other remedy available under law. You shall reimburse Us on demand for all reasonable expenses of enforcement (including, without limitation, attorneys' fees) and reasonable expenses of repossessing and disposing ("Remarketing") of the Equipment. If We are successful in Remarketing the Equipment, We will give You a credit against any monies You owe Us in an amount equal to the present value of the proceeds received and to be received from Remarketing minus the above-mentioned costs (the "Net Proceeds"). If the Net Proceeds are less than the Balance Due, You shall pay Us the deficiency. If We are holding any money belonging to You at any time, You agree that We may retain and utilize the same to cure or otherwise cover any default by You hereunder.

10. **APPLICABLE LAW; VENUE; INDEMNIFICATION.** This Lease shall be governed by Iowa law, without regard to Iowa's choice-of-law laws. All law suits relating to this Lease shall be filed and adjudicated only in a state or federal court located in Polk County, Iowa. You consent to personal jurisdiction in such courts. You and We hereby waive Your and Our respective rights to a trial by jury in any law suit. You shall indemnify and defend Us against, and hold Us harmless for, any and all claims, damages and losses (including but not limited to reasonable attorneys fees) made against or suffered or incurred by Us relating to the Equipment or this Lease. This obligation shall survive the termination of this Lease.

Accepted by Wells Fargo Financial Leasing, Inc., the lessor 400 Locust Street, Des Moines, Polk County, Iowa 50309	Lessee: Gmac Realstate Northwest
By: <u>[Signature]</u> 1/21/06 (Date)	By: X <u>[Signature]</u> 1/12/06 (Date)
	Print Name: JERRY A. HILL Title: OWNER

SCHEDULE H

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR

NAME AND ADDRESS OF CREDITOR

Brad Jordan
2994 Nettleton Gulch Rd.
Post Falls, ID 83854

Jerry Hill
1117 N. Maverick Lane
Post Falls, ID 83854

Patrick J. Hall
869 Breezy Way
Post Falls, ID 83854

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continuation sheets attached to Schedule of Codebtors

United States Bankruptcy Court
District of Idaho

In re Jordan, Hill, & Hall, Inc.

Debtor(s)

Case No.
Chapter

7

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the President of the corporation named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 11 sheets, and that they are true and correct to the best of my knowledge, information, and belief.

Date 1-28-2009

Signature 
Brad Jordan
President

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

1 JOHN D. MUNDING
munding@crumb-munding.com
2 ISBA # 4703
3 CRUMB & MUNDING, P.S.
The Davenport Tower
4 111 S. Post Street, PH 2290
Spokane, WA 99201
5 Phone (509) 624-6464
Facsimile (509) 624-6155
6


7 Attorneys for Jordan, Hill & Hall, Inc., Debtor.

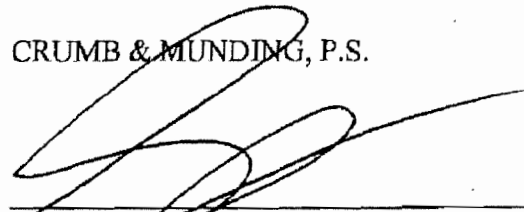
8 UNITED STATES BANKRUPTCY COURT
9 EASTERN DISTRICT OF WASHINGTON AT SPOKANE

10
11 In re) No. 09-20023-TLM
12)
JORDAN, HILL & HALL, INC.,) Chapter 7
13)
Debtor.) DEBTOR'S SCHEDULE F
14

15 The corporate Debtor, Jordan, Hill & Hall, Inc. hereby submits its Schedule F.

16 DATED this 2nd day of January, 2009.

17
18
19 
JORDAN, HILL & HALL, INC.
20 By: Brad Jordan

21 CRUMB & MUNDING, P.S.
22
23 
24 JOHN D. MUNDING, ISBA # 4703
Attorneys for Debtor

25
26 DEBTOR'S SCHEDULE F

CRUMB & MUNDING, P.S.
THE DAVENPORT TOWER, PH 2290
111 S. POST STREET
SPOKANE, WA 99201
(509) 624-6464
FAX (509) 624-6155

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. Sec. 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C				
Account No. 3B's Spokane, LLC 12810 E. Nora, Suite E Spokane, WA 99216		2008 Business debt				13,252.00
Account No. Adams & Clark, Inc. 306 N. Spokane St., Suite J Post Falls, ID 83854		2008 Engineering Services land development				50,542.00
Account No. xxxxx9400 Advanta Bank Corp Business Card P.O. Box 808B Philadelphia, PA 19101		2007 - 2008 Business Card				18,078.00
Account No. FV291 Aflac ATTN: Remittance Processing 1932 Wynnton Road Columbus, GA 31999		2008 Insurance				140.90
Subtotal (Total of this page)						82,012.90

22 continuation sheets attached

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B I T O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C					
Account No. Anthony Piscitelli 9302 Justice Way Hayden, ID 83835							Unknown
Account No. Arizona Land Company Arizona Land Investors, LLC 14020 S.E. Johnson Rd #201 Portland, OR 97267				X			Unknown
Account No. Art Bale P.O. Box 933 Veradale, WA 99037							0.00
Account No. Avista Utilities 1411 E. Mission Ave. Spokane, WA 99252							342.68
Account No. Beck & Poorman, LLC 8884 N. Government Way, #D Coeur D Alene, ID 83814							8,158.00
<p align="right">Subtotal (Total of this page)</p>							8,500.68

Sheet no. 1 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W	J C				
Account No. Best Western c'da CDA Inn 506 W. Appleway Ave. Coeur D Alene, ID 83814							1,745.00
Account No. Blue Oak Landscape P.O. Box 3372 Hayden, ID 83835							290.00
Account No. Brad Jordan 2994 Nettleton Gulch Rd. Coeur D Alene, ID 83815							Unknown
Account No. C.P.M. LLC							3,500.00
Account No. xxxxxx0-116 Calne & Weiner 21210 Erwin Street Woodland Hills, CA 91367							8,176.00
Subtotal (Total of this page)							13,711.00

Sheet no. 2 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C					
Account No. xxx6705 CDA Press 201 N. 2nd Street Coeur D Alene, ID 83814							25,536.00
Account No. Charles Taylor 7095 Davenport St. Coeur D Alene, ID 83815							Unknown
Account No. Charles Taylor 7095 Davenport St. Coeur D Alene, ID 83815							Unknown
Account No. Cheryl M. Eaton 4381 Bourbon Drive Coeur D Alene, ID 83815							Unknown
Account No. Cheyri Miller 1414 Ash Coeur D Alene, ID 83814							Unknown
Subtotal							25,536.00
Creditors Holding Unsecured Nonpriority Claims							(Total of this page)

Sheet no. 3 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

Subtotal
(Total of this page)

25,536.00

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N D I S P U T E D	A M O U N T O F C L A I M
		H W	J C			
Account No. Christine Fischer 706 S. Shoreline Crt Post Falls, ID 83854	-					Unknown
Account No. Clark Anderson McNeils 560 W. Canfield, #100 Coeur D Alene, ID 83815	-					7,057.00
Account No. Clear Water Springs 10356 Tayne Street Hayden, ID 83835	-					89.00
Account No. 993 Comcast Advertising Sale P.O. Box 84362 Seattle, WA 98124-5662	-					4,290.00
Account No. Comcast Spotlight P.O. Box 84362 Seattle, WA 98124	-					10,100.00
Subtotal (Total of this page)						21,536.00

Sheet no. 4 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R C H W J C	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No. Court Peterson P.O. Box 169 Coeur D Alene, ID 83816	-	Real Estate Agent				Unknown
Account No. Craig Hampton 2007 E. St. James Ave. Coeur D Alene, ID 83815	-	Real Estate Agent				Unknown
Account No. Crumb & Munding, P.S. 111 S. Post, PH 2290 Spokane, WA 99201	-	12/08 Legal Service				1,825.00
Account No. Danna Harris 2113 Bordeaux Coeur D Alene, ID 83814	-	Real Estate Agent				Unknown
Account No. David Swarat 7752 Valley St. Coeur D Alene, ID 83815	-	Real Estate Agent				Unknown
Subtotal (Total of this page)						1,825.00

Sheet no. 5 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C					
Account No. David Taylor 3502 N. 12th Street Coeur D Alene, ID 83815				Real Estate Agent			Unknown
Account No. Dell Financial Services P.O. Box 6403 Carol Stream, IL 60197				2007 Business equipment financing			15,885.00
Account No. Donald L. Cooper 2105 Hillside Rd. Athol, ID 83801				Real Estate Agent			Unknown
Account No. Doty Scott Investments, L.P. 13921 Powers Road Poway, CA 92064				Business Debt			12,659.00
Account No. Dwight & Patricia Hoock 41 Valley Rd Kingston, ID 83839							9,768.00
Subtotal (Total of this page)							38,312.00

Sheet no. 6 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community		D I S P U T E D	U N L I Q U I D A T E D	C O N T I N G E N T	A M O U N T O F C L A I M
		H W J C					
Account No. Edward Rieger 25500 E. Mission Ave Liberty Lake, WA 99019							41,025.00
Account No. Elsaesser Jarzabek Anderson P.O. Box 1049 Sandpoint, ID 83864			Legal				490.00
Account No. Evans, Craven, Lackle 818 W. Riverside, Suite 250 Spokane, WA 99201			Legal				1,233.00
Account No. Federal Express P.O. Box 94515 Palatine, IL 60094							184.00
Account No. FP Mailing Solutions Dept. 4272 Carol Stream, IL 60122-4272			Mailing				75.10
Subtotal (Total of this page)							43,007.10

Sheet no. 7 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C					
Account No. GE Security P.O. Box 660007 Dallas, TX 75286							451.00
Account No. GMAC Home Services P.O. Box 8500-51610 Philadelphia, PA 19178						X	235,993.00
Account No. GMAC Real Estate, LLC GMAC Home Services, LLC 465 South Street, #202 Morristown, NJ 07960				X	X	X	2,000,000.00
Account No. H & H Business Systems P.O. Box 1150 Post Falls, ID 83877							575.00
Account No. Hagadone Directories P.O. Box 1266 Coeur D'Alone, ID 83816							2,958.00
Subtotal (Total of this page)							2,239,977.00

Sheet no. 8 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W	J C				
Account No. xxxxxxxxxxxx & xxxxxx3871 Idaho Independant Bank 1260 W. Riverstone Drive Coeur D Alene, ID 83814							2,439.00
Account No. Idaho Independant Bank 1260 W. Riverstone Drive Coeur D Alene, ID 83814							159,168.00
Account No. Idaho Independant Bank 1260 W. Riverstone Drive Coeur D Alene, ID 83814							98,158.00
Account No. Ironwood Office Park, LLC 700 Ironwood Drive, #300 Coeur D Alene, ID 83814							650,000.00
Account No. Jim Koon 2120 Lakewood Drive Coeur D Alene, ID 83814					X	X	Unknown
Subtotal (Total of this page)							909,765.00

Sheet no. 9 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C					DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.
Account No. Jim Stearnborge 3614 Montrose Blvd, #901 Houston, TX 77006		-	Business Loan			33,000.00
Account No. Joanie M. Fish 17323 W. Kathleen Ave. Post Falls, ID 83854		-	Real Estate Agent			Unknown
Account No. John Kelpin 2553 W. Ashland Lane Hayden, ID 83835		-	Real Estate Agent			Unknown
Account No. K. A. Durtschi & Associates, P.O. Box 700 Hayden, ID 83835		-				1,112.00
Account No. Kellie Palm 671 Round Up Circle Hayden, ID 83835		-	Real Estate Agent			Unknown
					Subtotal	34,112.00
					(Total of this page)	

Sheet no. 10 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

Subtotal
(Total of this page)

34,112.00

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N L I Q U A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C					
Account No. Kelly Mason 11643 N. Avondale Loop Hayden, ID 83835			Real Estate Agent				Unknown
Account No. Ken Cox 1301 Skyline Drive Coeur D Alene, ID 83814							2,000.00
Account No. Ken Cox 1301 Skyline Drive Coeur D Alene, ID 83814			Real Estate Agent				Unknown
Account No. Kevin Ames 825 N. 7th Street #2 Coeur D Alene, ID 83814			Real Estate Agent				Unknown
Account No. Larry Smith 3517 Polo Green Post Falls, ID 83854			Real Estate Agent				Unknown
Subtotal (Total of this page)							2,000.00

Sheet no. 11 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C					DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.
Account No. Larry's Janitorial Service 582 W. Hayden Ave Hayden Lake, ID 83835		Janitorial service				295.00
Account No. Lawrence Bleber 5133 Ezy Street Coeur D Alene, ID 83815		Real Estate Agent				Unknown
Account No. Linda Browning						16,500.00
Account No. Linda Yacono c/o Charles Lempesis West 201 Seventh Ave. Post Falls, ID 83854		Mediated Settlement - CV 08-2218				16,615.00
Account No. Magnuson, McHugh CPA P.O. Box 1379 Coeur D Alene, ID 83816		Accounting Services				9,966.00
					Subtotal (Total of this page)	43,376.00

Sheet no. 12 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS, INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C					DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.
Account No. Mary L. Sorenson P.O. Box 1028 Spirit Lake, ID 83869		-	Real Estate Agent			Unknown
Account No. MBNA Platinum Business P.O. Box 15469 Wilmington, DE 19886-5469		-	Business Credit Card			9,340.00
Account No. McCarthy, Burgess, & Wolff 26000 Cannon Rd. Bedford, OH 44146		-	Collection for CIT			Unknown
Account No. Melanie Crippen 2597 W. Chaumont Coeur D Alene, ID 83815		-	Real Estate Agent			Unknown
Account No. Michele Webler 25411 N. Ramsey Rd. Athol, ID 83801		-	Real Estate Agent			Unknown
Subtotal (Total of this page)						9,340.00

Sheet no. 13 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

In re **Jordan, Hill, & Hall, Inc.**

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C					
Account No. Mimi Fischer							Unknown
Account No. Mirecal 9323 N. Government Way #213 Hayden, ID 83835							2,515.00
Account No. Multiple Listing Service 409 W. Neider, Suite A Coeur D Alene, ID 83815			Listing service				3,197.00
Account No. Northern State Security P.O. Box 2616 Hayden, ID 83835							390.00
Account No. Northwest Fence Co. 7488 N. Government Way Coeur D Alene, ID 83815							37,287.00
Subtotal (Total of this page)							43,389.00

Sheet no. 14 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N D I S P U T E D	A M O U N T O F C L A I M
		H W	J C			
Account No. Oxarc P.O. 2605 Spokane, WA	-					39.62
Account No. Panhandle State Bank P.O. Box 2559 Coeur D Alene, ID 83816	-		Business line			245,000.00
Account No. Panhandle State Bank P.O. Box 2559 Coeur D Alene, ID 83816	-		Business Line			229,000.00
Account No. Patrick Hall 869 Breezy Way Coeur D Alene, ID 83816	-		Loans to business to keep operations going. Amount to be determined.			Unknown
Account No. PBCC P.O. Box 856460 Louisville, KY 40285-6460	-		Credit			4,944.00
					Subtotal (Total of this page)	478,983.62

Sheet no. 15 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No. Peter Willits c/o 1900 NW Blvd Coeur D Alene, ID 83814	-		Real Estate Agent				Unknown
Account No. Pioneer Title	-		Title related				14,714.00
Account No. Post Falls Area Chamber of Commerce P.O. Box 908 Post Falls, ID 83877	-		Trade / Marketing				225.00
Account No. Ralph Snookal 5361 Steamboat Bend Post Falls, ID 83854	-		Real Estate Agent				Unknown
Account No. Ramsden & Lyons P.O. Box 1336 Coeur D Alene, ID 83816	-		Legal fees				1,141.89
Subtotal (Total of this page)							16,080.89

Sheet no. 16 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	H W J C	Husband, Wife, Joint, or Community	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No. Real Sign Company 4055 N. Government Way #8 Coeur D Alene, ID 83815								2,371.00
Account No. Realtor.com P.O. Box 4455 Scottsdale, AZ 85261-4455				Advertising				1,692.00
Account No. Regence Blue Shield P.O. Box 31604 Salt Lake City, UT 84131				Health Ins				1,771.00
Account No. Road Products Inc. P.O. Box 11072 Spokane, WA 99211								6,493.00
Account No. Robert Hollingsworth 12775 Frontage Rd. Coeur D Alene, ID 83815				Real Estate Agent				Unknown
Subtotal (Total of this page)								12,327.00

Sheet no. 17 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W	J C				
Account No. Robert Weaver 20964 N. Camper Rd. Rathdrum, ID 83858		-					Unknown
Account No. Sandra V. Jone P.O. Box 258 Rathdrum, ID 83858		-					Unknown
Account No. Sandra Watts 622 N. 20th Street Coeur D Alene, ID 83814		-					Unknown
Account No. SecurityLock P.O. Box 3325 Coeur D Alene, ID 83816		-					334.00
Account No. Service Master By The Lake 6040 N. Government Way, #303 Coeur D Alene, ID 83815		-					616.00
<p align="right">Subtotal (Total of this page)</p>							950.00

Sheet no. 18 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W	J C				
Account No. Sharon Culbreth 206 Hubbard Coeur D Alene, ID 83815	-						Unknown
Account No. Sharon Van Hord 412 S. 12th Street Coeur D Alene, ID 83814	-						Unknown
Account No. Shell / Texaco P.O. Box 688922 Des Moines, IA 50368	-						826.00
Account No. Shenango 6120 E. Commerce Loop Rathdrum, ID 83858	-						1,642.00
Account No. Spokane Association of Realtors 1924 N. Ash Street Spokane, WA 99205	-						0.00
Subtotal (Total of this page)							2,468.00

Sheet no. 19 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No. Super Stock Inc. 7660 Centurion Prkwy Jacksonville, FL 32256	-		Alleged claim for damages	X	X	X	2,290.00
Account No. Susan Fox P.O. Box 688 Spirit Lake, ID 83869	-		Real Estate Agent				Unknown
Account No. Tempco Premium Finance P.O. Box 19127 Spokane, WA 99219	-						1,348.00
Account No. The Kiplinger Letter P.O. Box 10910 Des Moines, IA 50340	-						89.00
Account No. Valley Fire & Safety P.O. Box 5412 Coeur D Alene, ID 83815	-						62.54
<p align="right">Subtotal (Total of this page)</p>							3,789.54

Sheet no. 20 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W	J C				
Account No. Verizon P.O. Box 9688 Mission Hills, CA 91346							1,630.00
Account No. Verizon P.O. Box 9688 Mission Hills, CA 91346							633.37
Account No. Verizon Directory idearc Media Corp P.O. Box 619009 Dallas, TX 75261-9009							4,655.00
Account No. Watson Agency P.O. Box 3449 Coeur D Alene, ID 83816							29.85
Account No. xxxxxxxxxxxxxxx2209 Wells Fargo Card Services P.O. Box 54339 Los Angeles, WA 99054							7,664.00
Subtotal (Total of this page)							14,612.22

Sheet no. 21 of 22 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re Jordan, Hill, & Hall, Inc.

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	Husband, Wife, Joint, or Community		C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No. William Brock 9711 Ptmigan Hayden, ID 83835			Real Estate Agent				Unknown
Account No. xxxxxxxxxxxxxxxx0624 XO Communications 8851 Sandy Pkwy Sandy, UT 84070			Phone				6,869.00
Account No. YTA Business Communication 4974 Building Center Drive Coeur D Alene, ID 83815			Business listing				580.00
Account No. Zurich North American 8712 Innovation Way Chicago, IL 60682			Insurance				282.00
Account No. 							

Sheet no. 22 of 22 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

Subtotal
(Total of this page) **7,731.00**

Total
(Report on Summary of Schedules) **4,053,341.95**

United States Bankruptcy Court
District of Idaho

In re Jordan, Hill, & Hall, Inc.

Debtor(s)

Case No. _____


Chapter 7

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the President of the corporation named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of ~~35~~ F sheets, and that they are true and correct to the best of my knowledge, information, and belief.

Date 1-28-2009

Signature 
Brad Jordan
President

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C. §§ 152 and 3571.

EXHIBIT "A" (NETZGER)

PLAINTIFF'S
EXHIBIT NO. 12
IDENTIFICATION/EVIDENCE
CASE NO. _____
DATE: _____

GMAC Realty Northwest
Schedule of Shareholder Loans - Jerry Hill
12/31/2006

DATE	NUMBER	DESCRIPTION	BANK ACCOUNT	OTHER ACCOUNT	AMOUNT	BALANCE
12/31/2002		Opening Balance				
01/01/2003	30098	loan	WTB-Genl Ckg Acct #991: Shareholder Loans		1,500.00	1,500.00
02/03/2003	30172	Loan	WTB-Genl Ckg Acct #991: Shareholder Loans		300.00	1,800.00
03/12/2003	30467	shareholder loan	WTB-Genl Ckg Acct #991: Shareholder Loans		1,000.00	2,800.00
04/11/2003	1046	repay portion of \$37,500	IIB-Ckg 38447	Jerry (His share of investment)	2,100.00	4,900.00
04/12/2003	1096	Hills personal groceries	IIB-Ckg 38447	Jerry (His share of investment)	664.85	5,564.85
04/30/2003	31252	cleared 5/2/03	IIB-Ckg 38447	Disbursements	1,200.00	6,764.85
05/05/2003	31298	cleared 5/6/03	IIB-Ckg 38447	Disbursements	2,500.00	9,264.85
05/12/2003	31350	CLEARED 5/13/03	IIB-Ckg 38447	Disbursements	2,500.00	11,764.85
09/19/2003	32702	Misc. Vendors Jerry Hill Advance	IIB-Ckg 38447	Disbursements	1,500.00	13,264.85
09/25/2003	32727	Misc. Vendors Jerry Hill Advance	IIB-Ckg 38447	Disbursements	1,000.00	14,264.85
11/03/2003	33165		IIB-Ckg 38447	Disburse-Hill	3,000.00	17,264.85
12/02/2003	33445		IIB-Ckg 38447	Disburse-Hill	3,000.00	20,264.85
12/18/2003	33537	Jerry Hill	IIB-Ckg 38447	Disbursements	2,500.00	22,764.85
12/31/2003		Per Magnuson McHugh something to do with Investment in NW Partners			19,000.00	41,764.85
		Total 2003 Jerry Hill Shareholder activity			40,264.85	
12/23/2004		Deposit Christmas Auction	IIB-Ckg 38447	Hill, Jerry	(1,500.00)	40,264.85
01/02/2004	33680	Misc Vendors	IIB-Ckg 38447	Hill, Jerry	1,000.00	41,264.85
02/26/2004	34137	Advance	IIB-Ckg 38447	Hill, Jerry	2,500.00	43,764.85
03/12/2004	34264	Misc Vendors	IIB-Ckg 38447	Hill, Jerry	630.00	44,394.85
04/23/2004	34709	Lowes	IIB-Ckg 38447	Hill, Jerry	630.00	45,024.85
05/26/2004	34910	ADVANCE	IIB-Ckg 38447	Hill, Jerry	1,200.00	46,224.85
09/10/2004	35822	hdepot	IIB-Ckg 38447	Hill, Jerry	400.00	46,624.85
12/30/2004	37202	Disbursement	IIB-Ckg 38447	Disburse-Hill	4,000.00	50,624.85
12/31/2004		Eagle Point Personal Credit Card Charges			210.93	50,835.78
		Total 2004 Jerry Hill Shareholder activity			9,070.93	
01/01/2005		Reclassify 12/31/04 Check #37202			(4,000.00)	46,835.78
01/13/2005	37328		IIB-Ckg 38447	Hill, Jerry	1,200.00	48,035.78
01/14/2005	7424	Payment for American Express	IIB-Ckg 38447	Hill, Jerry	3,119.57	51,155.45
01/14/2005		Deposit Pmt for American Express	IIB-Ckg 38447	Hill, Jerry	(1,619.67)	49,535.78
01/25/2005	7425	Deposit	IIB-Ckg 38447	Hill, Jerry	(27,000.00)	22,535.78
02/28/2005		Credit card Personal American Express	IIB-Ckg 38447	Hill, Jerry	630.80	23,166.58
03/02/2005	36633	Lowes PFS Office	IIB-Ckg 38447	Hill, Jerry	630.00	23,796.58
03/04/2005	777EP	PURCHASE OF 119 W CLAYTON AVE	119 W CLAYTON	Hill, Jerry	(33,572.85)	(9,776.27)
03/07/2005	7432	Deposit Shareholder Receivable	IIB-Ckg 38447	Hill, Jerry	(6,000.00)	(15,776.27)
03/10/2005	37848	Linda Browning Interest for Jerry	IIB-Ckg 38447	Hill, Jerry	437.50	(15,338.77)
03/11/2005	37836		IIB-Ckg 38447	Hill, Jerry	7,000.00	(8,338.77)
03/14/2005	7218	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(26,000.00)	(34,338.77)
03/17/2005	37887		IIB-Ckg 38447	Hill, Jerry	26,000.00	(8,338.77)
03/21/2005	37910		IIB-Ckg 38447	Hill, Jerry	1,800.00	(6,538.77)
03/21/2005	7219	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(32,500.00)	(39,038.77)
03/22/2005	37935		IIB-Ckg 38447	Hill, Jerry	32,500.00	(6,538.77)
03/24/2005	37930		IIB-Ckg 38447	Hill, Jerry	700.00	(5,838.77)
03/28/2005	37983		IIB-Ckg 38447	Hill, Jerry	1,000.00	(4,838.77)
03/29/2005	38009		IIB-Ckg 38447	Hill, Jerry	26,000.00	21,161.23
03/31/2005	7540	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(40,000.00)	(18,838.77)
03/31/2005		Eagle Point Personal Credit Card Charges			95.96	(18,742.81)
04/04/2005	38047		IIB-Ckg 38447	Hill, Jerry	17,581.00	(1,161.81)
04/04/2005	38048		IIB-Ckg 38447	Hill, Jerry	22,438.00	21,257.19
04/14/2005	38138		IIB-Ckg 38447	Hill, Jerry	1,100.00	22,357.19
04/18/2005	38172	Parker Toyota Jerrys Car	IIB-Ckg 38447	Hill, Jerry	22,336.79	44,693.98
04/19/2005	7428	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(22,336.79)	22,357.19
04/22/2005	38211	Steel Structures Clayton Prop. Deposit	IIB-Ckg 38447	Hill, Jerry	3,500.00	25,857.19
04/22/2005	38212	Advance	IIB-Ckg 38447	Hill, Jerry	24,500.00	50,357.19
04/22/2005	7581	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(28,000.00)	22,357.19
04/25/2005	38240	Commission	IIB-Ckg 38447	Hill, Jerry	17,400.00	39,757.19
04/25/2005	7583	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(17,400.00)	22,357.19
04/26/2005		American Express Outbak	Payables Heading Only	Hill, Jerry	157.31	22,514.50
04/28/2005	38285	Advance	IIB-Ckg 38447	Hill, Jerry	19,000.00	41,514.50
04/28/2005	no ck	Deposit 5-0320 Eberle/Hill Commission	IIB-Ckg 38447	Hill, Jerry	(50,000.00)	(8,485.50)
04/29/2005	38284	Advance on Deeridge	IIB-Ckg 38447	Hill, Jerry	19,000.00	10,514.50
04/30/2005		Advanta	IIB-Ckg 38447	Hill, Jerry	852.52	11,367.02
05/10/2005	38427	Countrywide Home Loan	IIB-Ckg 38447	Hill, Jerry	1,158.44	12,525.46
05/25/2005	38590	trade	IIB-Ckg 38447	Hill, Jerry	500.00	13,025.46
05/25/2005		Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(450.00)	12,575.46
06/02/2005	38707		IIB-Ckg 38447	Hill, Jerry	2,814.59	15,390.05
06/02/2005	38708	Closing Costs 4229 E. Mullan	IIB-Ckg 38447	Hill, Jerry	7,729.61	23,119.66
06/27/2005	38976	Per Jerry this should be 4229 E. Mullan	IIB-Ckg 38447	Hill, Jerry	1,000.00	24,119.66
06/29/2005	38936	Charlas or Connie Eberle	IIB-Ckg 38447	Hill, Jerry	2,500.00	26,619.66
06/30/2005	5394	Deposit Payback of EM-4229 Mullan	IIB-Ckg 38447	Hill, Jerry	(1,000.00)	25,619.66
7/3/2005	39019		IIB-Ckg 38447	Hill, Jerry	2,814.59	28,434.25
07/14/2005	38865	Linda Browning - Misc Supplies	IIB-Ckg 38447	Hill, Jerry	100.00	28,534.25
07/18/2005	39187	Local Moving Storage	IIB-Ckg 38447	Hill, Jerry	675.00	29,209.25
07/21/2005	39269		IIB-Ckg 38447	Hill, Jerry	2,814.59	32,023.84

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A-1

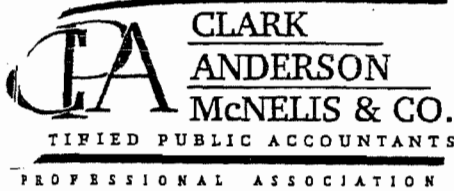
08/08/2005	39440		IIB-Ckg 38447	Hill, Jerry	9,000.00	4,023.84
08/09/2005	39477		IIB-Ckg 38447	Hill, Jerry	16,000.00	20,023.84
08/10/2005	39454		IIB-Ckg 38447	Hill, Jerry	12,000.00	32,023.84
08/12/2005	39422	Linda Browning		Hill, Jerry	2,000.00	34,023.84
08/15/2005	7656	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(15,000.00)	19,023.84
08/16/2005	7657	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(9,200.00)	9,823.84
08/17/2005	39552	American Express	IIB-Ckg 38447	Hill, Jerry	9,711.85	19,535.69
08/17/2005	39556		IIB-Ckg 38447	Hill, Jerry	9,200.00	28,735.69
08/18/2005	7658	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(20,000.00)	8,735.69
08/18/2005	39547	2nd Payment	IIB-Ckg 38447	Hill, Jerry	7,050.00	15,785.69
08/18/2005	39548	1st Payment	IIB-Ckg 38447	Hill, Jerry	7,950.00	23,735.69
08/19/2005	7659	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(2,000.00)	21,735.69
08/22/2005	7502	Deposit Hill, J	IIB-Ckg 38447	Hill, Jerry	(30,000.00)	(8,264.31)
08/22/2005	39568		IIB-Ckg 38447	Hill, Jerry	13,689.25	5,424.94
08/22/2005	39569		IIB-Ckg 38447	Hill, Jerry	8,101.75	12,235.69
08/23/2005	39584		IIB-Ckg 38447	Hill, Jerry	2,814.59	15,050.28
08/23/2005	39589		IIB-Ckg 38447	Hill, Jerry	17,350.00	32,400.28
08/23/2005	39590		IIB-Ckg 38447	Hill, Jerry	12,650.00	45,050.28
08/24/2005	39580		IIB-Ckg 38447	Hill, Jerry	2,000.00	47,050.28
08/24/2005	39620	for Lincolnway equipment	IIB-Ckg 38447	Hill, Jerry	3,500.00	50,550.28
08/26/2005	39635	Past commissions due	IIB-Ckg 38447	Hill, Jerry	65,361.51	115,911.79
08/31/2005	39629	IIB - Maverick Property	IIB-Ckg 38447	Hill, Jerry	57,808.12	173,719.91
10/18/2005	40123	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	175,932.84
10/18/2005	40123	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	178,367.84
11/14/2005	40396	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	180,580.77
11/14/2005	40396	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	1,830.00	182,410.77
12/01/2005		Misc Charges - Coded to Expense in 05, but still in A/R at 12/31/05		Coded to A/R Z-Jerry Hill	1,000.00	183,410.77
12/28/2005		Wife's Purchase on Credit Card Coded to Expense in 05, but still in A/R at 12/31/05		Coded to A/R Z-Jerry Hill	180.58	183,591.35
12/12/2005	40532	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	185,804.28
12/12/2005	40532	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.42	188,239.70
12/30/2005		Best Buy & Wood Furniture - Coded to Expense in 05 but still in A/R at 12/31/05		Coded to A/R Z-Jerry Hill	3,787.60	192,027.30
12/31/2005	1161EP	Taxes Filed Per CPA		Suspense Funds	9,720.25	201,747.55
12/31/2005	1163 EP	Journal Entry Per CPA		12th Ave Post Falls	(1,000.00)	200,747.55
12/31/2005	1164EP	To accrue interest per CPA at 3.11%		Interest Income	2,798.53	203,546.08
		Total 2005 Jerry Hill Shareholder activity				152,710.30

01/01/2006		Jerry's share of interest owed to Linda for '05		Maverick Expenses	2,939.09	206,485.17
01/01/2006		05 Water Bill Maverick		Maverick Expenses	12.69	206,497.86
01/01/2006		05 Cleaning and Ed Yacomo fees		Maverick Expenses	711.26	207,209.12
01/01/2006		Rodges Home for Maverick paint		Maverick Expenses	1,100.00	208,309.12
01/01/2006		Plumbing for Maverick paid in 05		Maverick Expenses	1,000.00	209,309.12
01/01/2006		Carpet One paid in 05 for Maverick		Maverick Expenses	307.44	209,616.56
01/01/2006		Dishwasher/installation/flooring Maverick		Maverick Expenses	4,581.97	214,198.53
01/01/2006	39214	Closing Costs Maverick		Real Estate Investments	15,300.00	229,498.53
01/01/2006		Electrical for Maverick		Maverick Expenses	200.00	229,698.53
01/13/2006		Delay Closing Funds deposited in GMAC account			(218,500.00)	11,198.53
01/29/2006		Personal Charges to Credit Card		Coded to A/R Z-Jerry Hill	207.70	11,406.23
01/30/2006		Cleaning Maverick		Maverick Expenses	82.50	11,488.73
02/01/2006		Unknown		Coded to A/R Z-Jerry Hill	1,792.31	13,281.04
02/07/2006	7713	Repayment	IIB-Ckg 38447	Owner's Capital Investment	(5,000.00)	8,281.04
02/13/2006	40992	Mortgage Payback	IIB-Ckg 38447	Draws Jerry Hill	5,000.00	13,281.04
02/13/2006	40992	Mortgage Payback	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,213.00	15,494.04
02/13/2006	40992	Mortgage Payback	IIB-Ckg 38447	Hill, Jerry Mullian Loan	1,830.00	17,324.04
02/14/2006	40993	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,292.35	22,616.39
02/21/2006	41030		IIB-Ckg 38447	Hill, Jerry	1,000.00	23,616.39
02/27/2006	41085	COMMISSION ADVANCE	IIB-Ckg 38447	Hill, Jerry	500.00	24,116.39
02/28/2006		Maverick Legal and Affidavit Fee		Maverick Expenses	118.32	24,234.71
03/07/2006		Disputing Expense		Coded to A/R Z-Jerry Hill	491.08	24,725.79
03/07/2006		Select Comfort		Coded to A/R Z-Jerry Hill	4,514.98	29,240.77
03/08/2006	7715	Loan to Company	IIB-Ckg 38447	Owner's Capital Investment	(12,000.00)	17,240.77
03/13/2006	41268	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,066.67	22,307.44
03/13/2006	41217	LOAN-REPAYMENT	IIB-Ckg 38447	Hill, Jerry	12,000.00	34,307.44
03/15/2006	41241	MORTGAGES	IIB-Ckg 38447	Draws Jerry Hill	4,752.07	39,059.51
03/15/2006	41241	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	41,272.44
03/15/2006	41241	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	43,707.44
03/17/2006		Spokane Chiefs		Coded to A/R Z-Jerry Hill	500.00	44,207.44
03/19/2006	41273	ADVANCE	IIB-Ckg 38447	Hill, Jerry	20,000.00	64,207.44
03/27/2006		Mountain Comfort		Coded to A/R Z-Jerry Hill	3,030.30	67,237.74
04/05/2006	41395	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,573.34	72,811.08
04/20/2006	41468	MORTGAGES	IIB-Ckg 38447	Draws Jerry Hill	4,752.07	77,563.15
04/20/2006	41468	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	79,776.08
04/20/2006	41468	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	82,211.08
05/05/2006	41626	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,066.67	87,277.75
05/09/2006	41648	Cordova Construction Draw on Lakehome "replacem	IIB-Ckg 38447	A/Rec	10,000.00	97,277.75
05/09/2006	7758	Replace Ck #41648	IIB-Ckg 38447	Z-Hill, Jerry A/R	(10,000.00)	87,277.75
05/17/2006		LA Weight Loss		Coded to A/R Z-Jerry Hill	1,104.80	88,382.55
06/05/2006	41710	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	90,595.48
06/05/2006	41710	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	93,030.48
06/16/2006	41917	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,066.67	98,097.15
07/03/2006	42033	Pymt to Allegro Escrow for Delay Loan on Mullian	IIB-Ckg 38447	Crimson King Investment	5,066.67	103,163.82
07/07/2006	744/2006	Spa Highlands		Coded to A/R Z-Jerry Hill	120.00	103,283.82
07/07/2006	41951	MORTGAGES	IIB-Ckg 38447	Draws Jerry Hill	2,752.07	106,035.89
07/07/2006	41951	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,212.93	108,248.82
07/07/2006	41951	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullian Loan	2,435.00	110,683.82

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A-2

08/04/2006	42242	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,573.34	117,207.16
08/15/2006	42220	PARTIAL AUG PAYMENTS	IIB-Ckg 38447	MAVERICK LOAN	1,200.00	118,407.16
09/01/2006		Invoice	Coded to A/R Z-Jerry Hill		88.90	118,496.06
09/04/2006		Coacto	Coded to A/R Z-Jerry Hill		585.05	119,081.11
09/08/2006	42459	Pymt to Allegro Escrow for Delay Loan on Mullan	IIB-Ckg 38447	Crimson King Investment	5,086.67	124,147.78
09/14/2006	42470	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	10,000.00	134,147.78
09/14/2006	42470	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	10,000.00	144,147.78
09/15/2006		NSF RETURNED DEPOSIT ITEM	IIB-Ckg 38447	Hill, Jerry	20,000.00	164,147.78
09/15/2006	42502	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,000.00	166,147.78
09/15/2006	42502	MORTGAGES	IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,000.00	168,147.78
09/19/2006	7853	Credit Memo	IIB-Ckg 38447	Owner's Capital Investment	(20,000.00)	148,147.78
09/19/2006		Credit Memo	IIB-Ckg 38447	Hill, Jerry	(20,000.00)	128,147.78
09/19/2006	7855	Replace returned Checks	IIB-Ckg 38447	Owner's Capital Investment	(20,000.00)	108,147.78
09/20/2006	42510	REPLACE CHECK	IIB-Ckg 38447	Hill, Jerry	12,500.00	120,647.78
09/20/2006	42511	REPLACE CHECK	IIB-Ckg 38447	Hill, Jerry	7,500.00	128,147.78
09/25/2006	RETURN	NSF RETURNED DEPOSIT ITEM	IIB-Ckg 38447	Hill, Jerry	20,000.00	148,147.78
09/25/2006	RETURN	NSF RETURNED DEPOSIT ITEM	IIB-Ckg 38447	Hill, Jerry	13,500.00	161,647.78
09/25/2006	7857	Transfer of Money	IIB-Ckg 38447	Hill, Jerry	(18,500.00)	143,147.78
09/29/2006	LATE FEE	Late Fees for No Statement	IIB-Ckg 38447	Hill, Jerry	149.47	143,297.25
10/02/2006		American Express Never received statement	Coded to A/R Z-Jerry Hill		5,633.92	148,931.17
10/03/2006	7880	Loan payment	IIB-Ckg 38447	owners capital	(15,000.00)	133,931.17
10/18/2006		GMAC/Crimson buys Mullan From Jerry			(200,000.00)	(66,068.83)
10/16/2006		GMAC/Crimson takes over Delay Note from Jerry			320,000.00	253,931.17
10/16/2006		Proceeds from Anderson Note used for Hill/Browning Closing			65,638.93	319,570.10
11/03/2006	42736	Vending over reimbursement	IIB-Ckg 38447	Hill, Jerry	10.42	319,580.52
11/03/2006	42736		IIB-Ckg 38447	Hill, Jerry Maverick Loan	2,360.56	321,941.08
11/03/2006	42736		IIB-Ckg 38447	Hill, Jerry Mullan Loan	2,221.92	324,163.00
11/15/2006		Jerry's Share of Interest paid to Linda			440.07	324,603.07
12/13/2006	43023		IIB-Ckg 38447	Hill, Jerry	7,490.00	332,093.07
12/15/2006		Jerry's Share of Interest paid to Linda			440.07	332,533.14
12/31/2006		Interest Added @ 15%			21,529.24	354,062.38
		Total 2006 Jerry Hill Shareholder activity			<u>150,516.30</u>	



CURTIS A. CLARK, CPA / ABV
M. LYNN ANDERSON, CPA
D. BRIAN McNELIS, CPA

STEVEN T. McCaUGHAN, CPA
DANA M. ROBSON, CPA
SHANNON SPRAKER, CPA
LAIMA M. SWANSON, CPA

111-55290
KAREN ALBERTS, EA
VIRGINIA L. TATE, EA

August 9, 2007

Brad Jordan
Patrick Hall
GMAC Realty Northwest
1900 NW Blvd
Coeur d Alene, ID 83814

Re: Shareholder Loan to Jerry Hill

Dear Brad and Patrick,

On behalf of your corporation, you have engaged our firm to analyze and review the activity in shareholder loans to Jerry Hill, and to provide you a written report summarizing the activity and quantifying the amounts owed as of December 31, 2006. We have completed that analysis and provide to you the enclosed schedules and this letter which outlines our findings.

Our analysis of the loans to Jerry Hill was difficult to complete. As we have discussed, there were numerous postings in the general ledger that should have been charged to Jerry's loans, but were posted to other accounts. As well, the memos and notes shown in the computer on many transactions did not accurately reflect the true nature of some of the transactions. To make matters worse, some checks were posted, but were later voided, while some deposits from Jerry were posted, but they bounced and were later charged back.

The most disturbing part of our analysis was the finding of several personal charges that were coded to expense accounts, in an obvious attempt to avoid repayment to the Company. As well, there were payments made to Linda Browning for Jerry's personal loan, that were charged to interest, even though the Company had only borrowed a small amount. We also found capital improvements to the Maverick property, which Jerry owns, that were charged to capital asset accounts, instead of to Jerry's loans. Each of these type of errors made it clear that whomever was directing the bookkeeping was not giving proper instructions in what appears to be an attempt to hide amounts due from Jerry Hill.

In addition to these bookkeeping anomalies, our efforts were also made difficult by the transactions involving the Mullan property, the Maverick Property, and the loan from Linda Browning. We have reviewed closing statements for property purchases and sales, and closing statements from the refinancing of these properties, to identify those charges that should be charged to Jerry, as well as those credits that should be credited to his account. We have

EXHIBIT "B"
METZGER

OTC 33056

discussed these items, and the enclosed schedules reflect the results of our efforts and the decisions made during our last conference.

The enclosed exhibits illustrate all the transactions, dating back to 2003 that have been charged to Jerry Hill or should have been charged to Jerry Hill, that we were able to determine. In summary, Jerry owes the Company as of December 31, 2006, \$354,062.38, which includes principal owed of \$343,560.76 and interest owed of \$10,501.62.

For 2003 and 2004, the activity was relatively limited, resulting in a balance due from Jerry of \$50,835.78, and no interest was charged during those years. In 2005, there was much more activity, with payments coming in and going out throughout the year. Your prior CPA firm charged interest on this account using the applicable Federal rates, which are significantly below market rates. In summary, the activity for 2005 was as follows:

Balance Owed on January 1, 2005	\$ 50,835.78
Payments Made to Jerry during 2005	553,991.08
Payments Made to the Company by Jerry during 2005	(404,079.31)
Interest Charged	<u>2,798.53</u>
Balance Owed on December 31, 2005	<u>\$ 203,546.08</u>

The enclosed schedules summarize the activity for 2006 as follows:

Balance Owed on January 1, 2006	\$ 203,546.08
Payments Made to Jerry during 2006	667,987.06
Payments Made to the Company by Jerry during 2006	(539,000.00)
Interest Charged at 15%	<u>21,529.24</u>
Balance Owed on December 31, 2006	<u>\$ 354,062.38</u>

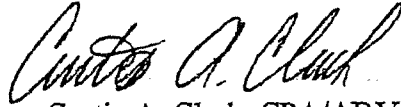
It was determined to charge 15% interest for 2006, which is similar to the rate being paid by the Company for some of the "hard money" loans it has needed to fund operations, and to fund these advances to Jerry. Obviously, if Jerry had not borrowed these funds, the Company would have a much better financial position and may not have needed to borrow the funds at such high rates.

We recommend that you seek legal advice on how to pursue collection of this amount. Since we are accountants, and not lawyers, we cannot opine as to whether Jerry's actions constitute a criminal offense, or if it is just bad business and bad bookkeeping. Obviously, Jerry's actions have upset the two of you, and have added a significant burden to the Company by draining its financial resources. This financial drain has had an adverse effect on the Company's ability to operate, and to obtain normal financing. The result for all shareholders is a significant loss in value of the equity ownership in the business.

Jan and Patrick Hall --
3, 2007

After reviewing this report and its enclosures, if you or your legal counsel would like to discuss these matters further, please give me a call. Thank you very much for allowing us the opportunity to be of service.

Sincerely,



Curtis A. Clark, CPA/ABV

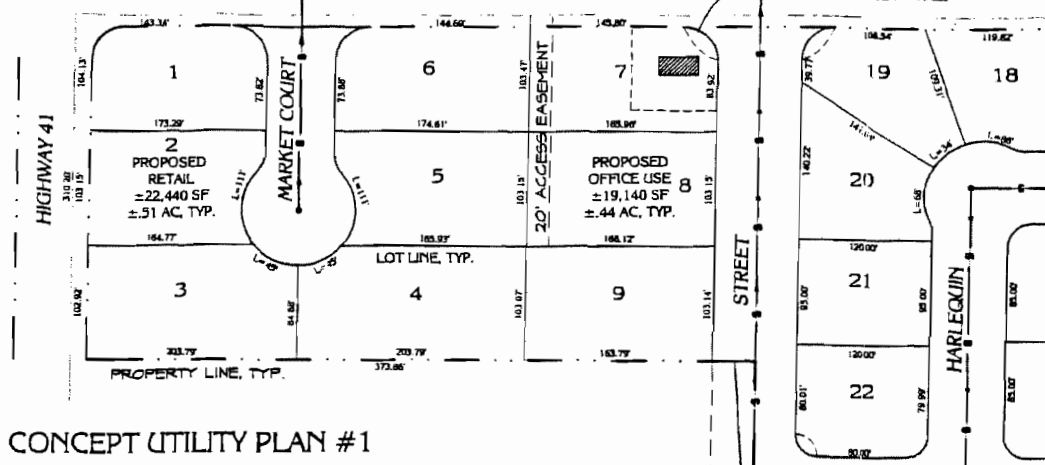
CAC:mb
Enclosures

34
/ 34
537
Y TO CLIENT B-3

CONNECT TO NEW GRANTY
SEWER SYSTEM ALONG
HIGHWAY 41

PROPOSED
LIFT STATION

12th AVE



CONCEPT UTILITY PLAN #1
OF

CRIMSON KING ESTATES

APRIL, 2005

A PORTION OF SECTION 6
TOWNSHIP 50 NORTH, RANGE 4 WEST, B.M.
KOOTENAI COUNTY, IDAHO

75' RAW FOR
PROPOSED
COLLECTOR
ROADWAY

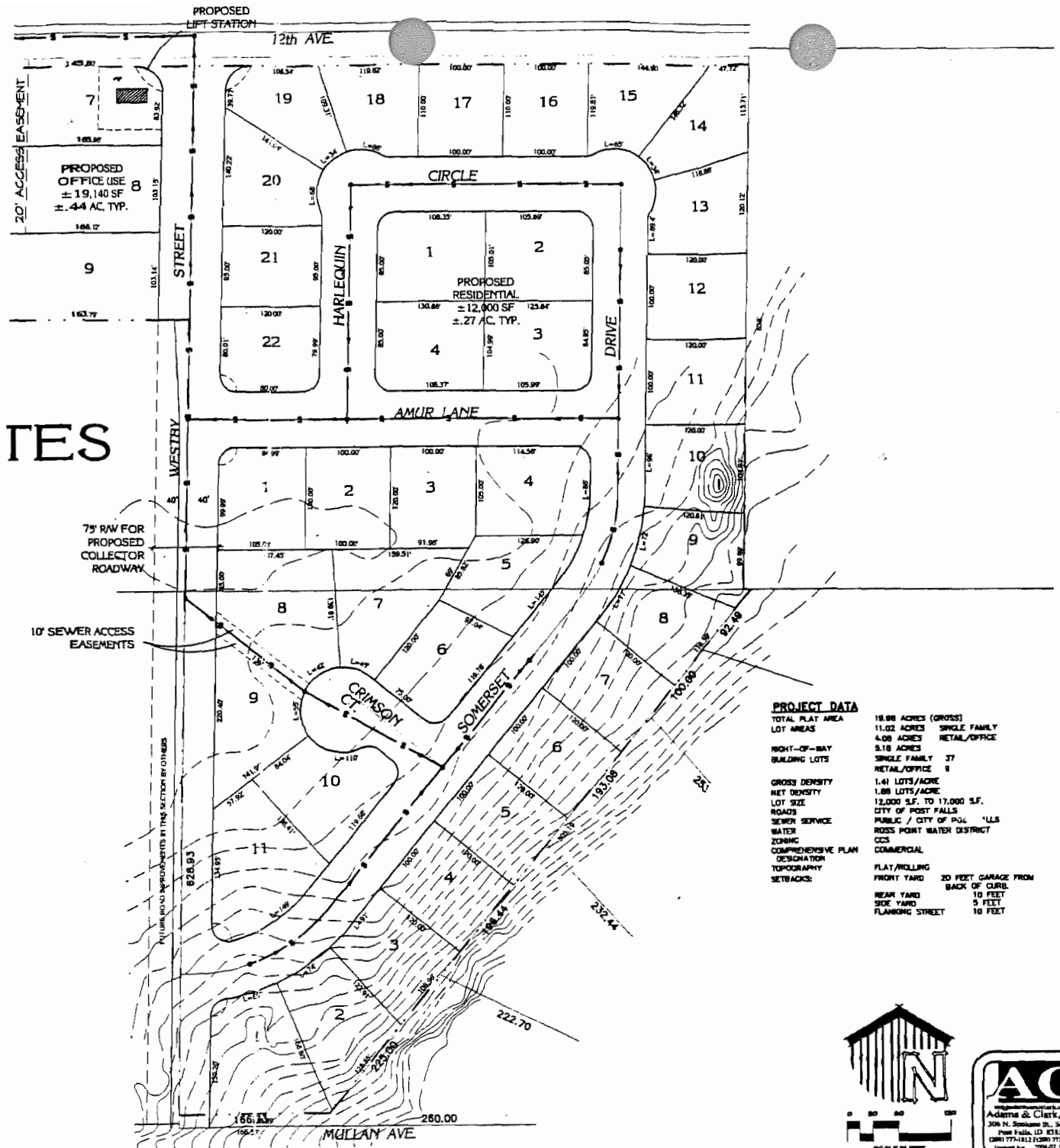
10' SEWER ACCESS
EASEMENTS

FUTURE ROAD IMPROVEMENTS BY OTHERS

EXHIBIT "C"
(METZGER)

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MILLAN



TES

PROJECT DATA

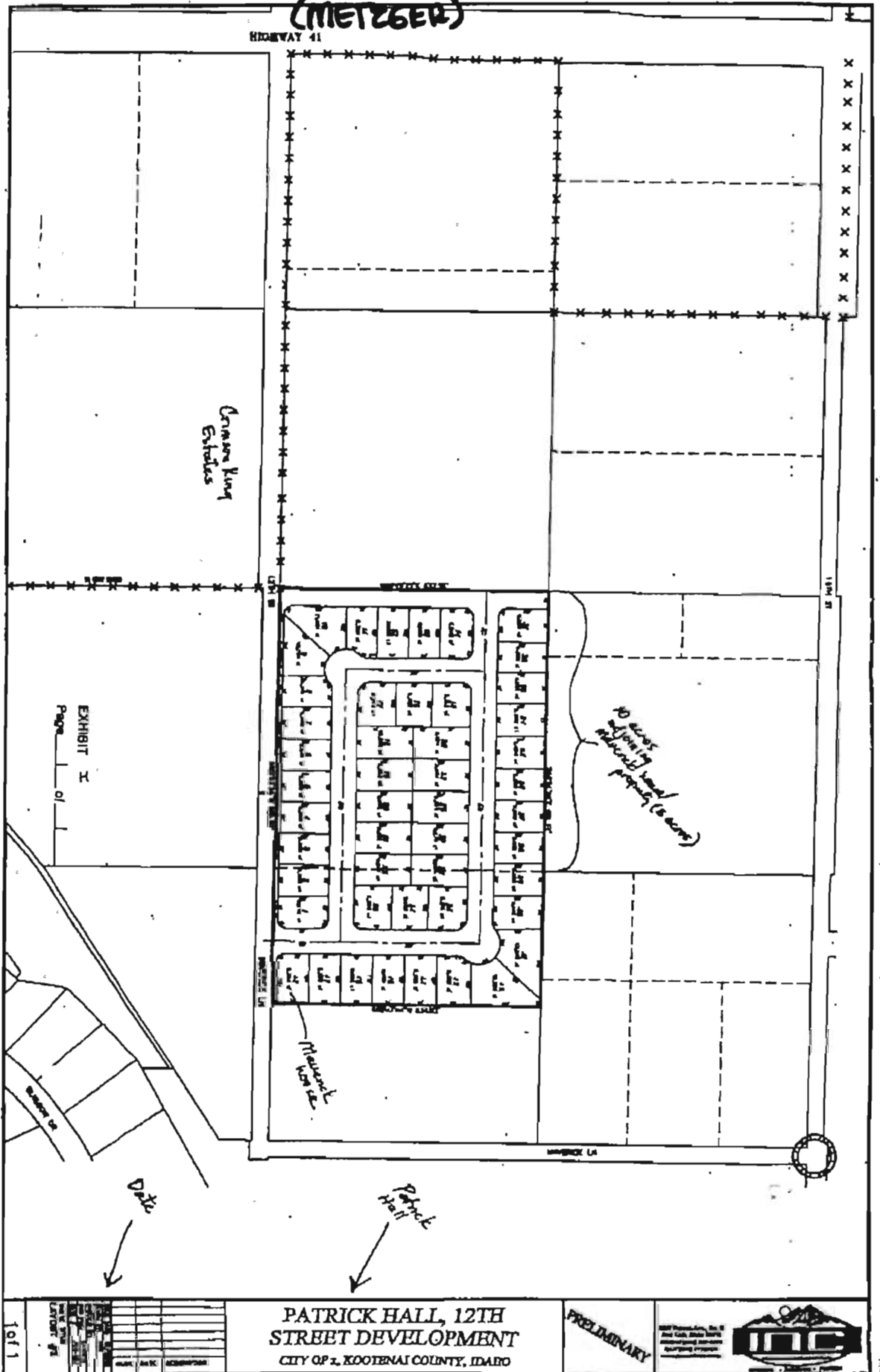
TOTAL PLAT AREA	19.98 ACRES (GROSS)
LOT AREAS	11.02 ACRES SINGLE FAMILY 4.09 ACRES RETAIL/OFFICE 8.18 ACRES
RIGHT-OF-WAY	SINGLE FAMILY 37
BUILDING LOTS	RETAIL/OFFICE 8
GROSS DENSITY	1.41 LOTS/ACRE
NET DENSITY	1.88 LOTS/ACRE
LOT SIZE	12,000 S.F. TO 17,000 S.F.
ROADS	CITY OF POST FALLS
SEWER SERVICE	PUBLIC / CITY OF P.O.F.
WATER SERVICE	ROSS POINT WATER DISTRICT
ZONING	CCS
COMPREHENSIVE PLAN DESIGNATION	COMMERCIAL
TOPOGRAPHY	FLAT/ROLLING
SETBACKS:	FRONT YARD 20 FEET GARAGE FROM BACK OF CURB. REAR YARD 10 FEET SIDE YARD 5 FEET FLANKING STREET 10 FEET



AC

Architectural & Civil, Inc.
304 N. Spokane St., Suite J
Post Falls, ID 83854
208-774-8122 (FAX) 208-774-4149
Project No. 2004.02.137

EXHIBIT "D" (METZGER)



April 25, 2007

Mr. Jerry Hill
5869 S Lakeside Drive
Harrison, ID 83833

Dear Jerry,

We have recently been hired by GMAC Realty Northwest, Inc. to provide bookkeeping and tax preparation services for the 2006 year. In that regard, we are gathering information to adjust and reconcile the accounts in accordance with our normal policies. We are aware of the friction that has developed between you and the other two owners of the Company, but we need to hear your perspective about several transactions that are in question.

We have enclosed several schedules, which we have extracted from the Quickbooks files that are maintained for the Company. Most of these schedules reflect payments that have been made to or from each of the three owners. One of the schedules details the payments that have been characterized as dividends, another as commissions paid, and another as expense reimbursements. We are asking you to review those schedules to see if you disagree with any of the payments reflected for these purposes.

The rest of the schedules enclosed reflect numerous payments to and from owners for the past several years that have been charged to receivable from shareholder accounts. In particular, the schedule reflecting your accounts shows a total of \$324,104.61 that has been tentatively charged to you. We are aware that some of these postings relate to a real estate project involving property and debt that may be titled in your name, but apparently was intended to be for the Company. We need to hear your perspective on these transactions, so we can properly adjust the trial balance and arrive at the proper loan balances owed by or to each shareholder. In that regard, if the loans that are in your name are supposed to be obligations of the Company, then we need to confirm the exact loan balances and amounts of interest paid on those loans during 2006, by obtaining copies of the account information from the lender.

If there are any transactions shown on the enclosed reports that are charged to you, or any other shareholder, or any payments that are credited to any shareholder, that you disagree with, please let me know.

I look forward to meeting with you on Tuesday, May 1, 2007, per our telephone call today. Thank you very much.

Sincerely,



Curtis A. Clark, CPA/ABV

CAC:mb
Enclosures

EXHIBIT "E"
(METZGER)

E-1

Shareholder Loan from or (Payable to)
Jerry Hill

GMAC Realty Northwest
Schedule of Shareholder Loans

Removed from this report are any voided checks and any deposits
that have been determined to be loan proceeds.

DATE	NUMBER	DESCRIPTION	BANK ACCOUNT	OTHER ACCOUNT	AMOUNT	BALANCE
12/31/2002		Opening Balance				
01/01/2003	30098	loan	WTB-Genl Cdg Acct #991	Shareholder Loans	1,500.00	
02/03/2003	30172	Loan	WTB-Genl Cdg Acct #991	Shareholder Loans	380.00	
03/12/2003	30467	shareholder loan	WTB-Genl Cdg Acct #991	Shareholder Loans	1,000.00	
04/11/2003	1046	repay portion of \$37,500	IB-Cdg 38447	Jerry (His share of investment)	2,100.00	
04/12/2003	1096	Hills personal groceries	IB-Cdg 38447	Jerry (His share of investment)	884.85	
04/30/2003	31252	cleared 5/2/03	IB-Cdg 38447	Disbursements	1,280.00	
05/05/2003	31298	cleared 5/8/03	IB-Cdg 38447	Disbursements	2,580.00	
05/12/2003	31350	CLEARED 5/13/03	IB-Cdg 38447	Disbursements	2,580.00	
06/19/2003	32702	Misc. Vendors Jerry Hill Advance	IB-Cdg 38447	Disbursements	1,586.89	
08/25/2003	32727	Misc. Vendors Jerry Hill Advance	IB-Cdg 38447	Disbursements	1,000.00	
11/03/2003	33185		IB-Cdg 38447	Disburse-Hill	3,000.00	
12/02/2003	33445		IB-Cdg 38447	Disburse-Hill	3,000.00	
12/18/2003	33537	Jerry Hill	IB-Cdg 38447	Disbursements	2,500.00	
12/31/2003		Per Magnuson McHugh something to do with investment in NW Partners			19,000.00	
		Total 2003 Jerry Hill Shareholder activity			41,764.85	41,764.85
12/23/2004	Deposit	Christmas Auction	IB-Cdg 38447	Hill, Jerry	(1,500.00)	
01/02/2004	33680	Misc Vendors	IB-Cdg 38447	Hill, Jerry	1,000.00	
02/26/2004	34137	Advance	IB-Cdg 38447	Hill, Jerry	2,500.00	
03/12/2004	34264	Misc Vendors	IB-Cdg 38447	Hill, Jerry	630.00	
04/23/2004	34709	Lowes	IB-Cdg 38447	Hill, Jerry	630.00	
05/26/2004	34910	ADVANCE	IB-Cdg 38447	Hill, Jerry	1,200.00	
06/10/2004	35622	deposit	IB-Cdg 38447	Hill, Jerry	400.00	
12/30/2004	37202	Disbursement	IB-Cdg 38447	Disburse-Hill	4,000.00	
		Total 2004 Jerry Hill Shareholder activity			8,980.00	50,624.85
01/01/2005		Reclassified 12/31/04 Check #37202			14,000.00	
01/13/2005	37328		IB-Cdg 38447	Hill, Jerry	1,200.00	
01/14/2005	7424	Payment for American Express	IB-Cdg 38447	Hill, Jerry	3,119.87	
01/14/2005		Deposit Print for American Express	IB-Cdg 38447	Hill, Jerry	(1,819.87)	
01/25/2005	7425	Deposit	IB-Cdg 38447	Hill, Jerry	(27,000.00)	
02/28/2005	Credit card	Personal American Express	IB-Cdg 38447	Hill, Jerry	630.00	
03/02/2005	38633	Lowes PF8 Office	IB-Cdg 38447	Hill, Jerry	630.00	
03/07/2005	7432	Deposit Shareholder Receivable	IB-Cdg 38447	Hill, Jerry	(6,000.00)	
03/10/2005	37848	Linda Browning Interest for Jerry	IB-Cdg 38447	Hill, Jerry	437.50	
03/11/2005	37836		IB-Cdg 38447	Hill, Jerry	7,000.00	
03/14/2005	7218	Deposit Hill, J	IB-Cdg 38447	Hill, Jerry	(26,000.00)	
03/17/2005	37887		IB-Cdg 38447	Hill, Jerry	26,000.00	
03/21/2005	37910		IB-Cdg 38447	Hill, Jerry	1,800.00	
03/21/2005	7219	Deposit Hill, J	IB-Cdg 38447	Hill, Jerry	(32,500.00)	
03/22/2005	37935		IB-Cdg 38447	Hill, Jerry	32,500.00	
03/24/2005	37930		IB-Cdg 38447	Hill, Jerry	700.00	
03/28/2005	37983		IB-Cdg 38447	Hill, Jerry	1,000.00	
03/29/2005	38009		IB-Cdg 38447	Hill, Jerry	26,000.00	
03/31/2005	7540	Deposit Hill, J	IB-Cdg 38447	Hill, Jerry	(40,000.00)	
04/04/2005	38047		IB-Cdg 38447	Hill, Jerry	17,561.00	
04/04/2005	38048		IB-Cdg 38447	Hill, Jerry	22,439.00	
04/14/2005	38138		IB-Cdg 38447	Hill, Jerry	1,100.00	
04/19/2005	38172	Parker Toyota Jerry's Car	IB-Cdg 38447	Hill, Jerry	22,336.79	
04/19/2005	7426	Deposit Hill, J	IB-Cdg 38447	Hill, Jerry	(22,336.79)	
04/22/2005	38211	Steel Structures Clayton Prop. Deposit	IB-Cdg 38447	Hill, Jerry	3,500.00	
04/22/2005	38212	Advance	IB-Cdg 38447	Hill, Jerry	24,500.00	
04/22/2005	7561	Deposit Hill, J	IB-Cdg 38447	Hill, Jerry	(28,000.00)	
04/25/2005	38240	Commission	IB-Cdg 38447	Hill, Jerry	17,400.00	
04/25/2005	7563	Deposit Hill, J	IB-Cdg 38447	Hill, Jerry	(17,400.00)	
04/26/2005		American Express Duzak	Payables Holding Only	Hill, Jerry	157.31	
04/28/2005	38266	Advance	IB-Cdg 38447	Hill, Jerry	19,000.00	
04/28/2005	no ck	Deposit 5-0320 Ebenezer Commission	IB-Cdg 38447	Hill, Jerry	(50,000.00)	
04/29/2005	38284	Advance on Deerledge	IB-Cdg 38447	Hill, Jerry	19,000.00	
04/30/2005		Advance	Advance	Hill, Jerry	852.52	
05/10/2005	38427	Countryside Home Loan	IB-Cdg 38447	Hill, Jerry	1,158.44	
05/25/2005	38500	trade	IB-Cdg 38447	Hill, Jerry	500.00	
05/25/2005		Deposit Hill, J	IB-Cdg 38447	Hill, Jerry	(450.00)	
06/02/2005	38707		IB-Cdg 38447	Hill, Jerry	2,814.89	
06/02/2005	38708		IB-Cdg 38447	Hill, Jerry	7,729.61	
06/27/2005	38976	GMAC Real Estate NW EM on 1117 N Maverick Ln	IB-Cdg 38447	Hill, Jerry	1,000.00	
06/29/2005	38936	Charles or Connie Eberle	IB-Cdg 38447	Hill, Jerry	2,500.00	
06/30/2005	5394	Deposit Payback of EM-422's Mullan	IB-Cdg 38447	Hill, Jerry	(1,000.00)	
06/30/2005	39019		IB-Cdg 38447	Hill, Jerry	2,814.58	
07/14/2005	38865	Linda Browning - Misc Supplies	IB-Cdg 38447	Hill, Jerry	100.00	
07/18/2005	39187	Local Moving Storage	IB-Cdg 38447	Hill, Jerry	675.00	
07/21/2005	39269		IB-Cdg 38447	Hill, Jerry	2,814.89	
08/05/2005	7849	Deposit	IB-Cdg 38447	Hill, Jerry	(22,000.00)	
08/05/2005	7848	Deposit	IB-Cdg 38447	Hill, Jerry	(15,000.00)	
08/08/2005	39440		IB-Cdg 38447	Hill, Jerry	9,000.00	
08/09/2005	39477		IB-Cdg 38447	Hill, Jerry	16,000.00	
08/10/2005	39484		IB-Cdg 38447	Hill, Jerry	12,000.00	
08/12/2005	39422	Linda Browning	IB-Cdg 38447	Hill, Jerry	7,000.00	
08/13/2005	7866	Deposit Hill, J	IB-Cdg 38447	Hill, Jerry	(15,000.00)	

Company owe me

*3/04/05
33,572.85*

08/16/2005	7657	Deposit Hll. J	HB-Ckg 38447	Hll. Jerry	(9,200.00)
08/17/2005	39552	American Express	HB-Ckg 38447	Hll. Jerry	6,711.85
08/17/2005	39556		HB-Ckg 38447	Hll. Jerry	9,200.00
08/18/2005	7658	Deposit Hll. J	HB-Ckg 38447	Hll. Jerry	(20,000.00)
08/18/2005	39547	2nd Payment	HB-Ckg 38447	Hll. Jerry	7,050.00
08/18/2005	30548	1st Payment	HB-Ckg 38447	Hll. Jerry	7,990.00
08/19/2005	7659	Deposit Hll. J	HB-Ckg 38447	Hll. Jerry	(2,000.00)
08/22/2005	7602	Deposit Hll. J	HB-Ckg 38447	Hll. Jerry	(30,000.00)
08/22/2005	39586		HB-Ckg 38447	Hll. Jerry	13,699.25
08/23/2005	39589		HB-Ckg 38447	Hll. Jerry	6,810.76
08/23/2005	39584		HB-Ckg 38447	Hll. Jerry	2,814.59
08/23/2005	39589		HB-Ckg 38447	Hll. Jerry	17,350.00
08/23/2005	39590		HB-Ckg 38447	Hll. Jerry	12,890.00
08/24/2005	39590		HB-Ckg 38447	Hll. Jerry	2,000.00
08/24/2005	39620	for Lincolntway equipment	HB-Ckg 38447	Hll. Jerry	3,500.00
08/28/2005	39835	Past commissions due	HB-Ckg 38447	Hll. Jerry	85,361.51
08/31/2005	39829	HB	HB-Ckg 38447	Hll. Jerry	57,808.12
10/18/2005	40123	Deduct from loan	HB-Ckg 38447	Disburse-Hll	4,752.07
10/18/2005	40123	MORTGAGES	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,212.93
10/18/2005	40123	MORTGAGES	HB-Ckg 38447	Hll. Jerry Mullan Loan	2,435.00
11/14/2005	40396	MORTGAGES	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,212.93
11/14/2005	40396	MORTGAGES	HB-Ckg 38447	Hll. Jerry Mullan Loan	1,830.00
12/12/2005	40532	MORTGAGES	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,212.93
12/12/2005	40532	MORTGAGES	HB-Ckg 38447	Hll. Jerry Mullan Loan	2,435.42
12/29/2005	38286	Deposit Loan payment	HB-Ckg 38447	Hll. Jerry	(1,448.00)
12/31/2005	1164EP	To accrue interest per CPA		Hll. Jerry	2,796.83
		Total 2005 Jerry Hill Shareholder activity			175,801.83

01/13/2006		Delay Closing payoff of Country Wide Mortgage			72,731.80
01/13/2006		Delay Closing Funds not deposited in GIMAC account			15,464.63
02/07/2006	7713	Repayment	HB-Ckg 38447	Owner's Capital Investment	(5,000.00)
02/13/2006	40992	Mortgage Payback	HB-Ckg 38447	Draws Jerry Hill	5,000.00
02/13/2006	40992	Mortgage Payback	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,213.00
02/13/2006	40992	Mortgage Payback	HB-Ckg 38447	Hll. Jerry Mullan Loan	1,830.00
02/21/2006	41030		HB-Ckg 38447	Hll. Jerry	1,000.00
02/27/2006	41086	COMMISSION ADVANCE	HB-Ckg 38447	Hll. Jerry	500.00
03/09/2006	7715	Loan to Company	HB-Ckg 38447	Owner's Capital Investment	(12,000.00)
03/13/2006	41217	LOAN REPAYMENT	HB-Ckg 38447	Hll. Jerry	12,000.00
03/13/2006	41241	MORTGAGES	HB-Ckg 38447	Draws Jerry Hill	4,752.07
03/13/2006	41241	MORTGAGES	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,212.93
03/13/2006	41241	MORTGAGES	HB-Ckg 38447	Hll. Jerry Mullan Loan	2,435.00
03/15/2006	41253	Sale of Property	HB-Ckg 38447	Shareholder Receivables	(60,000.00)
03/17/2006	41253	MONIES FROM SALE	HB-Ckg 38447	Hll. Jerry	90,000.00
03/19/2006	41273	ADVANCE	HB-Ckg 38447	Hll. Jerry	20,000.00
04/20/2006	41468	MORTGAGES	HB-Ckg 38447	Draws Jerry Hill	4,752.07
04/20/2006	41468	MORTGAGES	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,212.93
04/20/2006	41468	MORTGAGES	HB-Ckg 38447	Hll. Jerry Mullan Loan	2,435.00
05/09/2006	41648	Carroll's Construction Draw on Lakehome "replacement	HB-Ckg 38447	A/Rac	10,000.00
05/09/2006		Replace Ck #4 1648	HB-Ckg 38447	Z-Hll. Jerry	(10,000.00)
05/12/2006	41854	This check # used twice cleared	HB-Ckg 38447	Draws Jerry Hill	3,152.87
05/12/2006	41884	with Patrick Hill's name per review	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,212.93
05/12/2006	41884	of actual cleared checks	HB-Ckg 38447	Hll. Jerry Mullan Loan	2,435.00
06/05/2006	41710	MORTGAGES	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,212.93
06/05/2006	41710	MORTGAGES	HB-Ckg 38447	Hll. Jerry Mullan Loan	2,435.00
07/07/2006	41951	MORTGAGES	HB-Ckg 38447	Draws Jerry Hill	2,752.07
07/07/2006	41951	MORTGAGES	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,212.93
07/07/2006	41951	MORTGAGES	HB-Ckg 38447	Hll. Jerry Mullan Loan	2,435.00
07/07/2006	41951	Linda's Payment	HB-Ckg 38447	Hll. Jerry Mullan Loan	800.00
08/15/2006	42220	PARTIAL AUG PAYMENTS	HB-Ckg 38447	MAVERICK LOAN	1,200.00
09/14/2006	42470	MORTGAGES	HB-Ckg 38447	Hll. Jerry Maverick Loan	10,000.00
09/14/2006	42470	MORTGAGES	HB-Ckg 38447	Hll. Jerry Mullan Loan	10,000.00
09/15/2006		NSF RETURNED DEPOSIT ITEM	HB-Ckg 38447	Hll. Jerry	20,000.00
09/15/2006	42502	MORTGAGES	HB-Ckg 38447	Hll. Jerry Maverick Loan	2,000.00
09/15/2006	42502	MORTGAGES	HB-Ckg 38447	Hll. Jerry Mullan Loan	2,000.00
09/19/2006	7883	Credit Memo	HB-Ckg 38447	Owner's Capital Investment	(20,000.00)
09/19/2006		Credit Memo	HB-Ckg 38447	Hll. Jerry	(20,000.00)
09/19/2006	7885	Replace returned Checks	HB-Ckg 38447	Owner's Capital Investment	(20,000.00)
09/20/2006	42610	REPLACE CHECK	HB-Ckg 38447	Hll. Jerry	12,500.00
09/20/2006	42611	REPLACE CHECK	HB-Ckg 38447	Hll. Jerry	7,500.00
09/25/2006		RETURN NSF RETURNED DEPOSIT ITEM	HB-Ckg 38447	Hll. Jerry	20,000.00
09/25/2006		RETURN NSF RETURNED DEPOSIT ITEM	HB-Ckg 38447	Hll. Jerry	13,600.00
09/25/2006	7857	Transfer of Money	HB-Ckg 38447	Hll. Jerry	(16,500.00)
09/29/2006		LATE FEE Late Fees for No Statement	HB-Ckg 38447	Hll. Jerry	149.47
10/03/2006	7880	Loan payment	HB-Ckg 38447	owners capital	(15,000.00)
11/03/2006	42736	Vending over reimbursement	HB-Ckg 38447	Hll. Jerry	10.42
11/03/2006	42736		HB-Ckg 38447	Hll. Jerry Maverick Loan	2,360.56
11/03/2006	42736		HB-Ckg 38447	Hll. Jerry Mullan Loan	2,221.82
12/13/2006	43023		HB-Ckg 38447	Hll. Jerry	7,490.00
		Total 2006 Jerry Hill Shareholder activity			170,408.93

226,426.68

386,835.81

Shareholder Loan from or (Payable to)
Patrick Hall

GMAC Realty Northwest
Schedule of Shareholder Loans

Removed from this report are any voided checks and any deposits
that have been determined to be loan proceeds.

DATE	NUMBER	DESCRIPTION	BANK ACCOUNT	OTHER ACCOUNT	AMOUNT	BALANCE
						116,997.84
12/31/2002		Per Magnuson McHugh				285,582.55
12/31/2003		Per Letter from Suzanne Metzger				
12/31/2004	CPA 2	Interest Accrual	Interest Income	Shareholder Receivable	12,583.44	
		Total 2004 Patrick Hall Shareholder activity			12,583.44	298,165.99
03/04/2005	777EP	PURCHASE OF 119 W CLAYTON AVE	119 W CLAYTON	Hall, Patrick	(33,572.84)	
03/18/2005	5278	Deposit	IIB-Ckg 38447	Hall, Patrick	(28,700.00)	
03/23/2005	37836		IIB-Ckg 38447	Hall, Patrick	28,700.00	
04/04/2005	5295	Deposit	IIB-Ckg 38447	Hall, Patrick	(36,250.00)	
04/05/2005	38071		IIB-Ckg 38447	Hall, Patrick	19,500.00	
04/05/2005	38072		IIB-Ckg 38447	Hall, Patrick	16,750.00	
08/05/2005	5422	Deposit stockholder	IIB-Ckg 38447	Hall, Patrick	(15,000.00)	
08/05/2005	39434	Deposit stockholder	IIB-Ckg 38447	Hall, Patrick	9,000.00	
08/05/2005			IIB-Ckg 38447	Hall, Patrick	(22,000.00)	
08/05/2005	39435		IIB-Ckg 38447	Hall, Patrick	5,000.00	
08/09/2005	39462		IIB-Ckg 38447	Hall, Patrick	1,000.00	
08/10/2005	39496		IIB-Ckg 38447	Hall, Patrick	7,000.00	
08/10/2005	39497		IIB-Ckg 38447	Hall, Patrick	7,000.00	
08/10/2005	39498		IIB-Ckg 38447	Hall, Patrick	8,000.00	
08/17/2005		Deposit Hall, Patrick	IIB-Ckg 38447	Hall, Patrick	(8,000.00)	
08/18/2005	5440	Deposit Hall, Patrick	IIB-Ckg 38447	Hall, Patrick	(20,000.00)	
08/18/2005	39571		IIB-Ckg 38447	Hall, Patrick	11,000.00	
08/18/2005	39572		IIB-Ckg 38447	Hall, Patrick	9,000.00	
08/23/2005	39583		IIB-Ckg 38447	Hall, Patrick	8,000.00	
12/31/2005	1164EP	To accrue interest per CPA	Interest Income	Hall, Patrick	8,517.85	
		Total 2005 Patrick Hall Shareholder activity			(25,055.19)	273,110.80
01/12/2006	5782	Loan from Personal account	IIB-Ckg 38447	Owner's Capital Investment	(22,000.00)	
01/18/2006	40802	REPAYMENT OF LOAN	IIB-Ckg 38447	Hall, Patrick	5,500.00	
01/18/2006	40801	PH deposit	IIB-Ckg 38447	Owner's Capital Investment	(16,500.00)	
01/18/2006	40802	PH deposit	IIB-Ckg 38447	Owner's Capital Investment	(5,500.00)	
01/18/2006	40801	LOAN REPAYMENT	IIB-Ckg 38447	Hall, Patrick	16,500.00	
02/09/2006		Transfer of Funds	IIB-Ckg 38447	Owner's Capital Investment	(20,000.00)	
02/16/2006	41014	REPAYMENT OF LOAN	IIB-Ckg 38447	Hall, Patrick	20,000.00	
03/10/2006		PH deposit	IIB-Ckg 38447	Owner's Capital Investment	(10,000.00)	
03/14/2006		1 Hall, Patrick Comm	IIB-Ckg 38447	Multifamily 2-4 Units	(6,650.00)	
03/15/2006		Sale of Property	IIB-Ckg 38447	Shareholder Receivables	(90,000.00)	
03/17/2006	41251	LOAN REPAYMENT/MONIES FROM SALE	IIB-Ckg 38447	Disburse-Hall	10,000.00	
03/17/2006	41251	LOAN REPAYMENT/MONIES FROM SALE	IIB-Ckg 38447	Hall, Patrick	90,000.00	
06/07/2006		PH deposit	IIB-Ckg 38447	Owner's Capital Investment	(20,000.00)	
06/08/2006		PH deposit	IIB-Ckg 38447	Owner's Capital Investment	(46,000.00)	
06/20/2006		PH deposit	IIB Savings 8239	Owners Capital	(55,000.00)	
06/21/2006		PH deposit	IIB-Ckg 38447	Hall, Patrick	(16,000.00)	
06/21/2006		PH deposit	IIB-Ckg 38447	Hall, Patrick	(5,000.00)	
07/21/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(50.00)	
07/24/2006	42146	REPAYMENT OF LOAN	IIB-Ckg 38447	Disburse-Hall	50.00	
08/01/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(500.00)	
08/01/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(642.78)	
08/08/2006	42236		IIB-Ckg 38447	Disburse-Hall	1,217.78	
08/20/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(500.00)	
08/28/2006	42348		IIB-Ckg 38447	Disburse-Hall	1,500.00	
08/30/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(800.00)	
08/30/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(500.00)	
09/01/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(1,000.00)	
09/08/2006		1-1891-1803-9 Texaco	Payables Heading	Hall, Patrick	(500.00)	
09/11/2006	42458	REPAYMENT OF 20000.00 LOAN	IIB-Ckg 38447	PAYABLES (heading only)	800.00	
09/13/2006	1015	PH deposit	IIB-Ckg 38447	Hall, Patrick	(20,000.00)	
09/26/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(400.00)	
09/26/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(800.00)	
09/26/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(800.00)	
10/01/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(800.00)	
10/03/2006		Hayden Lake Mini Storage Deposit	IIB-Ckg 38447	Hall, Patrick	(6,700.00)	
10/11/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(700.00)	
10/11/2006	42577		IIB-Ckg 38447	Disburse-Hall	1,700.00	
10/23/2006		PH deposit	Payables Heading Only	Owner's Capital Investment	(500.00)	
10/23/2006	42856	REPAYMENT OF LOAN	IIB-Ckg 38447	Disburse-Hall	500.00	
10/25/2006	42896	REPAYMENT OF LOAN	IIB-Ckg 38447	Disburse-Hall	800.00	
11/10/2006	42790		IIB-Ckg 38447	Disburse-Hall	809.54	
11/27/2006	42910	REPAYMENT OF LOAN	IIB-Ckg 38447	Disburse-Hall	1,000.00	
11/28/2006	42916	REPAYMENT OF LOAN	IIB-Ckg 38447	Disburse-Hall	500.00	
12/08/2006	43008	REPAYMENT OF 20000.00 LOAN	IIB-Ckg 38447	Disburse-Hall	1,000.00	
12/11/2006		PH deposit	IIB-Ckg 38447	Hall, Patrick	(35,000.00)	
12/14/2006		PH deposit	IIB-Ckg 38447	Hall, Patrick	(7,000.00)	
12/20/2006		PH deposit	IIB-Ckg 38447	Hall, Patrick	(2,000.00)	
12/20/2006		PH deposit	IIB-Ckg 38447	Hall, Patrick	(22,000.00)	
		Total 2006 Patrick Hall Shareholder activity			(281,265.46)	11,845.34

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Shareholder Loan from or (Payable to)
Brad Jordan

GIMAC Realty Northwest
Schedule of Shareholder Loans

Removed from this report are any voided checks and any deposits
that have been determined to be loan proceeds.

DATE	NUMBER	DESCRIPTION	BANK ACCOUNT	OTHER ACCOUNT	AMOUNT	BALANCE
						108.80
12/31/2002		Per Magnuson McHugh				
04/18/2003	1171	Citifinancial 1410 McFarland	IIB-Ckg 38447	Brad His Share of Investment	133.00	
02/06/2003	16200	Brad	IIB-Ckg 38447	Shareholder Loans	1,000.00	
02/14/2003	16201	Brad	IIB-Ckg 38447	Shareholder Loans	600.00	
		Total 2003 Brad Jordan Shareholder activity			1,733.00	1,841.80
02/24/2004	hdepol	Brad Jordan	IIB-Ckg 38447	Jordan, RB	100.00	
03/26/2004	hdepol	Brad Jordan	IIB-Ckg 38447	Jordan, RB	100.00	
		Total 2004 Brad Jordan Shareholder activity			200.00	2,041.80
03/16/2005	3157	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(10,500.00)	
03/17/2005	3159	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(27,000.00)	
03/21/2005	37917		IIB-Ckg 38447	Jordan, RB	28,650.00	
03/26/2005	37982		IIB-Ckg 38447	Jordan, RB	8,850.00	
04/06/2005	3198	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(23,000.00)	
04/07/2005	38102		IIB-Ckg 38447	Jordan, RB	10,500.00	
04/07/2005	38103		IIB-Ckg 38447	Jordan, RB	12,500.00	
04/15/2005	3208	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(15,000.00)	
04/20/2005	38195		IIB-Ckg 38447	Jordan, RB	12,250.00	
04/26/2005	3239	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(6,000.00)	
04/27/2005	38285		IIB-Ckg 38447	Jordan, RB	7,500.00	
06/03/2005	38719		IIB-Ckg 38447	Jordan, RB	1,250.00	
07/20/2005	39245		IIB-Ckg 38447	Jordan, RB	6,000.00	
08/05/2005	3370	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(15,000.00)	
08/05/2005	3372	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(22,000.00)	
08/08/2005	39429		IIB-Ckg 38447	Jordan, RB	8,500.00	
08/08/2005	39430		IIB-Ckg 38447	Jordan, RB	8,000.00	
08/08/2005	39449		IIB-Ckg 38447	Jordan, RB	8,250.00	
08/08/2005	39450		IIB-Ckg 38447	Jordan, RB	13,885.55	
08/10/2005	39495	Cash	IIB-Ckg 38447	Jordan, RB	365.00	
08/12/2005	3383	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(12,250.00)	
08/15/2005	39524		IIB-Ckg 38447	Jordan, RB	9,265.70	
08/15/2005	39525		IIB-Ckg 38447	Jordan, RB	3,050.00	
08/17/2005	3386	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(8,000.00)	
08/19/2005	3392	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(20,000.00)	
08/19/2005	39559		IIB-Ckg 38447	Jordan, RB	7,950.85	
08/22/2005	3394	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(18,000.00)	
08/24/2005	38599		IIB-Ckg 38447	Jordan, RB	11,884.00	
08/24/2005	39621		IIB-Ckg 38447	Jordan, RB	20,500.00	
08/25/2005	39627		IIB-Ckg 38447	Jordan, RB	6,335.00	
10/19/2005	39602	MONIES OWED TO BRAD	IIB-Ckg 38447	Jordan, RB	10,277.00	
12/27/2005	101	Jordan, B Deposit	IIB-Ckg 38447	Jordan, RB	(5,000.00)	
12/31/2005	1164EP	To accrue interest per CPA	Interest Income	Jordan, RB	199.89	
		Total 2005 Brad Jordan Shareholder activity			12,012.99	14,054.79
01/12/2006	3546	Monies from B. Jordan	IIB-Ckg 38447	Owner's Capital Investment	(22,000.00)	
02/07/2006		Deposit	US Bank - Crimson King	Jordan, RB (Jordan, RB - 1/1/06)	(100.00)	
02/09/2006	3588	Transfer of Funds	IIB-Ckg 38447	Owner's Capital Investment	(17,000.00)	
02/18/2006	2002	REIMBURSEMENT OF OPENING BALANCE	US Bank - Crimson King	Jordan, RB	100.00	
02/16/2006	41015	REPAYMENT OF LOAN	IIB-Ckg 38447	Jordan, RB	17,000.00	
03/09/2006	3616	Loan to Company	IIB-Ckg 38447	Owner's Capital Investment	(27,000.00)	
03/15/2006		Sale of Property	IIB-Ckg 38447	Shareholder Receivables	(90,000.00)	
03/17/2006	41252	MONIES FROM LSALE	IIB-Ckg 38447	Jordan, RB	90,000.00	
03/17/2006	41269	REPAYMENT OF LOAN	IIB-Ckg 38447	Jordan, RB	27,000.00	
05/12/2006	3667	Transfer into accounts	IIB-Ckg 38447	Owner's Capital Investment	(4,000.00)	
05/15/2006	41892	Reimbursement	IIB-Ckg 38447	Jordan, RB	4,000.00	
05/17/2006		VSMITH/JFISM/NADAM	IIB-Ckg 38447	revolving Account MBNA	(78.98)	
05/24/2006	41780	JORDAN, RB	IIB-Ckg 38447	Jordan, RB	12,000.00	
06/08/2006	3686	Loan from BJ	IIB-Ckg 38447	Owner's Capital Investment	(46,000.00)	
06/09/2006	3589	Loan to Company	IIB-Ckg 38447	Jordan, RB	(10,000.00)	
06/20/2006	3700	BJ Loan	IIB-Ckg 38447	Owners Capital	(4,000.00)	
07/07/2006	42054	REPAYMENT OF LOAN	IIB-Ckg 38447	Jordan, RB	5,000.00	
07/14/2006	3705	Loan	IIB-Ckg 38447	Jordan, RB	(5,000.00)	
07/17/2006	42097		IIB-Ckg 38447	Jordan, RB	5,000.00	
08/17/2006		Loan	IIB-Ckg 38447	Jordan, RB	(15,000.00)	
08/28/2006	42354	REPAYMENT OF LOAN	IIB-Ckg 38447	Jordan, RB	15,000.00	
09/13/2006	3802	Brad Jordan Check	IIB-Ckg 38447	Owner's Capital Investment	(20,000.00)	
09/15/2006		Jordan, B	IIB-Ckg 38447	Jordan, RB	(13,000.00)	
09/18/2006	42504		IIB-Ckg 38447	Jordan, RB	13,000.00	
10/06/2006	42533	LOAN REPAYMENT	IIB-Ckg 38447	Jordan, RB	12,000.00	
10/16/2006	3832	Transfer of Funds	IIB-Ckg 38447	Jordan, RB (Jordan, RB)	(1,500.00)	
10/18/2006	42638	LOAN REPAYMENT	IIB-Ckg 38447	Jordan, RB	1,500.00	
10/20/2006	42653	PAYMENT FROM LOAN 1190981	IIB-Ckg 38447	Jordan, RB	539.84	
10/24/2006	42667	REPAYMENT	IIB-Ckg 38447	Jordan, RB	5,000.00	
11/07/2006	2149	REPAYMENT	US Bank - Crimson King	Jordan, RB	4,000.00	
		Total 2006 Robert Jordan Shareholder activity			(63,540.14)	(49,485.35)

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GMAC Realty Northwest
Schedule of Commissions

DATE	NUMBER	DESCRIPTION	BANK ACCOUNT	OTHER ACCOUNT	AMOUNT
01/18/2003	30122	List: 2-1147 Swan-Frank	WTB-Genl Ckg Acct #9918	Agent Comm.Paid	5,150.00
03/28/2003	30558	buyer: 1701 N. 4th St	WTB-Genl Ckg Acct #9918	Agent Comm.Paid	24,750.00
04/01/2003	1023	lst: 820 Van Buren St	lst: 820 Van Buren St	Agent Comm.Paid	3,830.00
05/05/2003	31302	buyer: 12249 N. Emerald Drive, Hayden	IB-Ckg 38447	Agent Comm.Paid	3,750.00
05/13/2003	31362	lst: 4th Street land	IB-Ckg 38447	Agent Comm.Paid	5,800.00
05/15/2003	31418	both: 204 1st St #6, PF	IB-Ckg 38447	Agent Comm.Paid	5,000.00
05/20/2003	31461	seller: 1910 N. 3rd Street, CofA	IB-Ckg 38447	Agent Comm.Paid	1,425.00
06/08/2003	31578	buyer: 1805 Catherine Street, Post Falls	IB-Ckg 38447	Agent Comm.Paid	3,450.00
06/11/2003	31817	buyer: 4070 Frazer Drive, Post Falls	IB-Ckg 38447	Agent Comm.Paid	4,629.80
07/09/2003	31850	2245 GRANDVIEW, CDA	IB-Ckg 38447	Agent Comm.Paid	9,185.00
07/15/2003	32005	lst: Kidd Island Bay lots	IB-Ckg 38447	Agent Comm.Paid	4,500.00
07/15/2003	32008	sale: Riverview Island Estates	IB-Ckg 38447	Agent Comm.Paid	6,800.00
07/22/2003	32007	sale: 17011 Lolo Dr, Rathdrum	IB-Ckg 38447	Agent Comm.Paid	3,712.50
07/23/2003	32022	sale Harborview Estates	IB-Ckg 38447	Agent Comm.Paid	1,000.00
08/07/2003	32272	sale: 24804 Moffat Rd, Newman Lake	IB-Ckg 38447	Agent Comm.Paid	2,520.00
10/20/2003	33023	deferred: 1535 E Gilbert	IB-Ckg 38447	Agent Comm.Paid	918.87
11/07/2003	33250	ASSISTING D.DENNIS	IB-Ckg 38447	Agent Comm.Paid	571.50
Total 2003 Patrick Hall Commissions					\$ 87,876.37
01/05/2004	33740	2 CLOSINGS	IB-Ckg 38447	Agent Comm.Paid	15,800.00
01/06/2004	33757	listing: 3-1544 Menary/Schmidt	IB-Ckg 38447	Agent Comm.Paid	3,080.00
04/20/2004	34658	Referral: Buyer to Lake Country Real Estate	IB-Ckg 38447	Agent Comm.Paid	2,887.50
05/03/2004	34743	2220 E UPPER HAYDEN LAKE RD, HAYDEN	IB-Ckg 38447	Agent Comm.Paid	5,250.00
06/21/2004	35307	1423 TANZANITE ST, POST FALLS	IB-Ckg 38447	Agent Comm.Paid	176.71
06/02/2004	35743	7135 15th St, Dalton Gardens	IB-Ckg 38447	Agent Comm.Paid	5,300.00
06/31/2004	36084	8286 VILLAGE DR N RD, HAYDEN	IB-Ckg 38447	Agent Comm.Paid	3,830.00
06/26/2004	36319	Salice & Mullen, Post Falls	IB-Ckg 38447	Agent Comm.Paid	9,800.00
10/01/2004	36371	Closed Foxfire Marina	IB-Ckg 38447	Agent Comm.Paid	22,050.00
10/27/2004	36615	4301-A2-10 RAMSEY N , CDA	IB-Ckg 38447	Agent Comm.Paid	225.00
11/11/2004	36845	1701 N 4TH ST, CDA	IB-Ckg 38447	Agent Comm.Paid	252.00
12/09/2004	37042	12254 GOVERNMENT WAY, HAYDEN	IB-Ckg 38447	Agent Comm.Paid	4,850.00
12/21/2004	37145	32801 N 10TH, SPIRIT LAKE	IB-Ckg 38447	Agent Comm.Paid	4,170.00
12/21/2004	37148	1803 4TH ST N, CDA	IB-Ckg 38447	Agent Comm.Paid	7,452.00
12/21/2004	37147	1911 4TH ST N, CDA	IB-Ckg 38447	Agent Comm.Paid	8,750.00
02/11/2004	4582	VOID: REFUND 3-1284 RIDER/HALL, C.	Id Trust @ IB	Trust Funds/Sales	0.00
Total 2004 Patrick Hall Commissions					\$ 91,253.21
01/03/2005	37231	100 CEDAR ST, HARRISON	IB-Ckg 38447	Agent Comm.Paid	4,880.00
01/18/2005	37383	LT 8 BLK 1 POLSTON, POST FALLS	IB-Ckg 38447	Agent Comm.Paid	7,500.00
02/08/2005	37567	12249 N EMERALD DR, HAYDEN	IB-Ckg 38447	Agent Comm.Paid	5,387.00
02/22/2005	37883	65788584 HARBOR DRIVE, CDA	IB-Ckg 38447	Agent Comm.Paid	20,550.00
03/11/2005	37888	2626 MASTERS DR, CDA	IB-Ckg 38447	Agent Comm.Paid	4,725.00
03/14/2005	37881	VOID: 1286 W LEISURE DRIVE, HAYDEN	IB-Ckg 38447	Agent Comm.Paid	
03/24/2005	37855	425 S LAKEFRONT AVE, HARRISON	IB-Ckg 38447	Agent Comm.Paid	4,980.00
04/11/2005	38131	MELLIQ RD 25 ACRES, POST FALLS	IB-Ckg 38447	Agent Comm.Paid	5,000.00
05/08/2005	38389	15213 N BOOTHILL RD, HAYDEN	IB-Ckg 38447	Agent Comm.Paid	9,000.00
05/13/2005	38474	845 N 4TH ST, CDA	IB-Ckg 38447	Agent Comm.Paid	15,780.00
05/18/2005	38553	2383 W FAIRWAY DR, CDA	IB-Ckg 38447	Agent Comm.Paid	7,950.00
05/20/2005	38582	IN-HOUSE 5-623 Stokes/Dahlin	IB-Ckg 38447	Agent Comm.Paid	5,000.00
05/31/2005	38650	4083 E 2ND AVE, POST FALLS	IB-Ckg 38447	Agent Comm.Paid	5,700.00
06/29/2005	38694	BUYER 5-841 KENNEDY/DOLLMAN	IB-Ckg 38447	Agent Comm.Paid	8,100.00
06/30/2005	39020	9717 E PARKS RD, ATHOL	IB-Ckg 38447	Agent Comm.Paid	11,780.00
07/29/2005	39335	IN-HOUSE: 5-0871 GREENEHOSE &	IB-Ckg 38447	Agent Comm.Paid	8,550.00
08/05/2005	39441	2384 SUNDOWN DR, CDA	IB-Ckg 38447	Agent Comm.Paid	15,925.00
08/12/2005	39509	88 W COMMERCE WAY, HAYDEN	IB-Ckg 38447	Agent Comm.Paid	10,200.00
08/18/2005	39573	773 BARNHART ROAD, CAREYWOOD	IB-Ckg 38447	Agent Comm.Paid	3,750.00
09/18/2005	39823	LIST: 5-1051 PRIMOZICH/KNIGHT	IB-Ckg 38447	Agent Comm.Paid	2,050.00
09/30/2005	39962	LISTING: 5-1138 SCHREINER-LARSON	IB-Ckg 38447	Agent Comm.Paid	5,562.00
10/08/2005	40054	LIST: 5-1173 BEAMER/MULHOLLAND	IB-Ckg 38447	Agent Comm.Paid	10,800.00
10/14/2005	40120	BUYER: 5-1188 SCHMIDT - BEAMER	IB-Ckg 38447	Agent Comm.Paid	10,200.00
11/03/2005	40295	BUYER: 5-0247 BALLARD/HILL/ASSIGN	IB-Ckg 38447	Agent Comm.Paid	4,750.00
11/08/2005	40333	LIST: 5-1283 McCUTCHEM/Sueth	IB-Ckg 38447	Agent Comm.Paid	9,720.00
11/29/2005	40484	LISTING: 5-1314 ANDERSON/PEHLKE	IB-Ckg 38447	Agent Comm.Paid	6,815.00
12/13/2005	40534	BUYER: 5-1280 WIRTH/MCCUTCHEM	IB-Ckg 38447	Agent Comm.Paid	9,150.00
12/22/2005	40848	CLOSED 5-1323 Buyer: Fitzgerald	IB-Ckg 38447	Agent Comm.Paid	8,400.00
03/07/2005	5236	REFUND 5-0245 ROSTER/JMBH	Id Trust @ IB	Trust Funds/Sales	20.00
06/01/2005	5433		Id Trust @ IB	Trust Funds/Sales	8,500.00
Total 2005 Patrick Hall Commissions					\$ 228,494.00
01/27/2006	40893	IN-HOUSE: 5-0925 Kool/Humano / Hall or	IB-Ckg 38447	Agent Comm.Paid	40,500.00
01/27/2006	40894	LISTING: 5-1379 Hall - Smith or Assigns	IB-Ckg 38447	Agent Comm.Paid	5,190.00
03/14/2006	41231	LIST: 5-0081 Justh-Cukun	IB-Ckg 38447	Agent Comm.Paid	8,850.00
04/14/2006	41489	BUYER: 5-0194 WATERFORD/MT HOMEBUILD	IB-Ckg 38447	Agent Comm.Paid	2,247.00
05/11/2006	41854	JUDD/RUCKER	IB-Ckg 38447	Agent Comm.Paid	8,400.00
07/05/2006	42036	BUYER: 6-0349 KRUSE/WIGGINS	IB-Ckg 38447	Agent Comm.Paid	5,875.00
11/09/2006	42782	BUYER/LISTING: 06-0696 HALL/HOLDING	IB-Ckg 38447	Agent Comm.Paid	10,850.00
Total 2006 Patrick Hall Commissions					\$ 79,612.00

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GMAC Realty Northwest
Schedule of Commissions

DATE	NUMBER	DESCRIPTION	BANK ACCOUNT	OTHER ACCOUNT	AMOUNT
02/21/2003		3-0181 Jordan/Campbell 11875 Menikoba CT	Id TRUST @ WTB	Trust Funds/Sales	-5,000.00
05/05/2003		3-0527 Brusher/Jordan 4970 Fraser Dr.	Id Trust @ IIB	Trust Funds/Sales	-2,000.00
06/01/2003		3-0867 Chmsl/Jordan 17852 N Gender LN	Id Trust @ IIB	Trust Funds/Sales	-1,000.00
		Total 2003 Commission Deposits			\$ (8,000.00)
01/16/2003	30124	buyer: 2-1174 Barr-Lake City Dev	WTB-Genl Ckg Acct #9918	Agent Comm Paid	1,000.00
04/23/2003	1213	advance	IIB-Ckg 38447	Agent Comm Paid	1,000.00
04/28/2003	1226	advance	IIB-Ckg 38447	Agent Comm Paid	2,000.00
05/05/2003	31309	buyer: 2579 Hammon Avenue, Cd'A	IIB-Ckg 38447	Agent Comm Paid	9,870.00
05/18/2003	31435	buyer: 241 Acom, Cd'A	IIB-Ckg 38447	Agent Comm Paid	2,719.18
07/25/2003	32052	ask: 5009 Pinegrove Dr	IIB-Ckg 38447	Agent Comm Paid	4,956.00
08/31/2003	32581	1/2 Int 1211 Ash, CDA	IIB-Ckg 38447	Agent Comm Paid	4,755.00
09/29/2003	32783	REFERRAL-3707 BUCKSKIN	IIB-Ckg 38447	Agent Comm Paid	1,402.50
10/20/2003	33025	deferred: 1535 E Gilbert	IIB-Ckg 38447	Agent Comm Paid	918.87
11/07/2003	33251	Assisting Dale Dennis' trans	IIB-Ckg 38447	Agent Comm Paid	571.50
		Total 2003 Brad Jordan Commissions			\$ 29,290.85
01/23/2004	7494	VA fees earned in October	Wfargo Ckg	Agent Comm Paid	1,000.00
01/26/2004	7495	VA fees earned November	Wfargo Ckg	Agent Comm Paid	2,000.00
02/02/2004	33954	VOID: 2700 BELTICE WAY, POST FALLS	IIB-Ckg 38447	Agent Comm Paid	0.00
03/08/2004	34274	WOLF POINT, CDA	IIB-Ckg 38447	Agent Comm Paid	1,290.00
04/23/2004	34708	2700 Seltos Way Replics 33954	IIB-Ckg 38447	Agent Comm Paid	510.00
05/24/2004	34979	CLOSED: 4-0540 FOX - RUNKLE	IIB-Ckg 38447	Agent Comm Paid	10,170.00
06/17/2004	35286	1401 LAKESHORE DR E, CDA	IIB-Ckg 38447	Agent Comm Paid	22,968.75
06/25/2004	35382	1023 BANCROFT AVE, CDA	IIB-Ckg 38447	Agent Comm Paid	2,700.00
08/02/2004	35745	1885 W ORCHARD AVE, HAYDEN	IIB-Ckg 38447	Agent Comm Paid	2,190.00
08/02/2004	35747	832 N 7TH ST, CDA	IIB-Ckg 38447	Agent Comm Paid	4,047.00
08/02/2004	35748	4370 N DEERFIELD DR, CDA	IIB-Ckg 38447	Agent Comm Paid	7,350.00
08/10/2004	35856	3882 VISTA LOOP ST, CDA	IIB-Ckg 38447	Agent Comm Paid	14,863.00
09/01/2004	36094	REFERRAL-8478 SILVERADO, RATHDRUM	IIB-Ckg 38447	Agent Comm Paid	561.80
10/01/2004	36361	3214 FAIRWAY DR W, CDA	IIB-Ckg 38447	Agent Comm Paid	8,930.00
10/01/2004	36370	CLOSED 4-1251 FoxFire Menna	IIB-Ckg 38447	Agent Comm Paid	10,000.00
11/03/2004	36714	815 20TH ST, CDA	IIB-Ckg 38447	Agent Comm Paid	3,682.50
11/08/2004	36771	9118 TRESDALE CRT, HAYDEN	IIB-Ckg 38447	Agent Comm Paid	500.00
11/15/2004	36818	1802 FRONT AVE, CDA	IIB-Ckg 38447	Agent Comm Paid	4,350.00
12/02/2004	36969	1305 B ST, CDA	IIB-Ckg 38447	Agent Comm Paid	2,750.00
		Total 2004 Brad Jordan Commissions			\$ 87,882.85
01/03/2005	37234	2209 N 9TH, CDA	IIB-Ckg 38447	Agent Comm Paid	2,850.00
03/01/2005	37785	1885 W ORCHARD AVE, HAYDEN	IIB-Ckg 38447	Agent Comm Paid	3,000.00
05/23/2005	38586	5003 E PINEGROVE DR, CDA	IIB-Ckg 38447	Agent Comm Paid	3,510.00
05/27/2005	38634	823 N 7TH ST, CDA	IIB-Ckg 38447	Agent Comm Paid	5,490.00
05/27/2005	38644	28991 N FALL ST, ATHOL	IIB-Ckg 38447	Agent Comm Paid	3,465.00
10/18/2005	40143	BUYER: 5-1225 KREIGHBAUMBERNS	IIB-Ckg 38447	Agent Comm Paid	810.00
10/27/2005	40212	LISTING: 5-1155 SCHNEBERGER/TOUSIGNAN	IIB-Ckg 38447	Agent Comm Paid	3,230.00
11/03/2005	40297	BUYER: 5-0247 BALLARDHILL/ASSIGNS	IIB-Ckg 38447	Agent Comm Paid	4,750.00
		Total 2005 Brad Jordan Commissions			\$ 27,185.00
05/22/2006	41743	BUYER: 6-0300 PELZ/BOWLES	IIB-Ckg 38447	Agent Comm Paid	500.00
05/22/2006	41744	BUYER: 6-0298 JOHNSON/PELZ	IIB-Ckg 38447	Agent Comm Paid	10,350.00
06/01/2006	41807	1/2 LISTING: 06-288 WALKER-HAWKINS	IIB-Ckg 38447	Agent Comm Paid	925.00
07/17/2006	42099	LIST: 6-0433 PELZ-YAC	IIB-Ckg 38447	Agent Comm Paid	6,250.00
		Total 2006 Brad Jordan Commissions			\$ 18,025.00

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GMAC Realty Northwest
Schedule of Commissions

DATE	NUMBER	DESCRIPTION	BANK ACCOUNT	OTHER ACCOUNT	AMOUNT
06/06/2003	31566	advance	IIB-Ckg 38447	Agent Comm Paid	1,050.00
07/15/2003	31997	401 19th, CDA	IIB-Ckg 38447	Agent Comm Paid	1,580.00
09/23/2003	32731	2541 18TH ST, POST FALLS	IIB-Ckg 38447	Agent Comm Paid	11,251.32
10/20/2003	33024	defermd: 1535 Gilbert	IIB-Ckg 38447	Agent Comm Paid	916.87
		Total 2003 Jerry Hill Commissions			\$ 14,777.99
01/06/2004	33735	listing referral: Borden - Els 3-1440	IIB-Ckg 38447	Agent Comm Paid	783.00
04/05/2004	34522	578 DAKOTA AVE W, HAYDEN	IIB-Ckg 38447	Agent Comm Paid	3,780.00
04/19/2004	34585	POST FALLS AUCTION	IIB-Ckg 38447	Agent Comm Paid	1,200.00
06/23/2004	35339	CLOSED 4-76 STACK/REYES	IIB-Ckg 38447	Agent Comm Paid	2,250.00
07/01/2004	35434	9547 FINUCANE DR N, HAYDEN	IIB-Ckg 38447	Agent Comm Paid	2,300.00
07/01/2004	35435	18950 N FOWLER RD, RATHDRUM	IIB-Ckg 38447	Agent Comm Paid	2,750.00
07/20/2004	35627	Closed 4-961 Kinney/Michels	IIB-Ckg 38447	Agent Comm Paid	2,580.00
08/04/2004	35783	closed 4-885 Underhill/Wood	IIB-Ckg 38447	Agent Comm Paid	2,918.00
09/28/2004	36308	1490 TIMOR AVE, CDA	IIB-Ckg 38447	Agent Comm Paid	3,726.75
10/14/2004	38501	CLOSED 4-1183 SCHNATZ/STAFFORD	IIB-Ckg 38447	Agent Comm Paid	8,100.00
		Total 2004 Jerry Hill Commissions			\$ 30,387.75
04/26/2005	38286	REFERRAL:205 S RIVERSIDE HARBOR	IIB-Ckg 38447	Agent Comm Paid	1,449.00
04/27/2005	38279	5869 LAKESIDE DR, HARRISON	IIB-Ckg 38447	Agent Comm Paid	12,000.00
04/28/2005	No Ck	Bed & Breakfast - 12 Acres	IIB-Ckg 38447	Agent Comm Paid	50,000.00
06/18/2005	38897	105 W MILES, HAYDEN	IIB-Ckg 38447	Agent Comm Paid	3,000.00
09/01/2005	39701	1117 N MAVERICK LANE, POST FALLS	IIB-Ckg 38447	Agent Comm Paid	10,000.00
09/18/2005	39834	CMA referral payment Skouven	IIB-Ckg 38447	Agent Comm Paid	1,680.00
10/05/2005	40010	CMA ref to S Lemson 1113 Larch,Deburn	IIB-Ckg 38447	Agent Comm Paid	840.00
10/14/2005	5511	RELEASE 5-1082 JH&H - MASON	Id Trust @ IIB	Trust Funds/Sales	5,000.00
10/27/2005	5521	RELEASE 5-1082 JH&H - MASON	Id Trust @ IIB	Trust Funds/Sales	10,000.00
11/03/2005	40296	BUYER 5-0247 BALLARDHILL/ASSIGNS	IIB-Ckg 38447	Agent Comm Paid	4,750.00
11/28/2005	40483	REFERRAL 8310 N GOVERNMENT WAY	IIB-Ckg 38447	Agent Comm Paid	5,850.00
12/18/2005	40578	VOID, NO REFERRAL	IIB-Ckg 38447	Agent Comm Paid	0.00
		Total 2005 Jerry Hill Commissions			\$ 104,880.00
01/12/2006	40767	REFERRAL: 5-1313	IIB-Ckg 38447	Agent Comm Paid	1,920.00
06/01/2006	41808	1/2 LISTING 06-0288 WALKER/HAWKINS	IIB-Ckg 38447	Agent Comm Paid	925.00
		Total 2006 Jerry Hill Commissions			\$ 2,845.00



INVOICE & MEETING DATE

March 7, 2005

Jordon, Hill and Hall, LLC
1900 Northwest Blvd.
Coeur d'Alene, ID 83814

CRIMSON KING SUBDIVISION
East of Highway 41, between Mullan Ave. and 12th.
FILE NO. S-05-05

The application mentioned above has been scheduled for the Post Falls Planning and Zoning Commission meeting, on Tuesday, April 12, 2005, at 6:00 p.m.

The application fee and/or processing and mailing costs for public notification are listed as follows:

Application fee	(\$2,000)	PAID
Mailing fees for Planning & Zoning agenda: (24 names @ \$5.00 each)		\$ <u>120.00</u>
Total Due:		\$ 120.00

The Post Falls Press will be billing you separately for the Public Hearing Notice. If you have any questions, please feel free to contact me.

Sincerely,

Joan F. Thornton
Administrative Specialist

EXHIBIT "M"
METZGER "F"

F#1

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NOTICE OF PUBLIC HEARING

CRIMSON KING ESTATES SUBDIVISION & SPECIAL USE PERMIT

(File No. S-05-05 and SUP-05-01)

NOTICE IS HEREBY GIVEN that the Planning and Zoning Commission of Post Falls, Idaho will hold a public hearing at City Hall on the 12TH day of April, 2005 at 6:00 p.m. on a request for a 19.98 acre subdivision and Special Use Permit, proposing 37 large residential lots and 9 commercial lots. The Special Use Permit is requesting residential use in a Commercial Zone.

GENERAL LOCATION:

This property is located east of Highway 41, between Mullan Avenue and 12th Avenue.

LEGAL DESCRIPTION:

Parcel 1

Tract 55, Block 31, Post Falls Irrigated Tracts, according to the plat recorded in Book "C" of plats, page 78, 79 and 80, Records of Kootenai County, Idaho.

Parcel 2

The north half of tract 56, Block 31, Post Falls Irrigated Tracts. According to the plat recorded in Book "C" of plats, pages 78, 79 and 80, records of Kootenai County, Idaho.

Parcel 3

A parcel of land located in a portion of tracts 58 and 59, Post Falls Irrigated Tracts, Block 31, in the southwest quarter of section 31, Township 51 North, Range 4 West, Boise Meridian, Kootenai County, Idaho. As shown on records of survey at Book 16, Page 162, and Book 18, Page 360, Records of Kootenai County, Idaho, and being more particularly described as follows:

Beginning at the southwest corner of said section 31;

Thence north 58° 53'12" East, 58.40 feet to the intersection of the easterly right of way line of State Highway 41 and the northerly right of way line of Royal Drive;

Thence north 89°47'52" East, along the said northerly right of way line of Royal Drive, 30 feet northerly and parallel to the south line of said section 31, 611.67 feet to the southwest corner of said Tract 58 and the True Point of Beginning for this description;

Thence continuing north 89°47'52" East, 166.33 feet;


Thence leaving said northerly right of way line of Royal Drive, north 38°38'07" East, 805.19 feet to a point on the northerly line of said Tract 59;

Thence South 89°54'25" West, along the said northerly line of tract 59, 7.89 feet to the northeast corner of said Tract 58;

Thence south 00°01'21" East, along the westerly line of said Tract 58, 628.93 feet, more or less, to the True Point of Beginning;

Dated this 8 day of March, 2005

POST FALLS PLANNING & ZONING



COLLIN COLES
SENIOR PLANNER

All persons desiring to be heard should appear at this hearing. Written testimony may be sent to the City of Post Falls Planning Division, 408 Spokane Street, Post Falls, ID 83854, but must be received no later than April 4, 2005. Written testimony received after this date will not be entered into the record or read at the public hearing. A complete file on this matter may be reviewed by the public in the Post Falls Planning Division.

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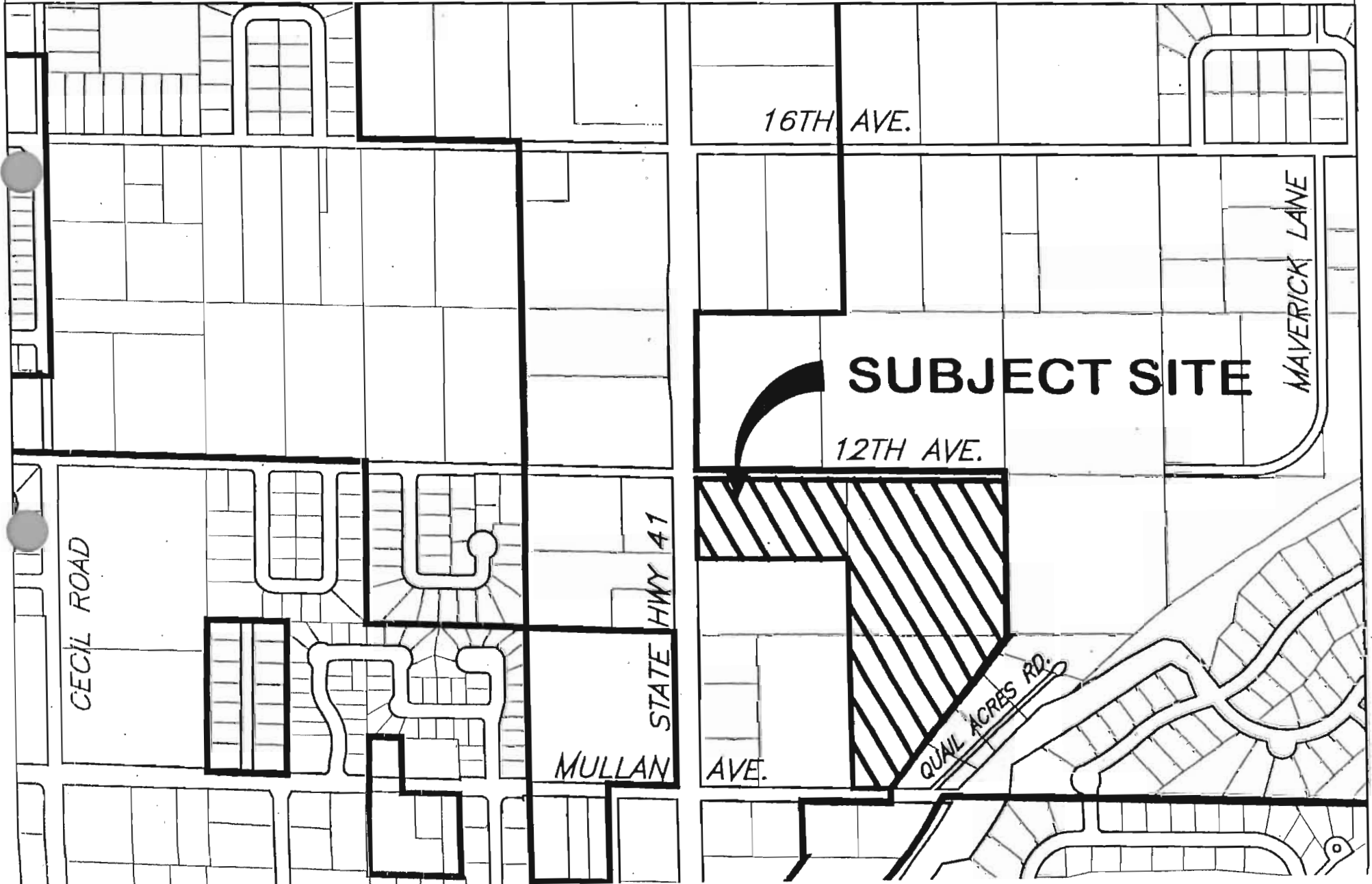
PROPOSED SUBDIVISION CRIMSON KING ESTATES

FILE No. S-05-05/SUP-05-01 - 19.98 ACRES TOTAL



J-4

552



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Statement on Standards for Consulting Services No. 1

Published July 23, 2004

Introduction

Definitions

Standards for Consulting Services

Consulting Services for Attest Clients

Effective Date

AAA

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Introduction

1. Consulting services that CPAs provide to their clients have evolved from advice on accounting-related matters to a wide range of services involving diverse technical disciplines, industry knowledge, and consulting skills. Most practitioners, including those who provide audit and tax services, also provide business and consulting services to their clients.
2. Consulting services differ fundamentally from the CPA's function of attesting to the assertions of other parties. In an attest service, the practitioner expresses a conclusion about the reliability of a written assertion that is the responsibility of another party, the asserter. In a consulting service, the practitioner develops the findings, conclusions, and recommendations presented. The nature and scope of work is determined solely by the agreement between the practitioner and the client. Generally, the work is performed only for the use and benefit of the client.
3. Historically, CPA consulting services have been commonly referred to as consulting services, management advisory services, business advisory services, or management services. A series of Statements on Standards for Management Advisory Services (SSMASs) previously issued by the AICPA contained guidance on certain types of consulting services provided by members. This Statement on Standards for Consulting Services (SSCS) supersedes the SSMASs and provides standards of practice for a broader range of professional services, as described in paragraph 5.
4. This SSCS and any subsequent SSCSs apply to any AICPA member holding out as a CPA while providing Consulting Services as defined herein.

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Definitions

5. Terms established for the purpose of the SSCSs are as follows:

Consulting Services Practitioner. Any AICPA member holding out as a CPA while engaged in the performance of a Consulting Service for a client, or any other individual who is carrying out a Consulting Service for a client on behalf of any Institute member or member's firm holding out as a CPA.

Consulting Process. The analytical approach and process applied in a Consulting Service. It typically involves some combination of activities relating to determination of client objectives, fact-finding, definition of the problems or opportunities, evaluation of alternatives, formulation of proposed action, communication of results, implementation, and follow-up.

Consulting Services. Professional services that employ the practitioner's technical skills, education, observations, experience, and knowledge of the consulting process. ¹

- a. Consultations, in which the practitioner's function is to provide counsel in a short time frame, based mostly, if not entirely, on existing personal knowledge about the client, the circumstances, the technical matters involved, client representations, and the mutual intent of the parties. Examples of consultations are reviewing and commenting on a client-prepared business plan and suggesting computer software for further client investigation.
- b. Advisory services, in which the practitioner's function is to develop findings, conclusions, and recommendations for client consideration and decision making. Examples of advisory services

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EXHIBIT "G"
METZGER

are an operational review and improvement study, analysis of an accounting system, assisting with strategic planning, and defining requirements for an information system.

- c. Implementation services, in which the practitioner's function is to put an action plan into effect. Client personnel and resources may be pooled with the practitioner's to accomplish the implementation objectives. The practitioner is responsible to the client for the conduct and management of engagement activities. Examples of implementation services are providing computer system installation and support, executing steps to improve productivity, and assisting with the merger of organizations.
- d. Transaction services, in which the practitioner's function is to provide services related to a specific client transaction, generally with a third party. Examples of transaction services are insolvency services, valuation services, preparation of information for obtaining financing, analysis of a potential merger or acquisition, and litigation services.
- e. Staff and other support services, in which the practitioner's function is to provide appropriate staff and possibly other support to perform tasks specified by the client. The staff provided will be directed by the client as circumstances require. Examples of staff and other support services are data processing facilities management, computer programming, bankruptcy trusteeship, and controllership activities.
- f. Product services, in which the practitioner's function is to provide the client with a product and associated professional services in support of the installation, use, or maintenance of the product. Examples of product services are the sale and delivery of packaged training programs, the sale and implementation of computer software, and the sale and installation of systems development methodologies.

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Standards for Consulting Services

- 6. The general standards of the profession are contained in Rule 201 of the AICPA Code of Professional Conduct and apply to all services performed by members. They are as follows:
 - Professional competence.* Undertake only those professional services that the member or the member's firm can reasonably expect to be completed with professional competence.
 - Due professional care.* Exercise due professional care in the performance of professional services.
 - Planning and supervision.* Adequately plan and supervise the performance of professional services.
 - Sufficient relevant data.* Obtain sufficient relevant data to afford a reasonable basis for conclusions or recommendations in relation to any professional services performed.
- 7. The following additional general standards for all Consulting Services are promulgated to address the distinctive nature of Consulting Services in which the understanding with the client may establish valid limitations on the practitioner's performance of services. These Standards are established under Rule 202 of the AICPA Code of Professional Conduct.
 - Client Interest.* Serve the client interest by seeking to accomplish the objectives established by the understanding with the client while maintaining integrity and objectivity.¹
 - Understanding with Client.* Establish with the client a written or oral understanding about the responsibilities of the parties and the nature, scope, and limitations of services to be performed, and modify the understanding if circumstances require a significant change during the engagement.
 - Communication with Client.* Inform the client of (a) conflicts of interest that may occur pursuant to interpretations of Rule 102 of the Code of Professional Conduct,^{2 3} (b) significant reservations concerning the scope or benefits of the engagement, and (c) significant engagement findings or events.
- 8. Professional judgment must be used in applying Statements on Standards for Consulting Services in a specific instance since the oral or written understanding with the client may establish constraints within which services are to be provided. For example, the understanding with the client may limit the practitioner's effort with regard to gathering relevant data. The practitioner is not required to decline or withdraw from a consulting engagement when the agreed-upon scope of services includes such limitations.

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Consulting Services for Attest Clients

- 9. The performance of Consulting Services for an attest client does not, in and of itself, impair independence.^{3 4} However, members and their firms performing attest services for a client should comply with applicable independence standards, rules and regulations issued by the AICPA, the state boards of accountancy, state CPA societies, and other regulatory agencies.

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Effective Date

- 10. This Statement is effective for engagements accepted on or after January 1, 1992. Early application of the provisions of this Statement is permissible.

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1. The definition of Consulting Services excludes the following:

- a. Services subject to other AICPA Technical Standards such as Statements on Auditing Standards (SASs), Statements on Standards for Attestation Engagements (SSAEs), or Statements on Standards for Accounting and Review Services (SSARSS). (These excluded services may be performed in conjunction with Consulting Services, but only the Consulting Services are subject to the SSCS.)
- b. Engagements specifically to perform tax return preparation, tax planning/advice, tax representation, personal financial planning or bookkeeping services; or situations involving the preparation of written reports or the provision of oral advice on the application of accounting principles to specified transactions or events, either completed or proposed, and the reporting thereof.
- c. Recommendations and comments prepared during the same engagement as a direct result of observations made while performing the excluded services.

2. Article III of the Code of Professional Conduct describes integrity as follows:

"Integrity requires a member to be, among other things, honest and candid within the constraints of client confidentiality. Service and the public trust should not be subordinated to personal gain and advantage. Integrity can accommodate the inadvertent error and the honest difference of opinion; it cannot accommodate deceit or subordination of principle."

Article IV of the Code of Professional Conduct differentiates between objectivity and independence as follows:

"Objectivity is a state of mind, a quality that lends value to a member's services. It is a distinguishing feature of the profession. The principle of objectivity imposes the obligation to be impartial, intellectually honest, and free of conflicts of interest. Independence precludes relationships that may appear to impair a member's objectivity in rendering attestation services."

3. Rule 102-2 on Conflicts of Interest states, in part, the following:

"A conflict of interest may occur if a member performs a professional service for a client or employer and the member of his or her firm has a significant relationship with another person, entity, product, or service that could be viewed as impairing the member's objectivity. If this significant relationship is disclosed to and consent is obtained from such client, employer, or other appropriate parties, the rule shall not operate to prohibit the performance of the professional service..."

4. AICPA independence standards relate only to the performance of attestation services; objectivity standards apply to all services. See footnote 2.

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LAKE HOME SALE)
Payment to Jordan, Hill + Hall

2007/08/27 10:32 AM 2007/08/27 10:32 AM

BECK POORMAN

PAGE 02/02

BECK & POORMAN, LLC

A Professional Legal Service Company

Post Office Box 1390 ♦ 8884 N. Government Way, Suite D ♦ Hayden, Idaho 83835

Lawrence R. Beck, Attorney
Scott L. Poorman, Attorney

Cheryl Backes, Legal Assistant
Nancy James, Legal Assistant

August 27, 2008

Jacqueline Sergeant
First American Title Company
1866 N. Lakewood Drive
Coeur d'Alene, ID 83814

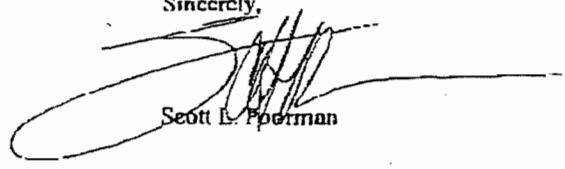
Re: Jerry and Jenny Hill

Dear Jacqueline:

This letter will confirm that the plaintiffs in Kootenai County civil case number CV 07-3648 will release the lis pendens recorded as Kootenai County Instrument No's 2100796000 and 2117789000 against the real property described as Lot 12, Block 1, ECHO POINT, upon written confirmation that Idaho Independent Bank has received no less than \$216,331.27 from the sale proceeds, and on condition that no portion of the sale proceeds are distributed to Jerry Hill and/or Jenny Hill.

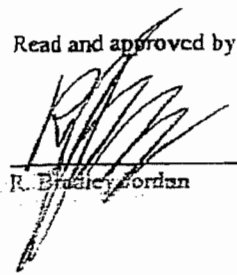
Thank you for your assistance in this matter. Please contact this office if you have any questions or require additional information.

Sincerely,

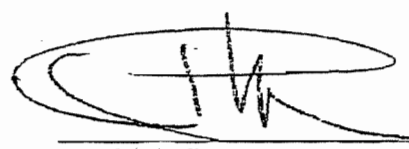


Scott L. Poorman

Read and approved by:



R. Bradley Jordan



Patrick J. Hall

EXHIBIT "I"
METZGER

READ AND APPROVED



556I-1

<p>A. Settlement Statement</p> <p style="text-align: center;">First American Title Company Settlement Statement</p>	<p>B. Type of Loan</p> <p>1-5. Loan Type</p> <p>6. File Number: 266904-C</p> <p>7. Loan Number</p> <p>8. Mortgage Insurance Case Number</p>
--	---

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown, items marked "PPC" were paid outside this closing; they are shown here for informational purposes and are not included in the totals.

D. Name of Borrower: John Santillanes, Rita Santillanes

E. Name of Seller: Jerry A. Hill, Jenny Hill
16770 W. Deer Ridge Dr. Post Falls, ID 83854

F. Name of Lender: Panhandle State Bank
200 West Helder
Coeur d'Alene, ID 83815

G. Property Location: 5869 S. Lakeside Drive, Harrison, ID 83833

H. Settlement Agent: First American Title Company
Address: P.O. Box 1747, Coeur d'Alene, ID 83816

I. Settlement Date: 09/23/2008
Print Date: 09/23/2008, 9:09 AM
Disbursement Date: 09/23/2008

Place of Settlement Address: P.O. Box 1747, Coeur d'Alene, ID 83816

J. Summary of Borrower's Transaction

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower		400. Gross Amount Due To Seller	
101. Contract Sales Price		401. Contract Sales Price	925,000.00
102. Personal Property		402. Personal Property	
103. Settlement charges to borrower (line 1400)		403. Total Deposits	
104.		404. Listing Broker Credit to Seller from Re/Max By the Lake -	3,890.30
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Assessments		408. Assessments	
109.		409. Solid Waste Proration 09/23/08 to 01/01/09 @\$91.00/yr	24.93
110.		410.	
111.		411.	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
120. Gross Amount Due From Borrower		420. Gross Amount Due To Seller	928,915.23
200. Amounts Paid By Or In Behalf of Borrower		500. Reductions in Amount Due to Seller:	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)		502. Settlement charges (line 1400)	60,303.25
203. Existing loan(s) taken subject		503. Existing loan(s) taken subject to	
204.		504. *Payoff of first mortgage loan - Countrywide Home Loans	515,027.91
205.		505. *Payoff of second mortgage loan - Countrywide Home Loan	123,927.44
206.		506. *Payoff - Idaho Independent Bank	216,231.27
207.		507. Earnest Money Held By: Re/Max By the Lake - Hayden	10,000.00
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes		510. City/town taxes	
211. County taxes		511. County taxes: 01/01/08 to 09/23/08 @\$4700.23/yr	3,425.36
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower		520. Total Reduction Amount Due Seller	928,915.23
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross amount due from Borrower (line 120)		601. Gross amount due to Seller (line 420)	928,915.23
302. Less amounts paid by/for Borrower (line 220)		602. Less reductions in amounts due to Seller (line 520)	928,915.23
303.		603.	

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.
Settlement Agent: _____ Date: _____

* See Supplemental Page for details.

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L. Settlement Charges		Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Sales/Broker's Commission based on price \$525,830.00 @ 7.8000% = \$64,750.00			
Division of Commission (line 700) as follows			
701. \$64,750.00 to Re/Max By the Lake - Hayden Office			
702.			
703. Commission paid at Settlement			54,750.00
704. (Note: \$1000.00 POC Held By Re/Max By the Lake - Hayden Office)			
800. Items Payable in Connection with Loan			
801. Loan Origination Fee			
802. Loan Discount			
803. Appraisal Fee			
804. Credit Report			
805. Lender's Inspection Fee			
806. Mortgage Insurance Application Premium			
807. Assumption Fee			
808.			
809.			
810.			
811.			
812.			
813.			
814.			
Supplemental Summary			
900. Items Required by Lender to be Paid in Advance			
901. Interest			
902.			
903. Hazard Insurance Premium for			
904.			
905.			
Supplemental Summary			
1000. Reserves Deposited with Lender			
1001. Hazard Insurance			
1002. Mortgage Insurance			
1003. City Property Taxes			
1004. County Property Taxes			
1005. Annual assessments			
1006.			
1007.			
1008. Aggregate Accounting Adjustment			
1100. Title Charges			
1101. Settlement or closing fee - First American Title Company			400.00
1102. Abstract or title search			
1103. Title examination			
1104. Title Insurance Binder			
1105. Document Fee			
1106. Notary Fee			
1107. Attorney Fee			
(includes above item numbers:)			
1108. Title Insurance - See supplemental page for breakdown of individual fees and payees			2,611.25
(includes above item numbers:)			
1109. Lender's coverage \$832,600.00			
1110. Owner's coverage \$325,000.00 Premium: \$2,611.25			
1111.			
1112.			
1113. Reconveyance Fee-Purchase - First American Title Company			189.00
1114.			
1115.			
1116.			
1117.			
1200. Government Recording and Transfer Charges			
1201. Recording fees: Deed \$0.00 Mortgage \$0.00 Release \$12.00			12.00
1202. City/county tax/stamps:			
1203. State tax/stamps:			
1204.			
1205.			
1206.			
1300. Additional Settlement Charges			
1301. Survey to			
1302. Pest inspection to			
1303. Funds Held: Road Maintenance			500.00
1304. Lien Payment to Idaho Department of Labor Accounting, Payment Control			1,380.00
1305. Septic Inspection to Septic Bill			425.00
1306. Courier and Handling Fee - First American Title Company			36.00
1307.			
1308.			
1309.			
1310.			
1311.			
1312.			
1313.			
1314.			
Supplemental Summary			
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)			60,303.25

* See Supplemental Page for details.

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RECAST
PLAINTIFF'S EXHIBIT #12
JERRY HILL

Description: Recalculation of plaintiff's exhibit #12, a non-notated workpaper prepared by C. Clark. The original exhibit assumes that the Mullan & Maverick properties were purchased with the intention of being the direct assets of J. Hill. The recalculated amounts below use data from Exhibit 12 but recalculate based on the information that Mullan and Maverick properties were assets intended to be JH&H Inc. assets and as such all transactions and debt related to those assets should be presented in accounts other than shareholder receivables. The calculation further also gives credit for amounts seized from Mr. Hill's pledged lake home as a credit against any outstanding shareholder debt he may have received.

Date	Exhibit notes or summary heading	Amount	Description of item
12/31/06	BALANCE	\$ 354,082.38	Page 3, last line in right column, Plaintiff's exhibit 12
12/31/06	INTEREST AT 15%	\$ (21,529.24)	Adjusted due to no contractual evidence to support C. Clark's addition of this amount during agreed upon procedures
2005	SEE SUMMARY SHEET	\$ (235,443.73) ①	Amounts disputed as transactions under J. Hill's name but a corporate transaction and \$82,761.51 in commissions improperly included
2005	Taxes filed by CPA - 1161EP	\$ (9,720.25)	Amount unusual given no support during testimony
2006	SEE SUMMARY SHEET EXCEPT FOR 10/15/2006	\$ 80,106.11 ②	Amounts disputed as transactions under J. Hill's name but a corporate transaction
10/15/06	Mullan buys Mullan from Jerry	\$ 200,000.00	Amount per J. Hill testimony is 'what he had into it', i.e., JH&H Inc. paying back his original cost. If he had been under the premise of selling it - this is where we would expect to see a larger amount to make his 'profit'
10/15/06	GMAC/Take over Delay Loan	\$ (320,000.00)	Jerry believed that the delay loan was a JH&H liability but the debt was placed in his personal name because he was able to obtain financing
Sep-08	Lake Home Sale Proceeds	\$ (216,000.00)	Amount from sale of J. Hill's Lake Home in order to pay debt
		\$ (168,504.73) [1]	Recalculated amount (due to)/due from J. Hill

CONCLUSION: WHEN THE MAVERICK AND MULLAN PROPERTIES ARE PRESENTED AS CORPORATE ASSETS, MR. HILL IS SHOWN TO BE OWED (OR TO HAVE INVESTED IN THE CORPORATION) OVER \$168,000.

① DETAIL ON Page 2
② DETAIL ON Page 2

EXHIBIT "J"
(METZGER)

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2005	38707	per j hill - June Payment	\$ 2,814.59
	38708	Closing Costs 4229 E Mullan	\$ 7,729.61
	38976	Per Jerry Jerry ....4229 E Mullan	\$ 1,000.00
	39019	per j hill - July Payment Mullan	\$ 2,814.59
	5394	Payback of ...Mullan	\$ (1,000.00)
	39269	per j hill - August Payment Mullan	\$ 2,814.59
	39635	per j hill - ballon payment - Mullan	\$ 65,361.51
	39629	per J Hill - Maverick Down Payment	\$ 57,808.12
	40123	Mortgages...Maverick	\$ 2,212.93
	40123	Mortgages...Mullan	\$ 2,435.00
	40396	Mortgages...Maverick	\$ 2,212.93
	40398	Mortgages...Mullan	\$ 1,830.00
	40532	Mortgages...Maverick	\$ 2,212.93
	40532	Mortgages...Mullan	\$ 2,435.42
		Amounts Related to Mullan & Maverick	\$ 152,682.22
	38240	Commission	\$ 17,400.00
	39634	Past Commissions due	\$ 65,361.51

TOTAL 2005 ADJUSTMENTS TO EXHIBIT 12 \$ 235,443.73 ①

2006	01/01/06	No reference numbers except Maverick	\$ 2,939.09
	01/01/06	No reference numbers except Maverick	\$ 12.89
	01/01/06	No reference numbers except Maverick	\$ 711.28
	01/01/06	No reference numbers except Maverick	\$ 1,100.00
	01/01/06	No reference numbers except Maverick	\$ 1,000.00
	01/01/06	No reference numbers except Maverick	\$ 307.44
	01/01/06	No reference numbers except Maverick	\$ 4,581.97
	39214	Closing costs Maverick	\$ 15,300.00
	01/01/06	No reference numbers except Maverick	\$ 200.00
	01/01/06	Delay Loan Proceeds	\$ (218,500.00)
	38747	Cleaning Maverick	\$ 82.50
	40992	Mortgage Payback	\$ 5,000.00
	40992	Mortgage Payback Maverick	\$ 2,213.00
	41268	Mortgage Payback Mullan	\$ 1,830.00
	40993	Crimson King Investment	\$ 5,282.35
	02/28/06	Maverick Expenses	\$ 118.33
	41268	Delay loan Mullan, Crimson King	\$ 5,088.57
	41241	Mortgages	\$ 4,752.07
	41241	Hill, Jerry Maverick Loan	\$ 2,212.93
	41241	Hill, Jerry Mullan Loan	\$ 2,435.00
	41395	Delay Loan, Crimson King	\$ 5,573.94
	41465	Mortgages	\$ 4,752.07
	41465	Hill, Jerry Maverick Loan	\$ 2,212.93
	41465	Hill, Jerry Mullan Loan	\$ 2,435.00
	41526	Delay loan Mullan, Crimson King	\$ 5,088.87
	41710	Hill, Jerry Maverick Loan	\$ 2,212.93
	41710	Hill, Jerry Mullan Loan	\$ 2,435.00
	41917	Delay loan Mullan, Crimson King	\$ 5,086.67
	42033	Delay loan Mullan, Crimson King	\$ 5,086.57
	41951	Mortgages	\$ 2,752.07
	41951	Hill, Jerry Maverick Loan	\$ 2,212.93
	41951	Hill, Jerry Mullan Loan	\$ 2,435.00
	41951	Hill, Jerry Mullan Loan	\$ 500.00
	42242	Delay loan Mullan, Crimson King	\$ 5,573.34
	42220	Maverick Loan	\$ 1,200.00
	42459	Delay loan Mullan, Crimson King	\$ 5,066.67
	42470	Hill, Jerry Maverick Loan	\$ 10,000.00
	42470	Hill, Jerry Mullan Loan	\$ 10,000.00
	42502	Hill, Jerry Maverick Loan	\$ 2,000.00
	42502	Hill, Jerry Mullan Loan	\$ 2,000.00
	42736	Hill, Jerry Maverick Loan	\$ 2,380.56
	42736	Hill, Jerry Mullan Loan	\$ 2,221.92
		TOTAL 2006 ADJUSTMENTS TO EXHIBIT 12	\$ (80,106.11) ②

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Magnuson, McHugh & Company P.A. CPAs and Consultants

1121 Milliken Avenue • PO Box 1579 • Coeur d'Alene, ID 83816-1579
(208) 765-8500 • (800) 726-1115 • Fax (208) 667-9174
www.magnusoncpas.com
Count On Us To Care

FAX TRANSMITTAL FORM

- Kath Bernhart, CPA
Ron Bremer, CPA
Julie Buck, CPA
Marsha Cayko, CPA
Rob Chesters, MT, CPA
Steve Fierchinger, CPA
Tori Gray, CPA
Toni Hackwith, CPA
Len Hodge, CPA
Rick Moxey, CPA
Suzanne Metzger, CPA
Michelle Mitchell, CPA
Sam Newman, CPA
Stan Wood, CPA

DATE: 9/15/05 TIME 8:30 a.m./p.m. (pacific)
TO: SAWWIE
COMPANY: J H & H
FAX NUMBER: 1 292-7380
FROM: R Dodge # OF PAGES (INCLUDING COVER): 4
CLIENT #: BY:

MESSAGE
PLEASE GIVE THIS INFORMATION
TO THE SHAREHOLDERS.
UNLESS THE ISSUES ARE RESOLVED THIS
MORNING THERE IS NO WAY A TAX
RETURN CAN BE PREPARED TODAY

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EXHIBIT B
Page 1 of 4
EXHIBIT "K"
METZGER
K-1
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JORDAN HILL & HALL, INC.**ISSUES THAT ARE STILL PENDING TO CORRECT THE GENERAL LEDGERS
AND PREPARE REQUIRED CORPORATE INCOME TAX RETURN**

The items that are listed below must be resolved before I can prepare the required adjusting entries to correct the general ledger and then prepare an income tax return.

If it is necessary I am available to meet with you today.

EAGLE POINT:

Shareholder Receivable Jerry Hill - This account recognizes a receivable from Jerry for \$12,306.89. The major portion of the amount has been recorded from a journal entry date 4/30/05 for \$12,000. The detailed entry does not provide documentation that tells what created this receivable or what account was the offsetting credit. If there is a valid receivable from Jerry to write it off is not fair to the other shareholders. It is my understanding that Jerry does not believe he owes the \$12,000. Either documentation should be provided that supports that there is a receivable or the shareholders should agree to write it off. If the receivable is written off we need documentation that an error was made in the recording of a revenue item or the IRS on audit will not allow it. The IRS would take the position that there has been a dividend distribution.

GMAC REAL ESTATE NORTHWEST:

Highway 41 Property - The general ledger documents the purchase and improvements to this property. It also documents that there has been a sale of part of this property. The recording of the sale does not appear to be complete in that there isn't complete accounting for the cash that should have been received. I have provided detail summaries to Sawrie to see if she can determine if the postings have been made and if the cash was received.

In addition, I have been told that there is an agreement that additional improvements are required on the property and that these have been made in 2006. I need to obtain a copy of this agreement and a listing of the additional cost that have been incurred or are still required. Also, I need to know what portion of the property has been sold and what costs should be allocated to the part that has been sold.

Shareholder loans - When questioning the recorded balances in the shareholder receivable accounts one of the responses has been "Owners say they do not owe". The general ledger doesn't support this position. I have attached a summary of the recorded balances for each share holder loan. Most of the balances related to Jerry have occurred during the current year and relate to property that he owns but the corporation is paying out cash for either the purchase or for improvements. Most of the balance for Patrick is a carryover from prior years with the current year showing a decrease. The IRS has a requirement that interest must be charged on related party loans the minimum rate for the

EXHIBIT B

Page 2 of 4K-2
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year 2005 is 3.11%. The corporation can charge a higher rate and there should be corporate documents that state what the rate of interest to be charged is.

Dividend - The S-corporate rules require that dividends be distribution in ratio to the stock ownership or the S-election is lost. Accordingly, I have adjusted the dividends with offsets to the draw accounts so that all three shareholders show equal dividends at \$41,125.19 each. As in prior years if dividends are in excess of shareholder tax basis the excess is recognized as taxable long-term capital gains. The information to prepare the tax return is not yet complete enough to determine what is the corporate taxable income or loss.

EXHIBIT

B

Page 3 of 4

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GMAC REAL ESTATE NORTHWEST
LISTING OF SHAREHOLDER RECEIVABLE LOANS
AS OF DECEMBER 31, 2005

ACCOUNT DISCRPTION	Brad Jordan	Jerry Hill	Patrick Hall
Maverick real estate expenses		6818.70	
Maverick other		1000.00	
Maverick costs adjusted to this account		19881.97	
Subtotal		27700.67	
Shareholder receivable	8577.90		264583.15
Maverick loan		64448.81	
Mullan loan		81049.90	
Jerry Hill other		26738.02	
Shareholder receivable other release Mason			(15000.00)
Draws adjusted	4277.00	5720.25	
Total loan balances before adjustment	12854.90	216668.75	249583.15

STATE OF IDAHO }
COUNTY OF KOOTENAI } SS
FILED:

2011 JAN 26 PM 3:28

CLERK DISTRICT COURT
[Signature]
DEPUTY

MARK A. JACKSON
MARK A. JACKSON, P.A.
110 Wallace Ave.
Coeur d'Alene, Idaho 83814
Telephone: (208) 664-3626
Facsimile: (208) 666-0550
ISB #3134

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

AFFIDAVIT OF JOHN KELPIN

STATE OF IDAHO)
 SS
COUNTY OF KOOTENAI)

I, John Kelpin, being first duly sworn upon oath, deposes and says:

1. I am over the age of eighteen, and I am a realtor at Coldwell Banker Schneidmiller Realty in Coeur d'Alene, Idaho.
2. I have lived in the Coeur d'Alene area for approximately 18 years.
3. Previously for about 15 years, I was a police officer in Orange County, California. During my career, I worked several years as a police detective handling cases ranging anywhere from fraud to homicide and eventually the special enforcement detail working high profile felonies. After that, I worked internal affairs investigations for the Chief.
4. I worked for Jordan, Hill & Hall, Inc. (JHH) as a sales agent from approximately 1997 to 2008. During that time period, which

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constituted most of the North Idaho real estate boom, JHH had up to 100+/- sales agents.

5. I worked with Jerry Mill, Brad Jordan, and Patrick Hall, the three owners. I have not seen or spoken to Jerry since he left JHH.
6. I always knew Jerry to be of good character, and found him to be honest and straightforward. I have met many different types of people with my law enforcement background, and believe that I am a good judge of character. Moreover, it was generally known by the agents during these "boom years" that Jerry was the "go to" guy for resolving a company problem or dispute. That alone says a lot about a person's character. It was also well known around the office that there was no love lost between Jerry and Patrick.
7. I was involved in the commercial portion of the Crimson King real estate project. I had many discussions with the three partners about the residential portion of Crimson King. It was general knowledge around the office that Crimson King was a JHH project. I had personal knowledge that Jerry did not mind using his own credit to obtain property for the good of the company. It was also general knowledge around the office that the lot down the street, known as the Maverick house, was going to be the next project for JHH. It was known around the office that the Crimson King project was going to be the "home run" for all three shareholders.
8. The Crimson King project started out well, but generally the project failed because the market died by the time it was completed, and the asking price for the lots by JHH far exceeded current market prices at that time.
9. With respect to the Spokane Chiefs box issue involving Jerry, I was aware that Jerry invited various agents to hockey games. He even

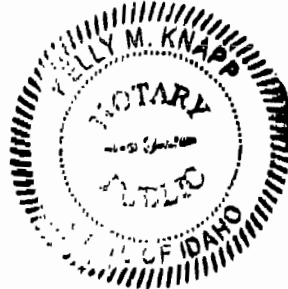
invited my wife and I. Jerry's use of the box was absolutely not a secret whatsoever around the office, and Jerry told me he considered those seats a "perk" for the business.

10. Jerry loved JHH and I believe he would have done anything to help the organization. He once told me he took all of his retirement money when he left the mining industry and used it to help the business when he first started as a partner with Brad Jordan.
11. With respect to the vending machine at JHH, it was common knowledge that Jerry went to Costco to purchase supplies for the machine. It was common knowledge that the monies from the machine were used for our very nice Christmas parties, as well as to purchase gasoline cards for drawings by the agents when they were attending office sales meetings.
12. The time frame from 2003 through 2007 was a high flying real estate market. The three shareholders and many other agents were buying many items during this boom period. For example, it was very noticeable that Patrick often purchased and traded in very expensive vehicles in short periods of time.
13. During the boom years, the company went through 2 or 3 bookkeepers when I worked for JHH. It seemed as though all partners had easy access to the financial part of the business and made independent financial decisions on a regular basis.

DATED this 26th day of January, 2011.


John Kelpin

SUBSCRIBED AND SWORN TO before me this 26th day of January, 2011.



Kelly M. Knapp
Notary Public for Idaho
Residing in: IDA
My Commission Expires: 11-5-16

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 26 day of January, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- U.S. Mail
- Hand Delivered
- Overnight Mail
- Facsimile (Fax) to: 446-1833

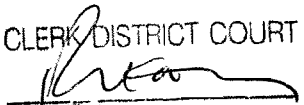
Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816

[Signature]
Mark A. Jackson

116
STATE OF IDAHO }
COUNTY OF KOOTENAI } SS
FILED:

MARK A. JACKSON
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ISB #3134

2011 JAN 28 AM 11:58

CLERK DISTRICT COURT

DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

BRIEF IN SUPPORT OF
DEFENDANT'S MOTION FOR A NEW
TRIAL

COMES NOW the above named Defendant, Jerry A. Hill, by and through his attorney of record, Mark A. Jackson of MARK A. JACKSON, P.A., and hereby submits his Brief in Support of New Trial.

ICR 34 allows the court to grant a Defendant a new trial "If required in the interest of justice". **IRCP § 19-2406** allows the court to grant a new trial on seven grounds. The grounds relevant to this case are as follows:

....

- 5. When the court has misdirected the jury in a matter of law, or has erred in the decision of any question of law arising during the course of the trial.
- 6. When the verdict is contrary to law or evidence.
- 7. When new evidence is discovered material to the Defendant, and which he could not with reasonable diligence have discovered an produced at the trial.

A new trial will not be granted on the grounds of newly-discovered evidence unless it is shown that the introduction of such evidence might change the results of the verdict, and sufficient reason must be shown why such evidence could not have been presented at the former trial. **State v. Bond, 12 Idaho 424, 86 P 43 (1906); State v. McConville, 82 Idaho 47, 349 P.2d 114 (1960).**

A motion for a new trial based on newly discovered evidence must show that 1) the evidence is newly discovered and was unknown to the Defendant at the time of trial; 2) that the evidence is material, not merely cumulative or impeaching; 3) that it will probably produce an acquittal; and 4) that failure to learn of the evidence was due to no lack of diligence on the part of the Defendant. **State v. Ames, 112 Idaho 144, 730 P.2d 1064 (Court App 1986).**

Jerry Hill ("Jerry") was originally charged and prosecuted with three counts of grand theft occurring during three different time periods. The charges claimed that Jerry took in excess of an aggregate of \$1,000.00 during each time period. At the preliminary hearing, the other shareholders of Jordan, Hill & Hall, Inc. ("JHH"), Brad and Patrick, testified about some specific transactions they felt were unauthorized charges by Jerry. Curtis Clark, accountant, briefly took the stand and referenced a report he made concluding how much he felt Jerry owed JHH. Jerry's counsel, Martin Nells, made a motion to dismiss at the beginning of the preliminary hearing for the lack of specificity of the charges, which the court denied, noting that he could bring up such motion in district court. (Preliminary hearing Tr. p. 5-8). At the conclusion of the preliminary hearing, Judge Friedlander bound over Jerry for only **three** specific items, 1) the purchase of the power generator "in an amount between \$1,915 and \$2,076.29", 2) payment for a Spokane Chief's box seat in the amount of approximately \$3,115.33, and 3) the purchase of the LA Weight Loss of \$1,842.75. (Preliminary hearing Tr. p. 233-235). The court noted the "complexities of the way this was charged."

(Preliminary hearing Tr. p. 233). These three items totaled less than \$7,050.00.

At trial, the case changed drastically to one claiming Jerry stole approximately \$354,000.00 from JHH. One certainly could not have concluded such a claim in the Complaint or Information in this case, much less the preliminary hearing. The State's primary financial evidence was presented by accountant Curtis Clark, using Plaintiff's Exhibit No. 12. This exhibit was called several things during trial, including an "audit". Again, one rarely sees a criminal case with a Defendant bound over at a preliminary hearing with a court referencing three specific items totaling about \$7,000.00, and then having a trial focus on stealing \$354,000.00.

This was an accounting case. The State's discovery responses, many of which for some reason were provided in the last few weeks before trial, probably exceeded 12 inches in thickness. The State presented 22 exhibits at trial, the defense only introduced one exhibit consisting of a single page. The defense called no accountant or any other person with financial knowledge of JHH about the case. Jerry is not an accountant, and no effective rebuttal was made to Plaintiff's Exhibit No. 12, or the other documentation. The jury effectively heard one side of a story which actually had two different versions.

Filed herewith and incorporated hereto are the affidavits of Suzanne Metzger, Jerry Hill, John Kelpin, and Ellie Primozych. The affidavit of Suzanne Metzger tells a completely different story about the financial data presented by Mr. Clark and JHH. Jerry had no prior criminal record. His defense in this case was that he did not steal any money, and that any personal charges using JHH credit cards or checks were with the understanding and belief that the company owed him money. Even his testimony was fairly brief given the amount of data and claims that were brought against him at trial. Jerry had no chance to rebut Exhibit No. 12 without the help of an accountant. Jerry, who had no money and required a public defender, clearly had no money of

his own to hire an accountant. He was repeatedly promised that an accountant would be retained to help him, but he never received one. For the first time Jerry has now been able to obtain an accountant, Suzanne Metzger, to analyze the data in the case. It must be noted that not only is Suzanne an accountant, but she performed work on behalf of JHH during a portion of the relevant years, and was aware of the bookkeeping confusion at the JHH office.

Jerry is entitled to a new trial based using the above three referenced grounds of **I.C. § 19-2406** as follows:

1. **The jury might easily have reached a different verdict had they heard the testimony of Suzanne Metzger.** Suzanne's affidavit sheds an entirely new light on the entire picture set up by Plaintiff's Exhibit No. 12 as follows:
 - a. The jury never heard from an actual staff attorney of MM who worked with JHH, who knew the shareholders and bookkeeper, and was aware of the "confusing" shareholder loans within the company.
 - b. The jury never heard that it was common for shareholders to personally purchase property on behalf of businesses.
 - c. The jury never heard that it was common among small businesses for partners or shareholders to make personal charges on company credit cards.
 - d. The jury never heard that it was common place for shareholders in similar companies to purchase items with the intent that those items be deemed company purchases through reimbursement.
 - e. The jury never heard it is commonplace among similar small businesses for loans to exist between shareholders and the company.
 - f. The jury never heard Ms. Metzger's opinion was that the Mullan and Maverick properties, to which credits and debits were made

on Exhibit No. 12 against Jerry, were JHH projects, and those debits or credits should not have been included on Exhibit No. 12.

- g. The jury never heard a detailed explanation of the development of the Crimson King Estates, and Ms. Metzger's opinion of the entire project being a JHH project, including the plat attached to her affidavit (Exhibit "C").
- h. The jury never saw the memo (Exhibit "K") from Magnuson McHugh to JHH referencing receivables from Jerry and confusion regarding shareholder loans in the company. Again the amount of the shareholder loans is relevant to Jerry's underlying defense.
- i. The jury never heard Ms. Metzger's opinion about Exhibit No. 12, namely that it was not an "audit".
- j. The jury never heard that there was an issue of Mr. Clark's "independence" in testifying and formulating Exhibit No. 12, due to his creditor claims against JHH and the involvement of his accounting partner in the Crimson King property.
- k. The jury never heard about the large amount of debt incurred by JHH as set forth on the bankruptcy schedules. The jury needed to know that JHH had \$4M in unsecured debt to confirm the disorganization and financial stress of the company.
- l. The jury never heard Ms. Metzger's summaries confirming the various different times that Jerry was actually owed money by the corporation, which is consistent with Jerry's position at trial.
- m. **The jury never heard Ms. Metzger's opinion that at the time of trial, JHH owed Jerry in excess of \$168,000.00.** She based this opinion upon using Exhibit No. 12 and removing the Mullan and Maverick properties, removing the "commission"

Items and interest, and applying the proceeds from Jerry's lake home.

- n. **In conclusion, Ms. Metzger's opinions totally contradict any intent on the part of Jerry to steal monies from the company.**
2. Jerry's affidavit provides further reasons to grant a new trial. Jerry's affidavit shows as follows:
 - a. Jerry explains his continual requests that his counsel obtain an accountant to help him respond to this accounting case. Jerry's counsel continued to indicate that an accountant would be obtained, but one never was. Jerry obviously lacked the resources to obtain an accountant to help defend this matter, and made many efforts to request such an accountant. The court even ordered Jerry and his counsel to confer with the head public defender regarding this issue, and Jerry was again promised an accountant (before sentencing) and one was never obtained. Ms. Metzger's affidavit confirms her conversation with Jerry's counsel.
 - b. Jerry's affidavit explains the confusion by himself (and his attorney) as to the allegations being made against him, as the trial allegations greatly differed from the preliminary hearing testimony. In his affidavit, Jerry, with the help of Suzanne's affidavit, clarifies and explains the "trading checks" done within JHH. This fact was presented against Jerry in an evil way, when in fact the new evidence shows that all of the shareholders did this, and it was simply a function of keeping the company afloat by disputed by large deposits from the three shareholders at various times. Jerry's affidavit (in combination with the affidavit of Suzanne Metzger) make's clear that with Ms. Metzger's assistance, this was the first time Jerry was able to perform a full

forensic evaluation of the State's Exhibit No. 12. Jerry was unable to perform the evaluation without the assistance of Ms. Metzger.

- c. Some of the exhibits attached to Jerry's affidavit, such as Exhibits D, E, F, G, H, I, J, K, and L, would have help prove to the jury that the Mullan and Maverick properties were a JHH project, consistent with Jerry's position. The crux of these documents show that all JHH shareholders were aware of and approved the purchase of Mullan and Maverick, and in fact all of the shareholders signed deeds of trust and/or promissory notes obligating JHH to Crimson King Estates, which included the Mullan property. Jerry was unable to develop these facts at trial, and Ms. Metzger also helps clarify these issues in her own affidavit.
- d. The jury should have reviewed the exhibits attached to Jerry's affidavit showing that Jerry secured his lake home equity on behalf of JHH very early on, and in fact \$216,000.00 was paid to JHH or towards JHH obligations from such lake home equity. This would have raised the question: Why would Jerry secure his lake home for hundreds of thousands of dollars, and at the same time steal money from the company?
- e. In his affidavit, with the assistance of Ms. Metzger, Jerry explains (paragraph 23) how he was owed \$45,000.00 from JHH in early 2005, which explained his subsequent charges and intent to offset those items from the monies owed to him by JHH. The jury did not hear these facts and dates, and Ms. Metzger's affidavit helps lay out these time frames.
- f. Jerry's affidavit attaches the civil complaint between the parties. The jury should have been aware of the civil case and its

dismissal of Plaintiff's claims due to their non-action after withdrawal of their attorney.

3. **The jury might have reached a different verdict had they heard the testimony of Ellie Primozich.** Ellie's affidavit is filed herewith and incorporated hereto. Ellie was the bookkeeper at JHH during some of the relevant times in this case. She is a character witness on behalf of Jerry, she recalls Suzanne Metzger and other MM accountants for JHH being frustrated about internal financial matters regarding JHH, and recalls the Post Falls project being a JHH project. Jerry requested his attorney to have an investigator find Ellie, but nothing was obviously done as Ellie was "shocked" to hear about this case in November, 2010.
4. **The jury might have reached a different verdict had they heard the testimony of John Kelpin.** John was a realtor at JHH during the relevant times of this case, and worked with Jerry and the other shareholders. He supports Jerry's good character, is aware of the Post Falls JHH project, knows about the "openness" of the Spokane Chief's box ticket with Jerry, and even knows about the vending machine money being used for Christmas parties and gas card drawings for the many realtors at JHH. Furthermore, John's testimony is important given his prior work as a police officer in Orange County, California, including fraud investigations.

It is apparent to the undersigned when listening to the trial testimony on the DVD's (Jerry could not afford a transcript) that Jerry and his counsel were unprepared to rebut the numerous claims being thrown against them at trial. The vending machine money is a perfect example of this fact. The undersigned could not find any reference to the vending machine money at the preliminary hearing, and no reference was made about it on Exhibit No. 12, yet the State chose to elicit testimony from a witness which was effectively "Jerry was in charge of the vending machines, he purchased items

to fill the machines, but because we do not know what he did with the money from the machines, he must have stolen it." It struck the undersigned that there were numerous bad acts in this case that were being used to support the unrebutted Plaintiff's Exhibit No. 12. John Kelpin in his affidavit even remembers the use of the vending machine monies.

Both Jerry's counsel at trial and Jerry did not know what they were defending. Mr. Neils made a motion at the preliminary hearing to dismiss the case for "failure to aver specific facts to allow adequate defense of the matter", but it appears he did not make the same motion at trial. In this case, there needed to be a specific complaint setting forth specific allegations of theft by Jerry. Combined with the fact that there was no accountant, Jerry simply had no chance in defending against the avalanche of documents and "bad acts" being presented against him. The undersigned can find no disclosure of bad acts evidence by the prosecutor prior to trial, all of those bad acts were simply made against Jerry at trial. Again, the vending machine money is the perfect example of this fact. There was no specific dollar amount being alleged against Jerry at trial for the speculated claim that he was stealing vending machine money, but this fact was just given to the jury with the attitude of "Jerry must have stolen it". This case was unlike a sex offender case where the information charges John Doe with lewd and lascivious conduct with a minor child between "July and December" of some year. In that kind of case the State can certainly present evidence of such acts taking place on or more times during a time period. However, in the present case, all of the "acts" were completely different and unrelated. Exhibit No. 12 demonstrates a variety of different debits and credits regarding Jerry, from commissions to real estate properties, draws, etc. Each event had to be looked at singularly. Instead, Exhibit No. 12 was introduced as if the complaint stated that Jerry "stole \$354,000.00" from JHH. It is absurd to think that someone like Jerry had the criminal intent to steal \$354,000.00 of company monies, as referenced in the "audit" with the

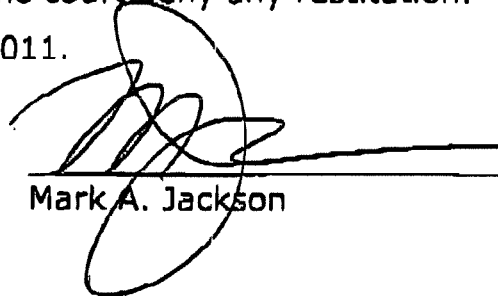
numerous variety of debits, credits, commissions, etc. Even Exhibit No. 12 shows several times that JHH owed Jerry money. The information or Complaint in the above case should have listed the transactions which the State believed that Jerry had criminal intent. At trial this case seemed to turn into one saying "after numerous debits and credits during a three year time frame with Jerry at JHH, Jerry owes JHH \$354,000.00, and therefore, Jerry had the intent to steal company monies each and every time a debit was placed on Exhibit No. 12". Aside from this absurd generalization, Suzanne Metzger's affidavit concludes that Exhibit No. 12 should have stated the **opposite**, namely that JHH owed Jerry at least \$168,000.00 at the time of trial. Ms. Metzger's testimony is even more compelling as she had prior specific knowledge of the disorganized financial situation at JHH. This is exactly why the undersigned wrote the Prosecutor's office in 2008 saying this matter should be resolved civilly.

The court should also decline to enter a restitution judgment in this case, regardless of the decision on the motion for new trial. The Prosecutor's office is requesting restitution of \$354,000.00 from Jerry, namely \$177,000.00 payable to Brad Jordan and Patrick Hall. The undersigned respectfully urges the court to decline to enter any judgment. The court has now before it a full rebuttal of the financial situation by an independent accountant. Furthermore, the undersigned believes that the court cannot award restitution without such monies being placed into the control of the bankruptcy trustee, so it is nonsensical to ask for reimbursement to shareholders who have previously flushed away debt in a bankruptcy. The undersigned urges the court to decline any restitution now or in the future, as this should be resolved in some other forum, whether civil or bankruptcy, especially given the new financial data filed herewith.

In conclusion, the undersigned respectfully requests a new trial. The new information before the court would have been very relevant to a jury, and certainly it can be said such evidence "might" have changed the result of

the verdict. Jerry was diligent in requesting an accountant over and over again, but one was never provided to him. Ms. Metzger's affidavit now sheds a completely different light upon this case. The undersigned also respectfully requests the court consider this new information in the jurisdictional review hearing, and that the court deny any restitution.

DATED this 28 day of January, 2011.



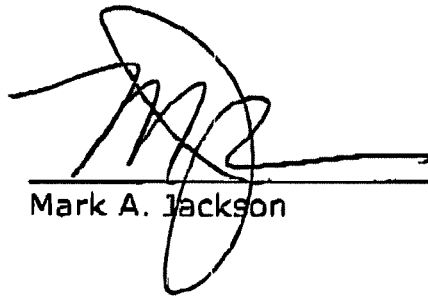
Mark A. Jackson

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 28 day of January, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- U.S. Mail
- Hand Delivered
- Overnight Mail
- Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816

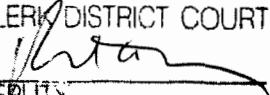


Mark A. Jackson

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 ISB #3134

STATE OF IDAHO }
 COUNTY OF KOOTENAI } SS
 FILED:

2011 JAN 28 AM 9:20

CLERK DISTRICT COURT

 DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
 THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

AFFIDAVIT OF ELIZABETH A.
 PRIMOZICH

STATE OF ARIZONA)
) SS
 COUNTY OF Maricopa)

I, Elizabeth A. Primozich, being first duly sworn upon oath, deposes and says:

1. I am over the age of eighteen, and am competent to testify herein.
2. I currently reside in Mesa, Arizona.
3. I was the bookkeeper for Jordan, Hill and Hall, Inc. (hereafter "JHH") from June, 2003 until September, 2005, when I resigned to move to Arizona.
4. My duties as bookkeeper for JHH were to draft the payables, deal with billings, bank reconciliations, payroll, and other normal bookkeeping duties. With these duties I had regular contact with Jerry Hill, Patrick Hall and Brad Jordan.

AFFIDAVIT OF ELIZABETH A. PRIMOZICH - 1

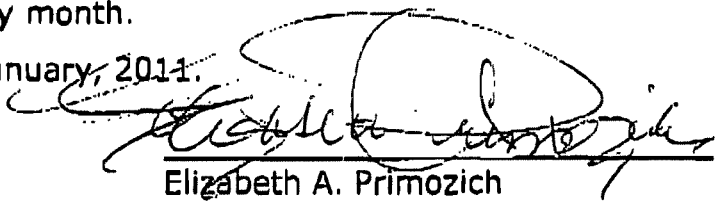
5. Since September, 2005 I have lived and worked near Mesa, Arizona. I had no prior knowledge of any criminal charges against Jerry Hill until I was contacted telephone by Suzanne Metzger in November, 2010. I previously worked with Suzanne on behalf of JHH when she worked for Magnuson McHugh, the company's accountants. I was shocked to hear that Jerry had been convicted of theft charges at JHH when Suzanne told me in November, 2010. Prior to that time no one called me about my knowledge of the case against Jerry.
6. From a character reference point of view, Jerry always had a good character when I worked with him. I would call him an "honest guy" and have no knowledge of any lying, stealing, or dishonesty at JHH.
7. When I worked for JHH, I recall conversations with accountants (particularly Suzanne Metzger) from Magnuson McHugh (hereafter "MM") as those accountants were frustrated by how JHH was handling its internal financial matters, as they felt that JHH was not handling financial matters the proper way. I also recall Suzanne Metzger being frustrated about JHH getting their books timely completed.
8. When I worked for JHH, they were just beginning to become involved in a large Post Falls real estate project. I recall a large framed picture in our main hallway (approximately 2 feet by 3 feet) showing a draftsman layout of the entire area. I remember Patrick, Jerry, and Brad being excited about this entire project. I recall that Jerry had put up some of his own money initially to help start this JHH project, but I do not recall specifics about how he put up his money. My impression at the time was that Jerry was helping JHH with his own money for the Post Falls project and would be repaid at a later date. I never had the impression that Jerry had his own ongoing project alongside the JHH project.
9. At various times when I was the JHH bookkeeper there were cash flow

AFFIDAVIT OF ELIZABETH A. PRIMOSZICH - 1


coverage issues with the company, namely JHH needed an immediate deposit of cash to make payable deadlines. When this occurred Jerry, Patrick, and Brad would bring in their own personal monies to deposit into the JHH account, and such monies were paid back to the three partners shortly thereafter.

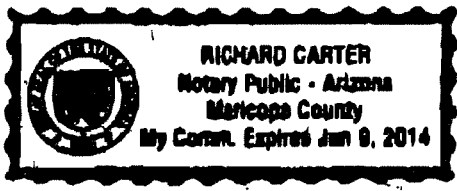
- 10. During the time I worked for JHH, I do not recall any problems involving Jerry and his credit card charges or personal advances. I also have no recollection of any problems regarding the cash from the vending machine.
- 11. When I resigned in September, 2005, I spent approximately one and a half days training Sonie Walker, the new bookkeeper. At the time I left the books were in order and the bank accounts were reconciled as they were each and every month.

DATED this 13 day of January, 2011.


 Elizabeth A. Primozich

SUBSCRIBED AND SWORN TO before me this 13th day of January, 2011.


 Notary Public for Arizona,
 Residing in: Mesa, Arizona
 My Commission Expires: 6-9-14



CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 20 day of January, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- U.S. Mail
- Hand Delivered
- Overnight Mail
- Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816



Mark A. Jackson

AFFIDAVIT OF ELIZABETH A. PRIMOZICH - 1

583

ORIGINAL

BARRY McHUGH
Prosecuting Attorney
501 Government Way/Box 9000
Coeur d'Alene, ID 83814
Telephone: (208) 446-1800

ASSIGNED ATTORNEY:
ARTHUR VERHAREN

STATE OF IDAHO
COUNTY OF KOOTENAI, SS
FILED:

116

2011 JAN 31 AM 10:11

CLERK DISTRICT COURT

Sheila Hall
DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)
)
Plaintiff,)
)
vs.)
)
JERRY ALLAN HILL,)
)
Defendant.)
_____)

Case No. CRF 08-26363

**BRIEF IN OPPOSITION TO
MOTION FOR NEW TRIAL**

COMES NOW, Arthur Verharen, Deputy Prosecuting Attorney for Kootenai County, and hereby submits the state's Brief in Opposition to Motion for New Trial.

APPLICABLE LAW AND ARGUMENT

I.C.R. 34 imposes a fourteen day time constraint on a motion for a new trial for reasons other than newly discovered evidence. A motion made under the rule is left to the discretion of the trial court, however, I.C. 19-2406 does set out statutory limits under which the motion must fall. *State v. Carlson*, 134 Idaho 389, 397 (Ct. App. 2000). The statute sets out seven specific instances where a trial court may grant a new trial. Those are the only grounds for which a new

BRIEF IN OPPOSITION TO MOTION FOR NEW TRIAL: 1

trial may be ordered. *State v. Curless*, 137 Idaho 138, 142 (Ct. App. 2002). Pursuant to Defendant's Amended Motion for New Trial, the bases for a new trial asserted in this matter fall under four of the seven possible grounds. The first basis is that of new evidence.

I. There are four factors that must be met by a defendant seeking a new trial on the basis of newly discovered evidence. *State v. Drapeau*, 97 Idaho 685 (1976). Each and every factor must be met by a defendant. *State v. Pugsley*, 119 Idaho 62, 63 (Ct. App. 1991). The burden is substantial:

Motions for a new trial based on newly discovered evidence are disfavored and should be granted with caution, reflecting the importance accorded to considerations of repose, regularity of decision making, and conservation of scarce judicial resources. *State v. Stevens*, 146 Idaho 139, 144 (Ct. App. 2008), quoting *State v. Hayes*, 144 Idaho 574, 577 (Ct. App. 2007).

Affidavits may have their place in a motion for a new trial as "the defendant must produce at the hearing in support thereof the affidavits of the witnesses by whom such evidence is expected to be given." I.C. 19-2406(7). However, the Rules of Evidence still apply and an objection to an affidavit on the grounds of hearsay may be sustained. *State v. Hayes*, 144 Idaho 574, 578 (Ct. App. 2007). The affidavits submitted by the Defendant in support of his Motion for a New Trial are rife with hearsay.

For example, the opinion of Ms. Metzger is based, in part, upon hearsay: (phone conversation with Mr. Neils) AFFIDAVIT OF SUZANNE S. METZGER, p. 3, paragraph 6; (discussions with Ms. Primozych) *Id*, p. 4, paragraphs 7 and 8; (meeting with Ms. Primozych to clarify entries) *Id*, p. 5, paragraph 9; (cash flow a priority in client discussions) *Id*, p. 8, paragraph 12; (I would have advised that the properties be assigned to the corporation) *Id*, p. 9, paragraph 15; (telephone conversation with Ms. Primozych) *Id*, p. 15, paragraph 20, Exhibit "K".

Mr. Kelpin's affidavit is also a document that relies heavily upon hearsay: (I had many discussions) AFFIDAVIT OF JOHN KELPIN, p. 2, paragraph 7; (Jerry told me) *Id.*, p. 3, paragraph 9; (Jerry once told me) *Id.*, p. 3, paragraph 10.

Finally, the Defendant's affidavit is one replete with hearsay: (Mr. Clark told me) AFFIDAVIT OF JERRY HILL, p. 2, paragraph 4; (Mr. Neils told me) *Id.*, p. 3, paragraphs 6 and 7; (Mr. Neils told me) *Id.*, p. 9, paragraph 8; (Patrick, Brad and I discussed) *Id.*, p. 11; (it was agreed) *Id.*, p. 12, paragraph 15; (we even talked) *Id.*, p. 12, paragraph 17; (I recall MM representatives telling us) *Id.*, p. 13, paragraph 17. As such, the affidavits that include hearsay as well as opinions that are based upon hearsay should not be admissible.

Evidence obtainable at the time of trial but not utilized by the defense does not transform itself into new evidence for purposes of a motion for a new trial. *Curless*, 137 Idaho at 141. It is a defendant's burden to provide evidence in support of a motion for a new trial. I.C. § 19-2406(7). The first factor is whether the evidence was newly discovered and unknown to a defendant at the time of trial. *Drapeau*, 97 Idaho at 691.

In our case the Defendant has listed a number of arguments in his Amended Motion for a New Trial that essentially focus on what his trial counsel should have done. The arguments do not address newly discovered evidence, rather, they address documents that existed at the time of trial or issues that were known to the defense at the time of trial. These arguments and the documents offered in support of the arguments are not new evidence.

To illustrate, the affidavit from Suzanne Metzger, rather than new evidence, is essentially a subjective opinion about the Defendant's guilt in this matter. It is an opinion, from an accountant paid for her opinion, that simply criticizes Defendant's trial counsel's choice of trial tactics. It is not an unbiased, objective interpretation of the financial documents at issue in the
BRIEF IN OPPOSITION TO MOTION FOR NEW TRIAL: 3

case. The Motion before the Court is a Motion for a New Trial, it is not a post-conviction proceeding. Despite this distinction, the affidavits focus on what Mr. Neils did not do or what he should have done. Ms. Metzger criticizes Mr. Neils for not impeaching Mr. Clark as to his “audit,” “independence” and Plaintiff’s Exhibit 12. AFFIDAVIT OF SUZANNE METZGER, p. 10-14. She criticizes Mr. Neils for not attempting to submit into evidence a hearsay document, Exhibit “K” or bankruptcy documents. *Id.*, p. 15-16.

The Defendant, in his affidavit, also focuses on criticizing the trial performance of Mr. Neils. He writes that Mr. Neils “was overwhelmed by this case with his other workload.” AFFIDAVIT OF JERRY HILL, p. 3, paragraph 5. He states that he “discussed the various documents with Mr. Neil that were important, but he chose not to use them, or he did not understand their significance.” *Id.*, p. 5, paragraph 11. He complains that “[a]t trial, it was not made clear about the relationship between the Crimson King Estates, the Ballard property, the Mullan property, and the Maverick property.” *Id.*, p. 12, paragraph 16. Other examples include that the “jury never heard evidence about all the loans owed by each of the partners to and from JHH.” *Id.*, p. 13, paragraph 18 and “[t]his fact was not developed at trial.” *Id.*, p. 14, paragraph 23.

Furthermore, Ms. Metzger’s affidavit, in part, opines as to the ultimate question in this matter; the Defendant’s guilt. She writes that she “was surprised that [she] was never contacted” in regards to her knowledge before the trial. AFFIDAVIT OF SUZANNE METZGER, p. 3, paragraph 6. She indicates that in her “opinion, the issues involving Jerry were simply a case of poor record keeping rather than deliberate theft.” *Id.* Her opinion also reaches for the subjective intent of the Defendant’s business partners: “In this case it is clear that Jerry was punished for purchasing property individually for a clear company project.” *Id.*, p. 8, paragraph 12.

BRIEF IN OPPOSITION TO MOTION FOR NEW TRIAL: 4

Most important is what is lacking in Defendant's Motion for a New Trial. The affidavits submitted in support of Defendant's Motion do not present anything that was not known to the Defendant or not obtainable by the Defendant at the time of trial. The thrust of the documents and witness opinions pertain to evidence that was available to the defense at the time of trial and Defendant's trial counsel's decision not to use that evidence. The issue before the Court is not a post-conviction matter and the evidence in support of the Motion for a New Trial is not new evidence.

The second *Drapeau* element is that the new evidence must be material and cannot be "merely cumulative or impeaching." *Pugsley*, 119 Idaho at 63. Impeachment evidence is "offered to attack the credibility of the witness rather than to establish the existence or non-existence of a disputed fact." *Id.* In our case the arguments set forth in the Defendant's Motion for a New Trial, with the exception of paragraph "6.1.," are accusations that would simply impeach the testimony adduced at trial. More specifically, the arguments contained within the Motion are not evidence that the Defendant stole from the corporation. That documentary evidence admitted at trial clearly established the manner and extent of the Defendant's theft.

Much of Ms. Metzger's affidavit is simply evidence that certain items, in her opinion as a CPA, not an attorney, should have been utilized as impeachment evidence. As previously indicated, she criticizes Mr. Neils for not impeaching Mr. Clark in regards to his "audit" or his "independence." AFFIDAVIT OF SUZANNE METZGER, p. 10 and 11. She also opines that Mr. Clark should have been impeached as to Exhibit 12. *Id.*, p. 12-14. Thus, to a certain extent, the evidence offered in support of the Defendant's Motion for a New Trial is not material and should be disregarded.

A defendant must also show that the new evidence “would probably produce an acquittal in a new trial.” *State v. Dambrell*, 120 Idaho 532, 543 (1991). Similar to the argument made as to the first *Drapeau* element, it is the defendant’s burden to meet every prong of the *Drapeau* test by a basic evidentiary showing. The physical evidence introduced by the state in this matter was voluminous and took the form of various documents. The documents were by created the Defendant as well as created in the ordinary course of the business. The documents represented different financial aspects of the company business such as credit cards receipts and payment verifications, checks for cash and supplies and various summaries of business ventures, such as the vending machine.

Particularly probative of the Defendant’s intent to steal from the company were his company credit card purchases for numerous personal items and the method of payment. A summary of Defendant’s company credit card purchases for non company items was admitted at trial. PLAINTIFF’S EXHIBIT 10. In addition, Plaintiff’s Exhibits 3-9 were also admitted. Those exhibits are copies of some of the Defendant’s company credit card purchases coupled with the method of payment. At trial, the company bookkeeper testified that it was her job to pay company bills which included company credit card bills. On June 4, 2005, the Defendant purchased a generator for close to \$2,000 using the company credit card. He wrote the company check that paid for the generator, not the bookkeeper. PLAINTIFF’S EXHIBIT 3.

On October 8, 2005, the Defendant purchased \$3,000 box seats for the Spokane Chiefs using the company credit card, an expense that was not authorized by the other partners as a business expense. The Defendant wrote the company check that paid for that expense, not the bookkeeper. PLAINTIFF’S EXHIBIT 5.

In December, 2005, the Defendant purchased log furniture, shoes, televisions and a gas stove using the company credit card. He wrote the company check that paid for those items, not the bookkeeper. PLAINTIFF'S EXHIBIT 6.

On February 15, 2006, the Defendant made a \$1,190 jewelry purchase using the company credit card. The bookkeeper testified that she did not make company ACH payments as there was no reason to and, furthermore, she did not make this payment. However, the jewelry was paid for by a company ACH payment. PLAINTIFF'S EXHIBIT 7. The Defendant denied making the payment and claimed he did not know who made the ACH payment for his jewelry.

On April 4, 2006, the Defendant made a purchase at L.A. weight loss for close to \$2,000 using the company credit card. This purchase was paid for by a company ACH payment. PLAINTIFF'S EXHIBIT 8. The bookkeeper testified she did not make this payment. The Defendant denied making the payment and claimed he did not know who made the ACH payment for his purchase.

In July, August and September, 2006, the Defendant purchased groceries and a spa for over \$5,000 using the company credit card. This purchase was paid for by a company ACH payment. PLAINTIFF'S EXHIBIT 9. The bookkeeper testified she did not make this payment. The Defendant denied making the payment and claimed he did not know who made the ACH payment for his purchases.

Further indicative of the Defendant's intent to steal were manifested in other exhibits. At trial, it was established that a number of Costco grocery purchases for personal and household items were made by Linda Browning for herself and the Defendant using company money. During 2005 the two of them spent well in excess of \$1,000 on non company items using company funds. The majority of the payments for those purchases were checks signed by the

BRIEF IN OPPOSITION TO MOTION FOR NEW TRIAL: 7

Defendant, not the company bookkeeper. PLAINTIFF'S EXHIBIT 16. It was established at trial that the Defendant was the person that took responsibility for the vending machine. The profits from the vending machine were not accounted for in terms of revenue for the company. Supplies alone for the vending machine exceeded \$1,000 in 2005 as well as in 2006.

PLAINTIFF'S EXHIBIT 13.

This documentary evidence alone, created by the Defendant and the company, overwhelmingly established the Defendant's guilt in this matter. In addition to that evidence was other testimonial evidence introduced by the state. The testimonial evidence, particularly that of Curtis Clark, further cemented his guilt and none of the Defendant's arguments would, if true, probably have produced an acquittal.

Lastly, there must be a showing that the failure to learn of the new evidence was not because of a lack of due diligence on a defendant's part. *Drapeau*, 97 Idaho at 691. The arguments of the Defendant essentially are claims that issues were not brought to the jury's attention by his trial counsel. These issues are matters or documents that existed at the time of the trial. The Defendant was part of the corporation at the time these issues arose and would presumably have knowledge of them, indeed, there is no claim that he did not know of the new evidence. Similar to the first three *Drapeau* factors, the last factor has not been established as well.

In sum, to succeed in a motion for a new trial, a defendant must satisfy each and every *Drapeau* element. None of those elements have been established by the Defendant in this matter and his Motion should be dismissed.

II. The second basis alleged by the Defendant as grounds for a new trial is that the verdict is contrary to law or evidence. A motion for a new trial on the basis that "the verdict is

BRIEF IN OPPOSITION TO MOTION FOR NEW TRIAL: 8

contrary to law or evidence” ordinarily “applies to circumstances in which the defendant asks the court to overrule the verdict of the jury.” *State v. Olson*, 119 Idaho 370, 372 (Ct. App. 1991).

This may be construed as a claim that there was not substantial evidence to support the verdict of the jury. *Id.*

The appropriate legal standard of a claim based upon insufficient evidence under I.C.R. 34 is “whether a reasonable mind would conclude that the defendant’s guilt as to each material element of the offense was proven beyond a reasonable doubt.” *State v. Hamilton*, 129 Idaho 938, 941 (Ct. App. 1997). In assessing such a claim a court should “give full consideration to the right of the jury to determine the credibility of witnesses, the weight to be afforded evidence, as well as the right to draw all justifiable inferences from the evidence before them.” *Id.* In addition, “the evidence is viewed in the light most favorable to the prosecution.” *Olson*, 119 Idaho at 372. The issue of whether there existed a sufficient factual basis for the jury’s verdict has been addressed under the third *Drapeau* element and will not be reiterated.

III. The third basis alleged for a new trial is that the court misdirected the jury or erred in some fashion. An error of law by the trial court can provide grounds for a new trial under I.C. § 19-2406(5): “[A]dmission of irrelevant evidence” at trial can be an error of law under this specific subsection. *Carlson*, 134 Idaho at 397. In our matter, all the documentary and testimonial evidence admitted at trial were both relevant and probative of the charged offenses and were properly admitted.

The appropriate standard for assessing whether to grant a new trial based upon erroneous jury instructions is straightforward:

If the instructions taken as a whole, and not individually, fairly and adequately present the issues, state applicable law, and do not mislead the jury or prejudice a

party, then there is no reversible error. *State v. Armstrong*, 142 Idaho 62, 64 (Ct. App. 2005).

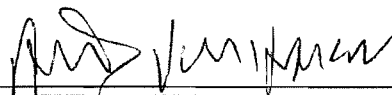
Defendant has argued that the instructions “did not assert specific crimes for which Jerry could focus his defense.” The jury instructions utilized by the Court were instructions specifically recommended by the Idaho Supreme Court for use in theft cases. The Court did not stray or deviate from those approved instructions. Because the instructions given to the jury were appropriate, there is no basis to conclude that the jury was either misled or the Defendant prejudiced.

IV. The final basis for a new trial is that the jury was guilty of misconduct. That argument is neither supported by a factual basis nor legal argument, beyond the broad assertion in Defendant’s Amended Motion for a New Trial, and should be summarily denied.

CONCLUSION

For the above reasons, the state respectfully requests the Court deny the Defendant’s Motion for a New Trial.

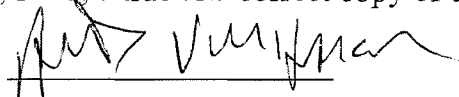
DATED this 28 day of January, 2011.



ARTHUR VERHAREN
Deputy Prosecuting Attorney

CERTIFICATE OF MAILING

I hereby certify that on the 28 day of January, 2011, a true and correct copy of the foregoing was caused to be FAXED to Mark Jackson.



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Corporate Card Statement of Account

Sign-up For Online Statements

www.americanexpress.com/checkyo

Prepared For JERRY HILL NW GMAC REAL ESTATE

Account Number 3796-088769-31000

Closing Date 06/28/05

Page 1 of 2

Summary table with columns: Previous Balance \$, New Charges \$, Other Debits \$, Payments \$, Other Credits \$, Balance Due \$. Values: 307.22, 2,076.29, 0.00, 307.22, 0.00, 2,076.29.

For important informat regarding your accoun refer to page 2.

Please submit all outstanding expenses.

Contact us at www.americanexpress.com/checkyourbill or call Customer Service at 1-800-528-2122.

Activity

Date reflects either transaction or posting date

Activity table with columns: Card Number, Reference Code, Amount. Includes transactions for PAYMENT RECEIVED, CHIMNEY ROCK CAFE, ALL BOXES DIRECT, COEUR D ALENE POWER.

PLAINTIFF'S EXHIBIT NO. 3 IDENTIFICATION/EVIDENCE CASE NO. DATE:

Please fold on the perforation below, detach and return with your payment

Payment Coupon

Account Number 3796-088769-31000

Payable upon receipt in U.S. Dollars.

JERRY HILL NW GMAC REAL ESTATE 1900 NORTHWEST BLVD COEUR D ALENE ID 83814

Total Amount Due \$2,076.29

Please enter account number on all checks at correspondence.

Checks or drafts must be drawn against banks located in the U.S.

Check here if address, telephone number, or e-mail address has changed. Note changes reverse side.

Mail Payment to:

AMERICAN EXPRESS PO BOX 360001 FT LAUDERDALE FL 33336-0001



0000379608876931000 000207629000207629 28HH

594

Handwritten mark

C:BR	D:BR	Run	Batch	Sequence	App	C/D	Serial	Transit	Account	Trancode	Amount	PKT
0	0	2	55	113900		D	39179	12310373	038447	0	2,076.29	0
Date	EIP	Status	Work	Type	On	Flag	Tell	EIB	Reason			
07/18/2005												

GMAC REAL ESTATE NORTHWEST
 1900 NORTHWEST BLVD
 COEUR D'ALENE, ID 83814-2615
 (208) 667-1505

IDAHO INDEPENDENT BANK
 BOISE, ID 83702
 92-373/1231

39179

7/11/2005

PAY TO THE ORDER OF American Express

\$ **2,076.29

Two Thousand Seventy-Six and 29/100*****

DOLLARS

American Express
 P.O. Box 360001
 Ft Lauderdale, FL 33336

3796-088769-31000

MEMO

Jerry A Hill

⑈039179⑈ ⑆⑆123103732⑆ 0100038447⑆ ⑆0000207629⑆

0333461491
 1230-0001-3 07182005
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Deputy Clerk

FOR OR SIGN BEYOND THIS LINE

Bank Account: CASH:IB-Ctg 38447 Ending Balance: -37,076.60

Pay to the Order of: <input type="text" value="American Express"/>		No. 39179
Date: 07/11/2005		
Amount: \$ 2,076.29		
Two thousand seventy-six and 29/100 Dollars		
Address: American Express P.O. Box 36000 Ft. Lauderdale, FL 33336		CLEARED
Memo: 3796-088769-31000		



Expenses \$2,076.29 Items \$0.00 To be printed

Account	Amount	Memo
Supplies	2,076.29	ACCT 3796-088769-31000

Corporate Card Statement of Account

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Prepared For JERRY HILL NW GMAC REAL ESTATE

Account Number 3796-088769-31000

Closing Date 10/28/05

Summary table with columns: Previous Balance \$ (884.16), New Charges \$ (3,000.00), Other Debits \$ (0.00), Payments \$ (884.16), Other Credits \$ (0.00), Balance Due \$ (3,000.00)

For important information regarding your account refer to page 2.

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For assistance or questions about your account, contact us at www.americanexpress.com/checkyourbill or call Customer Service at 1-800-528-2122.

Important Information - US Airways Dividend Miles Program

In conjunction with the planned merger of America West Airlines and US Airways, effective January 1, 2006, US Airways will no longer participate in the Membership Rewards program...

Please call 1-800-AXP-EARN if you have any questions.

Activity

Date reflects either transaction or posting date

Activity table with columns: Card Number 3796-088769-31000, Reference Code, Amount. Includes transactions for 09/30/05, 10/09/05, and 10/08/05.

PLAINTIFF'S EXHIBIT NO. 5 IDENTIFICATION/EVIDENCE CASE NO. DATE:

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Payment Coupon

Account Number 3796-088769-31000

Payable upon receipt in U.S. Dollars.

JERRY HILL NW GMAC REAL ESTATE 1900 NORTHWEST BLVD COEUR D ALENE ID 83814

Total Amount Due \$3,000.00

Please enter account number on all checks a correspondence.

Checks or drafts must be drawn against banks located in the U.S.

Check here if address, telephone number, or e-mail address has changed. Note changes reverse side.

Mail Payment to:

AMERICAN EXPRESS PO BOX 360001 FT LAUDERDALE FL 33336-0001



C:BR	D:BR	Run	Batch	Sequence	A	C/D	Serial	Transi	Account	Trancode	Amount	Pkt
0	0	4	40	95610		D	40372	12310373	038447	0	3,115.33	0
Date	EIP	Status	Work	Type	Onus	Flag	Telle	EIB	Reason			

11/21/2005



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 1212005
 0610-0014-6
 NT=4039 TRC=4049 PK=18

12 4012 042 379588876931000 FTL
 CR TO AMEX TRS ABSENCE OF ENDORSEMENT
 50-0001-1

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 WACHOVIA WA SNC036 DCST
 ORLANDO FL 11212005 30PK

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DO NOT WRITE START OR SIGN BELOW THIS LINE

X



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For
Y HILL
MAC REAL ESTATE

Account Number
3796-088769-31000

Closing Date
10/28/05

Page 1 of 2

Previous Balance \$	New Charges \$	Other Debits \$	Payments \$	Other Credits \$	Balance Due \$
884.16	3,000.00	0.00	884.16	0.00	3,000.00

For important information regarding your account refer to page 2

submit all outstanding expenses.

assistance or questions about your account, contact us at www.americanexpress.com/checkyourbill or call Mer Service at 1-800-528-2122.

Important Information - US Airways Dividend Miles Program

In conjunction with the planned merger of America West Airlines and US Airways, effective January 1, 2006, US Airways will no longer participate in the Membership Rewards® program and Membership Rewards points may no longer be redeemed for miles in the US Airways Dividend Miles program. All such point transfers must be completed before January 1, 2006, and are considered final and non-refundable.

call 1-800-AXP-EARN if you have any questions.

Date reflects either transaction or posting date

Account Number	Description	Date
3796-088769-31000	PAYMENT RECEIVED - THANK YOU	09/30
	PAYMENT RECEIVED - THANK YOU	10/09
	SPOKANE CHIEFS SPOKANE WA	
	000128041 ATHLETIC FIELDS, SPORTS	10/07/05
	ATHLETIC FIELDS, SPORTS	
	ROC NUMBER 00128041	

Amount \$
-102.47
-781.69
3,000.00
3,000.00
-884.16

← Log under Advertising →

Y HILL

POSTED

On the perforation below, detach and return with your payment.

N

Bank Account: CASH: IIB-Ckg 38447 Ending Balance: -37,076.60

No. 40372
 Date 11/15/2005
 Pay to the Order of American Express \$ 3,115.33
 Three thousand one hundred fifteen and 33/100 Dollars
 Address: American Express, P.O. Box 360001, Ft. Lauderdale, FL 33336
 Memo: **CLEARED**
 Order Checks

Bill Payment Information: To be printed

P...	Date Due	Vendor	Ref. No.	Bill Amt.
✓	11/15/2005	American Express	3796-088769-31000	3,000.00
✓	11/17/2005	American Express	3796-088749-31002	115.33

Bill Credit A/P Account: PAYABLES Bill Received

Bill
 Vendor: American Express Date: 10/28/2005
 Address: American Express, P.O. Box 360001, Ft. Lauderdale, FL 33336 Ref. No.: 3796-088769-31000
 Amount Due: 3,000.00
 Bill Due: 11/15/2005
 Terms:
 Memo: **PAID**

Expenses \$3,000.00 Item \$0.00

Account	Amount	Memo
Advert.	3,000.00	ADVERTISING

Corporate Card Statement of Account

Sign-up For Online Statements

www.americanexpress.com/checkyour

Prepared For JERRY HILL NW GMAC REAL ESTATE

Account Number 3796-088769-31000

Closing Date 12/30/05

Summary table with columns: Previous Balance \$, New Charges \$, Other Debits \$, Payments \$, Other Credits \$, Balance Due \$ 01/15/06, 6,116.62

Your account is 30 days past due. Please submit all outstanding expenses to avoid possible suspension.

For assistance or questions about your account, contact us at www.americanexpress.com/checkyourbill or call Customer Service at 1-800-528-2122.

Activity

Date reflects either transaction or posting date

Activity table with columns: Card Number 3796-088769-31000, Reference Code, Amount \$, and transaction details.

PLAINTIFF'S EXHIBIT NO. 6 IDENTIFICATION/EVIDENCE CASE NO. DATE:

Please fold on the perforation below, detach and return with your payment

Continued on Page 3

Payment Coupon

Account Number 3796-088769-31000

Please Pay By 01/15/06

Payable upon receipt in U.S. Dollars.

JERRY HILL NW GMAC REAL ESTATE 1900 NORTHWEST BLVD COEUR D ALENE ID 83814

Total Amount Due \$6,116.62

Please enter account number on all checks and correspondence.

Checks or drafts must be drawn against banks located in the U.S.

Check here if address, telephone number, or e-mail address has changed. Note changes on reverse side.

Mail Payment to:

AMERICAN EXPRESS PO BOX 360001 FT LAUDERDALE FL 33336-0001



0000379608876931000 000611662000559657 3044

601 21

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Prepared For
JERRY HILL
 NW GMAC REAL ESTATE

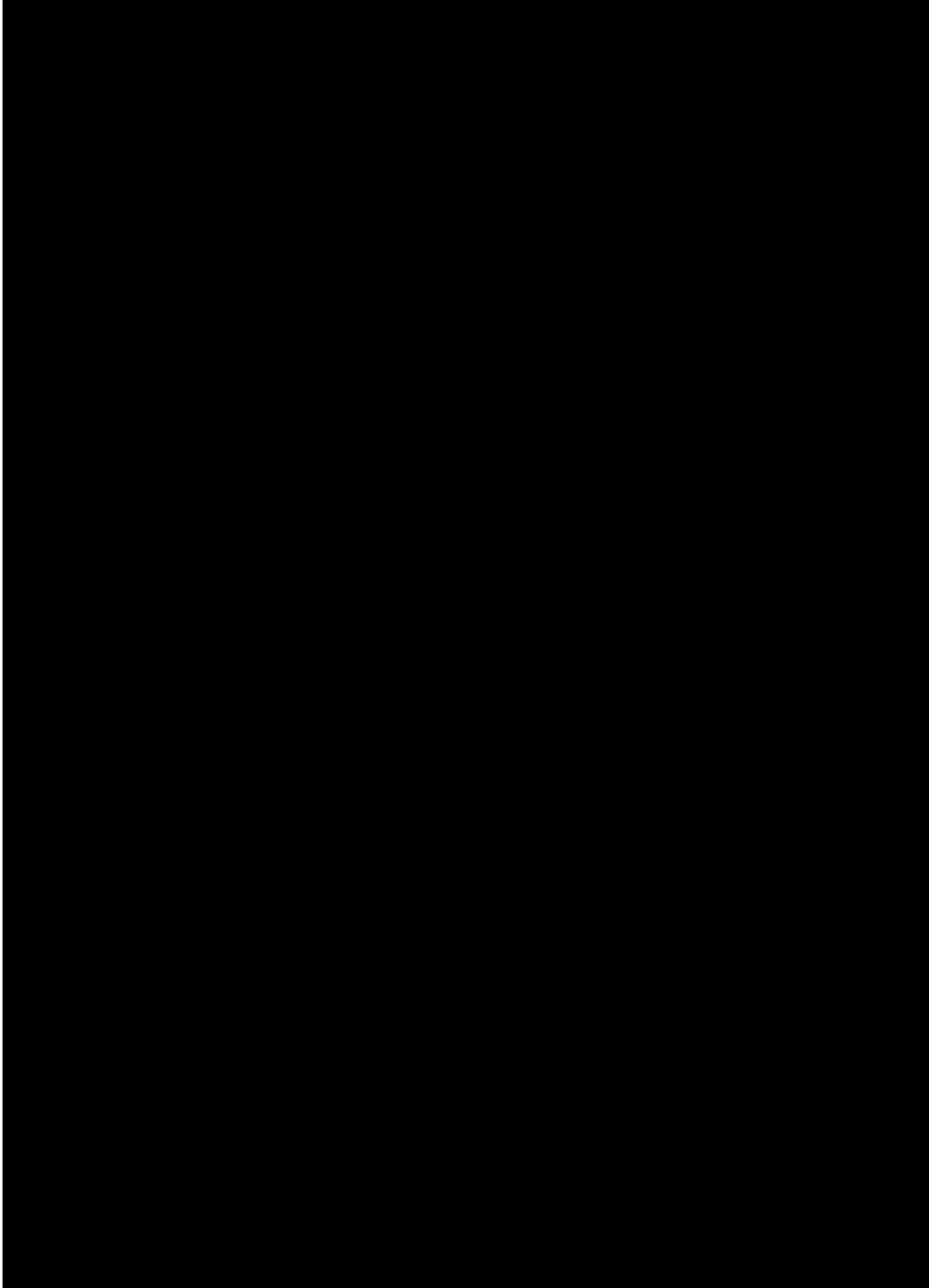
Account Number
 3796-088769-31000

Closing Date
 12/30/05

Activity Continued				Reference Code	Amount
12/23/05	BEST BUY CO	0355 SPOKANE	WA	00005501021	1,371.
	005501021	ELECTRONICS/APPLIANCES	12/22/05		
		ELECTRONICS/APPLIANCES			
		ROC NUMBER 055 01021			
12/24/05	QUALITY STOVES&HOME	POST FALLS	ID	00000006014	515.
	006014	GAS STOVES	12/23/05		
		GAS STOVES			
		ROC NUMBER 0000000033			
12/24/05	SUPERCNTR 3472	POST FALLS	ID	00048373001	197.6
	48373081	GENERAL MERCHANDISE	12/23/05		
		GENERAL MERCHANDISE			
12/28/05	ONE TIME/DISH NETWORK	800-333-3474	CO		152.9
	0930CTAPP	DISH NETWORK/ONE TIME	12/27/05		
		DISH NETWORK/ONE TIME			
Total for JERRY HILL				New Charges/Other Debits	5,596.5
				Payments/Other Credits	-800.0

602

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QR

GMAC Real Estate Northwest - QuickBooks Premier Edition 2006 (multi-user) (Sawnie) - [Bill Payments (Check)]

File Edit View Lists Company Customers Vendors Employees Banking Reports Window Help

Home Customer Center Vendor Center Employee Center Report Center Online Banking Invoice Item MemTX Check

Previous Next Print Find History

Bank Account: CASH:IB-Ckg 38447 Ending Balance: 37,076.60

No. 40765
Date 01/12/2006


Pay to the Order of American Express \$ 6,116.62

Six thousand one hundred sixteen and 62/100 Dollars

Address: American Express
P.O. Box 360001
Pt Lauderdale, FL 33336

Memo: HAND WRITTEN

CLEARED



Bill Payment Information: To be printed

P...	Date Due	Vendor	Ref. No.	Bill Amt.	Amt.
✓	01/19/2006	American Express	379608874931002	680.77	
✓	01/15/2006	American Express	31000 - JAN 06	5,596.57	

GMAC Real Estate Northwest - QuickBooks Premier Edition 2006 (multi-user) (Sawnie) - [Bill Payments (Check) - IB-Ckg 38447]

File Edit View Lists Company Customers Vendors Employees Banking Reports Window Help

Home Customer Center Vendor Center Employee Center Report Center Online Banking Invoice Item MemTX Check Bill Reg Ac

Previous Next Print Find History

Bank Account: CASH:IB-Ckg 38447 Ending Balance: 37,076.60

No. 40819
Date 01/20/2006


Pay to the Order of American Express \$ 160.72

One hundred sixty and 72/100 Dollars

Address: American Express
P.O. Box 360001
Pt Lauderdale, FL 33336

Memo:

CLEARED



Bill Payment Information: To be printed

P...	Date Due	Vendor	Ref. No.	Bill Amt.	Amt. Due
✓	01/15/2006	American Express	31000 - JAN 06	5,596.57	160.72

GWAC Real Estate & Notaries QuickBooks Premier Edition 2006 (multi-user) | Sewite | Enter Credit Card Charges | American Express | type a help question | Ask

File Edit View Lists Company Customers Vendors Employees Banking Reports Window Help

Home Customer Center Vendor Center Employee Center Report Center Online Banking Invoice Item Memo Check BB Reg Acct Rmnd Find Support

Previous Next Find Download Card Charges

Credit Card REVOLVING ACCTS: American... Ending Balance 0.00

Purchased From	DATE 12/30/2005	Ref No.
<input type="radio"/> Charge		
<input type="radio"/> Credit		
<input checked="" type="checkbox"/> PAID	AMOUNT 5,596.57	

Memo

Expenses	\$5,596.57	Reps	\$0.00
----------	------------	------	--------

ACCOUNT	Amount	Memo	Customer: Job
Travel & Ent: Meals: Hl	249.42	APPLEBEE5	
A/R: Ret	3,787.60	BEST-BUY & WOOD FURNITURE	Z: Jerry H
Supplies	521.28	OFFICE SUPPLIES	
Occupancy/Maintenance	1,038.27	STOVE	

Corporate Card Statement of Account

Sign-up For Online Statements

www.americanexpress.com/checkyourbill

Prepared For JERRY HILL NW GMAC REAL ESTATE

Account Number 3796-088769-31000

Closing Date 02/28/06

Page 1 of 3

Summary table with columns: Previous Balance \$, New Charges \$, Other Debits \$, Payments \$, Other Credits \$, Balance Due \$. Balance Due is 1,792.31.

Please submit all outstanding expenses.

For assistance or questions about your account, contact us at www.americanexpress.com/checkyourbill or call Customer Service at 1-800-528-2122.

Activity Date reflects either transaction or posting date

Main activity table with columns: Card Number 3796-088769-31000, Reference Code, Amount. Lists transactions like PAYMENT RECEIVED, TONY ROMA'S, TEXACO, ELMER'S RESTAURANT, SHELL OIL, SPOKANE ARENA, SAMUELS JEWELERS.

Please fold on the perforation below, detach and return with your payment

Payment Coupon

Account Number 3796-088769-31000

JERRY HILL NW GMAC REAL ESTATE 1900 NORTHWEST BLVD COEUR D ALENE ID 83814

PLAINTIFF'S EXHIBIT NO. 7

IDENTIFICATION/EVIDENCE CASE NO. DATE:

Total Amount Due \$1,792.31

Continued on Page 3

Payable upon receipt in U.S. Dollars.

Please enter account number on all checks and correspondence.

Checks or drafts must be drawn against banks located in the U.S.

Check here if address, telephone number, or e-mail address has changed. Note changes on reverse side.

Mail Payment to:

AMERICAN EXPRESS PO BOX 360001 FT LAUDERDALE FL 33336-0001



606

Handwritten mark

DUPLICATE COPY

Prepared For
JERRY HILL
 NW GMAC REAL ESTATE

Account Number
 3796-088769-31000

Closing Date
 02/28/06

Page 3 of 3

Activity Continued				Reference Code	Amount
02/16/06	US MINT 021523233 WWW.USMINT.GOV WWW.USMINT.GOV Government Agencies not else	LANDHAM MD	02/15/06	00021523233	424.
02/18/06	EXXONMOBIL2609733734COEUR D PAY AT PUMP2609733734 ROC NUMBER E49S317	COEUR D ID	02/17/06		56.
02/21/06	TEXACO TEXACO 93004171450052211051181 93004171450052211051181 ROC NUMBER 0094243ISL	COEUR D ALENE ID	02/20/06		90.
02/26/06	SPOKANE ARENA #200 SPOKANE 005838341 RESTAURANT RESTAURANT ROC NUMBER 1000	SPOKANE WA	02/25/06	00005838341	121.5
Total for JERRY HILL				New Charges/Other Debits Payments/Other Credits	2,312.3 -593.8

607

26

Bank Account: CASH:IB-Ckg 38447 Ending Balance: -37,076.60

No. ACH
 Date: 03/28/2006
 \$ 1,792.31
 Pay to the Order of: American Express
 One thousand seven hundred ninety-two and 31/100 Dollars
 Address: American Express, P.O. Box 350001, Ft. Lauderdale, FL 33336
 Memo: ELECTRONIC PAYMENT
 ORDER #

Expenses \$1,792.31 Items \$0.00 To be printed

Account	Amount	Memo
REVOLVING ACCTS:American Expr...	1,792.31	UNKNOWN

Credit Card: REVOLVING ACCTS:American... Ending Balance: 0.00

Purchased From: Ref No.
 Charge DATE: 02/01/2006
 Credit
 AMOUNT: 1,792.31

Memo: UNKNOWN

Expenses \$1,792.31 Items \$0.00

Account	Amount	Memo	Customer: Job
Supplies	1,792.31	SUPPLIES	Jerry H0

Corporate Card Statement of Account

Sign-up For Online Statements

www.americanexpress.com/checkyou

Prepared For: JERRY HILL, NW GMAC REAL ESTATE

Account Number: 3796-088769-31000

Closing Date: 04/29/06

Summary table with columns: Previous Balance \$, New Charges \$, Other Debits \$, Payments \$, Other Credits \$, Balance Due \$. Values: 9,594.90, 1,842.75, 0.00, 9,594.90, 0.00, 1,842.75.

Please submit all outstanding expenses.

For assistance or questions about your account, contact us at www.americanexpress.com/checkyourbill or call Customer Service at 1-800-528-2122.

Activity

Activity table with columns: Card Number, Date, Description, Reference Code, Amount. Includes entries for 04/25/06 and 04/20/06.

PLAINTIFF'S EXHIBIT NO. 8 IDENTIFICATION/EVIDENCE CASE NO. DATE:

Please fold on the perforation below, detach and return with your payment

Payment Coupon

Account Number: 3796-088769-31000

JERRY HILL, NW GMAC REAL ESTATE, 1900 NORTHWEST BLVD, COEUR D ALENE ID 83814

Payable upon receipt in U.S. Dollars.

Please enter account number on all checks and correspondence.

Total Amount Due \$1,842.75

Checks or drafts must be drawn against banks located in the U.S.

Check here if address, telephone number, or e-mail address has changed. Note changes on reverse side.

Mail Payment to:

AMERICAN EXPRESS, PO BOX 360001, FT LAUDERDALE FL 33336-0001



Y

No. ACH
Date: 05/19/2006

Pay to the Order of American Express \$ 1,842.75

One thousand eight hundred forty-two and 75/100 Dollars

Address: American Express
P.O. Box 360001
Ft. Lauderdale, FL 33336

Memo: PAYMENT

CLEARED

Order Checks

Expenses \$1,842.75 Items \$0.00 To be printed

Account	Amount	Memo
REVOLVING ACCTS:American Express - 000	921.38	PAYMENT - UNKNOWN
REVOLVING ACCTS:American Express - 000	921.37	PAYMENT - UNKNOWN

Corporate Card Statement of Account

Sign-up For Online Statements www.americanexpress.com/checkyou

Prepared For JERRY HILL NW GMAC REAL ESTATE

Account Number 3796-088769-31000

Closing Date 08/29/06

Summary table with columns: Previous Balance \$, New Charges \$, Other Debits \$, Payments \$, Other Credits \$, Balance Due \$ 5,033.98. Includes text: Please Pay By 09/14/06. For important information regarding your account refer to page 2.

Your account is 30 days past due. Please submit all outstanding expenses to avoid possible suspension.

For assistance or questions about your account, contact us at www.americanexpress.com/checkyourbill or call Customer Service at 1-800-528-2122.

Activity Date reflects either transaction or posting date

Activity table with columns: Card Number 3796-088769-31000, Reference Code, Amount. Rows include: 07/30/06 ANNUAL MEMBERSHIP RENEWAL FEE 35.00, 07/31/06 COSTCO WHSE #00670 SPOKANE WA 65.00, 07/31/06 COSTCO WHSE #00670 SPOKANE WA 4,391.91, 08/22/06 COSTCO WHSE #00773 COEUR D ALENE ID 170.57.

PLAINTIFF'S EXHIBIT NO. IDENTIFICATION/EVIDENCE CASE NO. DATE:

Please fold on the perforation below, detach and return with your payment

Payment Coupon

Account Number: 3796-088769-31000

Please Pay By 09/14/06 Payable upon receipt in U.S. Dollars.

JERRY HILL NW GMAC REAL ESTATE 1900 NORTHWEST BLVD COEUR D ALENE ID 83814

Total Amount Due \$5,033.98 Checks or drafts must be drawn against banks located in the U.S.

Check here if address, telephone number, or e-mail address has changed. Note changes on reverse side.

Mail Payment to:

AMERICAN EXPRESS PO BOX 360001 FT LAUDERDALE FL 33336-0001



0000379608876931000 000503398000462755 29HH

611

Handwritten initials

Corporate Card Statement of Account

Sign-up For Online Statements

www.americanexpress.com/checkyou

Prepared For JERRY HILL NW GMAC REAL ESTATE

Account Number 3796-088769-31000

Closing Date 09/29/06

Page 1 of 2

Summary table with columns: Previous Balance \$, New Charges \$, Other Debits \$, Payments \$, Other Credits \$, Balance Due \$ 10/15/06, and Total Balance 5,768.49.

Your account is 60 days past due. Submit all outstanding expenses to avoid possible cancellation.

For assistance or questions about your account, contact us at www.americanexpress.com/checkyourbill or call Customer Service at 1-800-528-2122.

Activity

Date reflects either transaction or posting date

Activity table with columns: Date, Description, Reference Code, Amount. Includes entries for Costco Wholesale Clubs and a delinquency charge.

Please fold on the perforation below, detach and return with your payment

Payment Coupon

Account Number 3796-088769-31000

Please Pay By 10/15/06

Payable upon receipt in U.S. Dollars.

JERRY HILL NW GMAC REAL ESTATE 1900 NORTHWEST BLVD COEUR D ALENE ID 83814

Total Amount Due \$5,768.49

Please enter account number on all checks and correspondence.

Checks or drafts must be drawn against banks located in the U.S.

Check here if address, telephone number, or e-mail address has changed. Note changes on reverse side.

Mail Payment to:

AMERICAN EXPRESS PO BOX 360001 FT LAUDERDALE FL 33336-0001



Corporate Card Statement of Account

Sign-up For Online Statements www.americanexpress.com/checkyo

Prepared For JERRY HILL NW GMAC REAL ESTATE

Account Number 3796-088769-31000

Closing Date 10/29/06

Summary table with columns: Previous Balance \$, New Charges \$, Other Debits \$, Payments \$, Other Credits \$, Balance Due \$. Values: 5,768.49, 0.00, 0.00, 5,768.49, 0.00, 0.00.

Please submit all outstanding expenses.

For assistance or questions about your account, contact us at www.americanexpress.com/checkyourbill or call Customer Service at 1-800-528-2122.

Activity Date reflects either transaction or posting date

Activity table with columns: Card Number, Reference Code, Amount. Includes entry for 10/28/06 COMPUTER PAYMENT RECEIVED - THANK YOU.

Please fold on the perforation below, detach and return with your payment

Payment Coupon

Account Number 3796-088769-31000

Payable upon receipt in U.S. Dollars.

JERRY HILL NW GMAC REAL ESTATE 1900 NORTHWEST BLVD COEUR D ALENE ID 83814

Total Amount Due \$0.00

Please enter account number on all checks and correspondence.

Checks or drafts must be drawn against banks located in the U.S.

Check here if address, telephone number, or e-mail address has changed. Note changes on reverse side.

Mail Payment to:

AMERICAN EXPRESS PO BOX 360001 FT LAUDERDALE FL 33336-0001



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GMAC Real Estate Northwest - QuickBooks Premier Edition 2006 (multi-user) (Sawnie) - [Bill Payments (Ch...

File Edit View Lists Company Customers Vendors Employees Banking Reports Window Help

Home Customer Center Vendor Center Employee Center Report Center Online Banking Invoice Item MemTx

Previous Next Print Find History

Bank Account: CASH:IB-Ckg 38447 Ending Balance: 37,076.60

No. ach
Date: 10/24/2006
Pay to the Order of: American Express \$ 5,768.49
Five thousand seven hundred sixty-eight and 49/100 Dollars
Address: American Express, P.O. Box 360001, Ft. Lauderdale, FL 33336
Memo: **CLEARED**
Order Checks

Bill Payment Information: To be printed

P...	Date Due	Vendor	Ref. No.	Bill Amt.
✓	10/19/2006	American Express	3796-088769-31000	5,768.49

GMAC Real Estate Northwest - QuickBooks Premier Edition 2006 (multi-user) (Sawnie) - [Enter Bills - PAYA...

File Edit View Lists Company Customers Vendors Employees Banking Reports Window Help

Home Customer Center Vendor Center Employee Center Report Center Online Banking Invoice Item MemTx

Previous Next Find History

Bill Credit A/P Account: PAYABLES Bill Received

Bill
Vendor: American Express Date: 10/29/2006
Address: American Express, P.O. Box 360001, Ft. Lauderdale, FL 33336 Ref. No.: 3796-088769-31000
Amount Due: 5,768.49
Bill Due: 10/19/2006
Terms: **PAID**

Expenses \$5,768.49 Items \$0.00

Account	Amount	Memo
REVOLVING ACCTS: American Express - 000	5,768.49	ACCT 3796-088769-31000

PLAINTIFF'S
EXHIBIT NO. 10

IDENTIFICATION/EVIDENCE

CASE NO. _____

DATE: _____

Date of Charge	Invoice or Reference Number	Vendor Name	Amount	Date of Payment	Check # Paid	A/C # Charged To on Books
12/19/04	124728640	Costco Wholesale	\$2,078.19	01/14/05	37364	Shareholder Receivable: Jerry Hill
12/21/04	204142310	Costco Wholesale	\$116.01	01/14/05	37364	Shareholder Receivable: Jerry Hill
12/23/04	49021059	Bath & Body	\$41.54	01/14/05	37364	Shareholder Receivable: Jerry Hill
12/23/04	000572144	Sears Robuck	\$244.84	01/14/05	37364	Shareholder Receivable: Jerry Hill
12/23/04	00106044	Sears Robuck	\$638.99	01/14/05	37364	Shareholder Receivable: Jerry Hill
02/20/05	005246568	Casual Male	\$315.70	03/21/05	37928	Shareholder Receivable: Jerry Hill
02/20/05	771132154	Macy's	\$315.10	03/21/05	37928	Shareholder Receivable: Jerry Hill
04/16/05	047930442	Outback Steakhouse	\$157.31	05/11/05	38447	Shareholder Receivable: Jerry Hill
06/03/05	053992863	Coeur d'Alene Power Tool	\$1,915.94	07/11/05	39179	Supplies
07/02/05	026254375	Mor Furniture	\$1,862.16	08/17/05	39552	Shareholder Receivable: Jerry Hill
07/02/05	026254376	Mor Furniture	\$3,406.44	08/17/05	39552	Shareholder Receivable: Jerry Hill
04/02/05	026254384	Mor Furniture	\$500.00	08/17/05	39552	Shareholder Receivable: Jerry Hill
07/05/05	058773083	Great Floors	\$3,878.35	08/17/05	39552	Shareholder Receivable: Jerry Hill
07/13/05	14173400	Costco Wholesale	\$64.90	08/17/05	39552	Shareholder Receivable: Jerry Hill
09/15/05	180235300	Costco Wholesale	\$189.12	10/06/05	40014	Supplies: Vending Machine
10/07/05	000128041	Spokane Chiefs	\$3,000.00	11/15/05	40372	Advertising
10/29/05	181317740	Costco Wholesale	\$115.33	12/23/05	40601	Supplies
10/30/05	6170CTAPP	Dish Network	\$193.37	12/23/05	40601	A/R: Jerry Hill
11/08/05	173147330	Costco Wholesale	\$109.87	12/23/05	40601	Supplies & A/R: Jerry Hill
11/21/05	132403800	Costco Wholesale	\$280.58	12/23/05	40601	A/R: Jerry Hill
11/23/05	000104352	Best Buy	\$316.49	12/23/05	40601	A/R: Jerry Hill
11/26/05	130308400	Costco Wholesale	\$102.94	12/23/05	40601	Supplies
11/27/05	38817161	Walman	\$101.52	12/23/05	40601	Supplies
12/18/05	099944108	Famous Footwear	\$179.31	01/12/06	40765	Supplies
12/17/05	058199145	Wild West Log Furniture	\$1,100.04	01/12/06	40765	A/R: Jerry Hill
12/22/05	000307854	Best Buy	\$1,316.17	01/12/06	40765	A/R: Jerry Hill
12/22/05	005501021	Best Buy	\$1,371.39	01/12/06	40765	A/R: Jerry Hill
12/23/05	00060414	Quality Stoves & Home	\$515.37	01/12/06	40765	Occupancy: Maintenance
12/24/05	09300TAPP	Dish Network	\$152.98	01/12/06	40765	Supplies
12/31/05	073434382	Wild West Log Furniture	\$77.70	02/13/06	40976	A/R: Jerry Hill
01/05/06	000000113	Reserve-USA	\$37.00	02/13/06	40976	A/R: Jerry Hill
01/05/06	000000132	Reserve-USA	\$79.00	02/13/06	40976	A/R: Jerry Hill
01/05/06	000000005	Reserve-USA	\$79.00	02/13/06	40976	A/R: Jerry Hill
01/23/06	0002954308	Spokane Arena	\$346.15	04/20/06	40976	Travel & Ent: Entertainment
02/15/06	004443446	Spokane Arena	\$200.04	03/28/06	ACH	Supplies
02/13/06	009408076	Samuels Jewelers	\$190.69	03/28/06	ACH	Supplies
02/25/06	00583884	Spokane Arena	\$121.93	03/28/06	ACH	Supplies
03/06/06	140000003	Select Comfort	\$491.08	04/21/06	41501	Travel & Ent: Entertainment
03/06/06	140000006	Select Comfort	\$4,514.98	04/21/06	41501	Travel & Ent: Entertainment
03/18/06	0000000010	Spokane Chiefs	\$500.00	04/21/06	41501	Travel & Ent: Entertainment
03/28/06	008651252	Mountain Comfort	\$3,030.30	04/21/06	41501	Supplies
03/28/06	008651253	Mountain Comfort	\$45.00	04/21/06	41501	Supplies
04/19/06	078710129	LA Weight Loss	\$1,842.75	05/18/08	ACH	Revolving Account: American Express
05/23/06	140616350	Costco Wholesale	\$130.11	06/28/06	41958	Supplies: Vending Machine & Travel & Ent: Meals
07/01/06	00000000007	Highlands Day Spa	\$120.00	10/28/06	ACH	A/R: Jerry Hill
07/01/06	131721030	Costco Wholesale	\$261.43	10/28/06	ACH	Supplies
07/30/06	180140200	Costco Wholesale	\$65.00	10/28/06	ACH	A/R: Jerry Hill
07/30/06	175422210	Costco Wholesale	\$4,391.98	10/28/06	ACH	A/R: Jerry Hill
08/21/06	14542250	Costco Wholesale	\$170.57	10/28/06	ACH	A/R: Jerry Hill
09/03/06	144933950	Costco Wholesale	\$585.04	10/28/06	ACH	A/R: Jerry Hill

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
2/5/05	13	17767	KS COLOMBIAN COFFEE 3# P252	1	\$5.99
2/5/05	13	17767	KS COLOMBIAN COFFEE 3# P252	4	\$23.86
2/5/05	14	20052	BOUNTY PAPER TOWEL 12 CT 90 SHEETS P20	1	\$13.49
2/5/05	12	30426	SHULTZ MINI PRETZELS 6 LB #96201 P90 T30H3	3	\$9.87
2/5/05	14	40857	DIXIE 3 OZ COLD CUP P224 600 CT	1	\$5.49
2/5/05	13	48445	N'JOY CREAMER 8/16Z P126	1	\$6.85
2/5/05	93	107824	KS IBUPROFEN 200MG 2X500 TABLET T8 MPK12	1	\$8.85
2/5/05	13	620048	ANNA'S GINGER THINS 6/5.25OZ P=288	1	\$5.89
2/5/05	12	668947	ACT II BUTTER LOVERS 36CT P108 T18H6	1	\$7.79
2/5/05	33	791256	JLDXPP/CL003AP JUICER JACK LALANNE P=22	1	\$99.99
					\$187.97
					6.50%
					\$200.19

37527 \$200.19

GMAC REAL ESTATE NORTHWEST
1900 NORTH WEST BLVD
COVINGTON, LA 70022
713-835-1000

CARD # 37527

2/5/05

MEMO

37527

200.19

DOLLARS

Jerry A. Hill

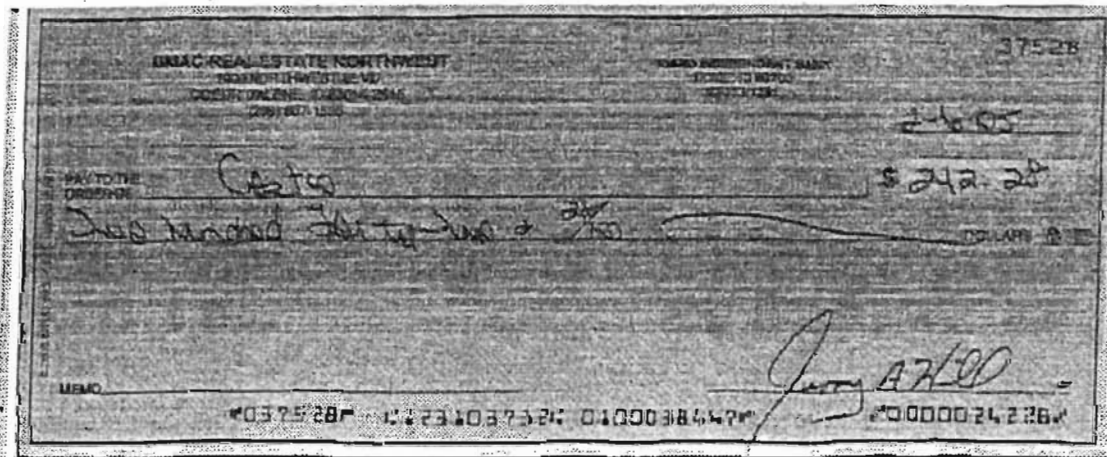
MEMO

7138351000 0267403720 0100038447 4725704

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
2/5/05		19	21031 SUSHI PLATTER 3/42 OZ	1	\$11.99
2/5/05		20	25159 M3 POWER CARTRIDGES 16CT	1	\$31.99
2/5/05		20	31218 CREST WHITENING EXPRESS CINNAMON 3PK/7.8 OZ.P=300	1	\$7.99
2/5/05		33	200225 FOOD SAVER MACHINE M#1085 W/ 3 CANNISTERS+BAGS P=30	1	\$129.99
2/5/05		14	480929 LITTER PURRFECT 30 LBS SCOOPABLE CAT LITTER P80	1	\$6.25
2/5/05		32	660308 CERTIFIED WAITERS 7PC SERVE SET	1	\$19.79
2/5/05		22	719505 KRACO KW2504 4 PC CAR MAT ALL-SEASON TAN T28H2P56	1	\$19.48
					\$227.49
					8.5%
					\$242.28

37528 \$242.28



02/08/2005 #37528

\$242.28

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
2/25/05	13	1367	PEANUT BUTTER CMBO PK 39Z P164	1	\$7.35
2/25/05	13	10235	ALFREDO PASTA 44.7OZ P=240	1	\$6.99
2/25/05	14	18695	CHINET LUNCH PLATE 8.75" 225 CT P92	1	\$10.79
2/25/05	12	24101	HERSHEY SPRG ASST 60 OZ #13119 P240 T10 H3	1	\$9.99
2/25/05	13	28612	NESTLE TOLLHOUSE 60 OZ P=400	1	\$5.99
2/25/05	13	28417	BC CHEDR BROCCOLI 33.9OZ P-294	1	\$6.89
2/25/05	20	44162	SERIES AP/DEO GEL 3/ 4 OZ	1	\$6.99
2/25/05	18	44952	FRNCH ONION SOUP 15/4-10Z T4H6 PLATS DU CHEF	1	\$7.49
2/25/05	14	50787	KS KITCHEN BAG 200/13 GAL .90 MIL P140	1	\$11.39
2/25/05	20	56580	IRISH SPRING 16PK-4.5 OZ ALOE #05663	1	\$5.99
2/25/05	13	85430	BIGG TRIPLE PK 38.5Z P144	1	\$6.25
2/25/05	14	171737	TIDE LIQUID 98 LOADS 300 OZ P80	1	\$17.99
2/25/05	14	379338	LYSOL CRISP LINEN 3/19 OZ P256T64H4	2	\$19.76
2/25/05	20	617149	CROSS ACTION VITALIZER 5 PACK	1	\$12.99
2/25/05	24	719813	SONY RMVL1000/B UNIVERSAL REMOTE CONTROL (T32H3P96)	1	\$39.97
2/25/05	12	741136	BUG CATCHER 2.32LB T30H3 P90	2	\$27.98
2/25/05	14	759234	DOWNY PRESS-TAB 160 OZ 160 USE P90	1	\$10.59
2/25/05	14	775469	ZIPFIZZ CITRUS 20CT, PKT ENERGY DRINK MIX	1	\$19.99
2/25/05	14	804658	FEBREZE ALLERGEN REDUCER 2/27.04 OZ, SPRAY P=192	1	\$7.89
2/25/05	13	873007	CHICKEN AND DUMPLINGS KIT	1	\$7.65
					\$250.94
					6.5%
					\$267.25
					37690
					\$267.25

37690

GNAC REAL ESTATE NORTHWEST
990 NORTH WASHINGTON ST
SEATTLE, WA 98104
(206) 901-3300

DAVID BROWN RENTAL BANK
9700 1ST AVE S
SEATTLE, WA 98148
(206) 261-1231

2/25/05

PAY TO THE ORDER OF *David Brown*

Linda Browning

\$ 267.25

[Signature]

MEMO

⑆037690⑆ ⑆0123403732⑆ 0100038447⑆ ⑆0000026725⑆

03/01/2005 #37690

\$267.25 C

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
3/8/05	27	10509	GROWERS BUNCH	1	\$8.99
3/8/05	20	15241	DIAL ANTIBAC LIQUID 128OZ SOAP 128 OZ	1	\$6.99
3/8/05	14	20052	BOUNTY PAPER TOWEL 12 CT 90 SHEETS P20	2	\$26.98
3/8/05	14	171737	TIDE LIQUID 96 LOADS 300 OZ P80	1	\$17.99
3/8/05	33	793378	MR COFFEE 12 CUP BREWER ISS12/13PAL P=48 AUTO-OFF	1	\$18.99
3/8/05	32	803168	MERCURIES 3P CANISTER SET METAL BASE #496580 P=18	1	\$24.99
3/8/05	32	B04666	KITCHENAID 7PC BAKEWARE NON-STICK STEEL P=36	1	\$39.99
					\$144.92
					6.5%
					\$154.34
					37826 \$154.34

GMAC REAL ESTATE NORTHWEST
1900 NORTHWEST BLVD
COLEVILLE, WASH 98114
(206) 467-1695

37826

PAY TO THE ORDER OF CASH \$154.34

MEMO On Annual Salary Increase 3%

MEMO Jan A Hill

⑆037826⑆ ⑆123403733⑆ 0100038447⑆ ⑆0000075434⑆

03/10/2005 #37826

\$154.34

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
3/28/05	13	17767	KS COLOMBIAN COFFEE 3# P252	6	\$38.10
3/28/05	14	18695	CHINET LUNCH PLATE 8.75" 225 CT P92	1	\$10.79
3/28/05	14	20052	BOUNTY PAPER TOWEL 12 CT 90 SHEETS P20	1	\$13.49
3/28/05	14	20052	BOUNTY PAPER TOWEL 12 CT 90 SHEETS P20	1	\$13.49
3/28/05	14	24860	SOLO WHT CUP 8 OZ 200 CT C37BW P84	1	\$5.89
3/28/05	14	33911	ULTRA CHARMIN JUMBO 30CT 250 SH 937.5 SQ FT P30	2	\$31.38
3/28/05	13	48445	N'JOY CREAMER 8/16Z P126	1	\$6.65
3/28/05	14	384324	KS 33 GAL DRAWSTRNG 90 CT 1.2MIL P = 124	1	\$13.49
3/28/05	13	641825	NONNI BISCOTI W/CHOC 26CT 34.5Z P210	2	\$19.00
3/28/05	14	870893	WILD VIOLETS PARTY PACK 201 CT P76	1	\$12.99
					\$166.25
					6.5%
					\$177.06
					37891 \$177.06

37891

GMAC REAL ESTATE NORTHWEST
1800 NORTHWEST BLVD
DORSET VILAGE / DORSET VILAGE
DORSET VILAGE

STATEMENT OF ACCOUNT

3/28/05

PAY TO THE ORDER OF State \$177.06

One hundred Seventy Seven and 00/100

MEMO

177780000 77067

177780000 77067

177780000 77067

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
3/28/05	17	12	MILK NONFAT 2/1 GALLON DOM 22 DAYS	1	\$3.65
3/28/05	13	426	CP SMOKED OYSTERS 6/3.75Z CROWN PRINCE #650	1	\$6.85
3/28/05	18	3040	RED BARON PIZZA 6/8-6Z 5" SCHWAN'S DEEP DISH T7 H6	1	\$9.89
3/28/05	18	5165	MINH PORK EGGROLLS 18/3Z 54OZ T7H7	1	\$6.89
3/28/05	13	8525	CAMPBL V-8 JUICE 24/11.5Z #8525 P100	1	\$12.49
3/28/05	18	10354	CHICKEN W/RICE 9/2-2 LBS MILTON'S T6 H5	1	\$9.99
3/28/05	18	16870	SHRIMP SCAMPI 12/2 LB SEAPAK 8X8	1	\$10.79
3/28/05	18	16870	SHRIMP SCAMPI 12/2 LB SEAPAK 8X8	1	\$10.79
3/28/05	18	17611	COCONUT SHRIMP 12/2# MARGARITAVILLE 24/30 4X5	1	\$12.99
3/28/05	63	19927	CAESAR SALAD WITH CAESAR DRESSING	1	\$7.32
3/28/05	18	20745	LASAGNA MEAT SCE 6/2-4OZ MILTON'S T6 H7 P42	1	\$9.99
3/28/05	18	21357	CHICK TRYK BWLS 6/6-12.5Z DELIMEX T5 H3	1	\$8.89
3/28/05	14	24860	SOLO WHIT CUP 8 OZ 200 CT C378W P84	1	\$5.89
3/28/05	17	28336	IMITATION CRABMEAT 8/4LB T10H4	1	\$7.85
3/28/05	14	33911	ULTRA CHARMIN JUMBO 30CT 250 SH 937.5 SQ FT P30	1	\$15.69
3/28/05	13	38400	KS SPORT DRINK VAR 24/2OZ P54	1	\$9.99
3/28/05	13	52430	PROPEL FIT.WATER 24/16.9Z P60 #52430 500ML T10H6	1	\$11.99
3/28/05	19	67917	TILLAMOOK MED SLICES 2LB 12/2LB T15H6 SL120	1	\$6.29
3/28/05	17	70000	KS BACON 4#CENTER CUT SL6D T6H11 P66	1	\$9.69
3/28/05	63	87745	ROTISSERIE CHICKEN	2	\$9.98
3/28/05	17	80097	X-LARGE EGGS 2DZ GRADE AA *BBS*	1	\$1.95
3/28/05	18	386868	KS CHICKEN BAKE 8/6-8 OZ FOSTER FARMS T10H5	1	\$9.99
3/28/05	13	754400	NABISCO RITZ CRACKER 48OZ T32XH5 P16D	1	\$5.78
3/28/05	32	843915	2.7OT TEA KETTLE WITH WHISTLE T4H2 P86	1	\$15.79
					\$221.52
					6.5%
					\$235.92
					37990 \$235.92

37990

GNAC REAL ESTATE NORTHWEST
1900 NORTHWEST BLVD
CORVALLIS, OR 97331-2618
(503) 837-1525

BOARD OF REALTORS BANK
SCHOOL DISTRICT
SCHOOL DISTRICT

3-28-05
\$235.92

TRAY TO THE ORDER OF *Carter*

John Andrew Chastity June + 1/2

MEMO

Jerry A. Hill

03/31/2005 #37990

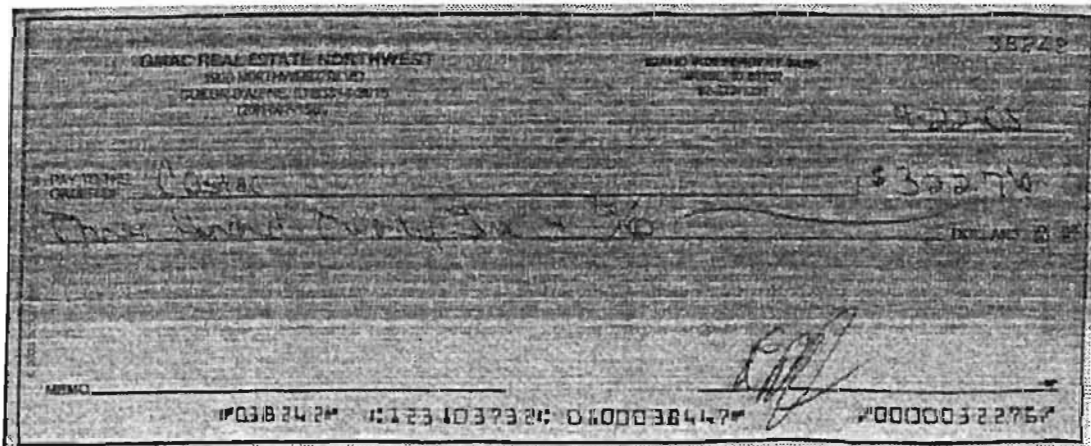
\$235.92

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
4/22/05		13	426 CP SMOKED OYSTERS 6/3.75Z CROWN PRINCE #650	1	\$6.85
4/22/05		18	5165 MINH PORK EGGROLLS 18/3Z 64OZ T7H7	2	\$13.98
4/22/05		18	10354 CHICKEN W/RICE 9/2-2 LBS MILTON'S T6 H5	1	\$9.99
4/22/05		19	10713 GUACAMOLE 12-4/12 OZ T11 SL21	1	\$6.89
4/22/05		61	11017 PORK LOIN MARINATED GARLIC AND ONION	1	\$11.81
4/22/05		62	12094 GARLIC BREAD 2/20OZ LOAVES	1	\$3.99
4/22/05		13	15685 CRM OF MUSHROOM 10/10.75Z P288	1	\$6.99
4/22/05		18	16870 SHRIMP SCAMPI 12/2 LB SEAPAK 8X8	1	\$10.79
4/22/05		12	18408 KS MIXED NUTS 2.5LBS P432	2	\$19.98
4/22/05		14	20052 BOUNTY PAPER TOWEL 12 CT 90 SHEETS P20	2	\$26.98
4/22/05		18	21357 CHICK TRYK BWLS 6/6-12.5Z DELIMEX T5 H3	1	\$8.89
4/22/05		14	24860 SOLO WHT CUP 8 OZ 200 CT C378W P84	1	\$5.89
4/22/05		14	24860 SOLO WHT CUP 8 OZ 200 CT C378W P84	1	\$5.89
4/22/05		12	27049 DORITO NACHO CHEESE 21.5Z #1551	1	\$3.69
4/22/05		13	30139 CINNAMON PULL APART 33.6 OZ	1	\$7.99
4/22/05		17	35975 HALF & HALF 64Z	1	\$2.39
4/22/05		65	38742 FRESH CORN ON COB	1	\$4.99
4/22/05		13	44219 COS SOLID WHT TUNA 12/6 P392/98C	1	\$10.99
4/22/05		13	50418 SWANSN CHK BROTH 12/14Z #14088 P170	1	\$6.99
4/22/05		13	51070 KS CHICKEN 6/12.5Z WHITE MEAT P=288	1	\$9.99
4/22/05		65	82012 STRAWBERRIES	1	\$5.99
4/22/05		14	171737 TIDE LIQUID 96 LOADS 300 OZ P80	1	\$17.99
4/22/05		33	349279 TILA 6PK FOODSAVER BAGS #00143 2-8"/4-11" P112	1	\$39.99
4/22/05		12	366858 RUFFLES POTATO CHIPS 20Z P160	1	\$2.99
4/22/05		12	366858 RUFFLES POTATO CHIPS 20Z P160	1	\$2.99
4/22/05		14	416728 DOWNY LIQUID 135Z APRIL FRESH SCENT P160	1	\$8.99
4/22/05		14	460929 LITER PURRFECT 30 LBS SCOOPABLE CAT LITTER P80	1	\$6.25
4/22/05		13	679566 SESAME DRESSING 32 OZ *FEAST FROM THE EAST P480	1	\$4.99
4/22/05		20	762607 SPONGEBOB/DORA STRAW CUPS STRAW CUP 4/10OZ P=180	1	\$12.99
4/22/05		31	765937 OLIVIA BLUE GIRLS DRESS SIZES: 2T-6X	1	\$6.97
4/22/05		31	765937 OLIVIA BLUE GIRLS DRESS SIZES: 2T-6X	1	\$6.97

\$303.06
6.5%
\$322.76

38242 \$322.76



04/26/2005 #38242

\$322.76

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION
5/3/05		27	14388 10" PULP HANGING BASKET
5/3/05		27	21711 12" IVY GERANIUMS HB IVY GERANIUMS

QTY	AMOUNT		
1	\$13.59		
4	\$67.96		
	\$81.55		
	6.5%		
	\$86.85	38351	\$86.85

EMERALD ESTATE SERVICES, INC.
100 NORTH MAIN STREET
DUBLIN, OHIO 43017-2005

PAID TO THE ORDER OF
Linda Browning

AMOUNT \$86.85

MEMO

⑆038351⑆ ⑆123103732⑆ 0100038447⑆ ⑆0000008685⑆

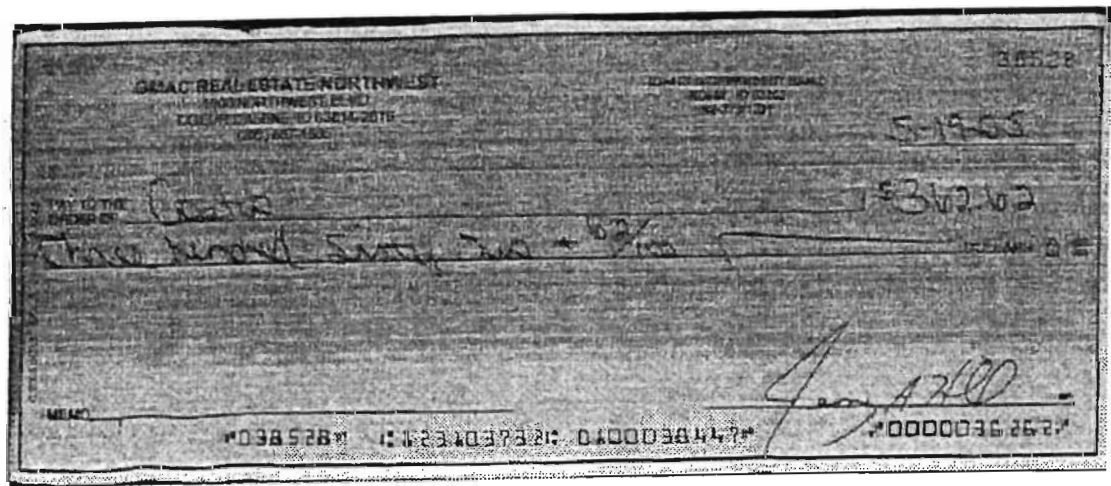
05/05/2005 #38351

\$86.85

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
5/19/05	17	12	MILK NONFAT 2/1 GALLON DOM 22 DAYS	1	\$3.59
5/19/05	13	222	C&H GRANULATED SUGAR 10# P240	1	\$3.98
5/19/05	13	426	CP SMOKED OYSTERS 6/3.75Z CROWN PRINCE #650	1	\$6.85
5/19/05	14	887	MOUNTAIN DEW 36/12Z P75	1	\$8.59
5/19/05	13	9479	AUSTRALIAN TOASTER BISCUIT 38 OZ 18 CT SL7D	1	\$4.49
5/19/05	18	10354	CHICKEN W/RICE 9/2-2 LBS MILTON'S T6 H5	2	\$19.98
5/19/05	19	10713	GUACAMOLE 12-4/12 OZ T11 SL21	1	\$6.89
5/19/05	18	16870	SHRIMP SCAMPI 12/2 LB SEAPAK 8X8	1	\$10.79
5/19/05	13	17767	K\$ COLOMBIAN COFFEE 3# P252	6	\$41.94
5/19/05	62	20943	GARLIC BUTTER FLAT BREAD TAKE 'N BAKE	1	\$4.99
5/19/05	27	30728	FLORAL BOUQUET	2	\$29.98
5/19/05	19	31669	MEDITERRAN CHICKN 12/37 Z *FULL CIRCLE	1	\$9.99
5/19/05	19	32640	ASN CUCUMBER SALAD 6/44Z SL18	1	\$7.99
5/19/05	14	33911	ULTRA CHARMIN JUMBO 30CT 250 SH 937.5 SQ FT P30	1	\$15.69
5/19/05	17	35975	HALF & HALF 64Z	1	\$2.39
5/19/05	13	46242	K\$ DECAF ARABICA COFF 3LB P252/42C	2	\$16.98
5/19/05	13	48445	N'JOY CREAMER 8/16Z P126	1	\$6.65
5/19/05	63	48705	GREEK SALAD WITH GREEK HERB DRESSING	1	\$9.02
5/19/05	20	74423	COLGATE TOTAL+WHT 3-7.BOZ	1	\$7.99
5/19/05	63	87745	RÔTISSERIE CHICKEN	1	\$4.99
5/19/05	17	90097	X-LARGE EGGS 2DZ GRADE AA *BBS*	1	\$1.95
5/19/05	20	106605	THERMASILK SH/CD 2/25.4OZ P=216	1	\$7.99
5/19/05	20	107735	PLAYTEX SUPER/REG 88CT P=192	1	\$12.89
5/19/05	13	220726	MINUTE RICE 72 OZ P=180	1	\$3.99
5/19/05	13	281001	KEEBLER CLUB CRACKER 48OZ P=180	1	\$4.49
5/19/05	12	366858	RUFFLES POTATO.CHIPS 20Z P180	1	\$2.99
5/19/05	13	457412	RASPBERRY PRESERVES 2/32Z WALLSBERRY PLT=420	1	\$5.59
5/19/05	17	500156	TROPICANA OJ W/CALC 4/64Z SL45 T30H4 P120	1	\$7.99
5/19/05	20	617149	CROSS ACTION VITALIZER 5 PACK	1	\$12.99
5/19/05	13	641825	NONNI BISCOTI W/CHOC 26CT 34.5Z P210	2	\$19.98
5/19/05	14	777858	CHNT PLT 3CMPT10-3/8"145C P=80	1	\$10.89
5/19/05	32	843642	CERT 7PC BBQ GUYS SET PLATTER & CONDIMENTS P=36	1	\$24.99
					\$340.49
					6.5%
					\$362.62

38528 \$362.62



05/23/2005 #38528

\$362.62

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
6/22/05	13	63	SESME HAMBRGR BUN 4.5"12C W# 125 = 24 CT	1	\$2.69
6/22/05	65	8789	GOLDEN PINEAPPLE	1	\$2.99
6/22/05	18	10354	CHICKEN W/RICE 9/2-2 LBS MILTON'S T6 H5	1	\$9.99
6/22/05	14	18695	CHINET LUNCH PLATE 8.75" 225 CT P92	1	\$10.79
6/22/05	14	20052	BOUNTY PAPER TOWEL 12 CT 90 SHEETS P20	1	\$13.49
6/22/05	14	20052	BOUNTY PAPER TOWEL 12 CT 90 SHEETS P20	2	\$26.98
6/22/05	62	20843	GARLIC BUTTER FLAT BREAD TAKE 'N BAKE	1	\$4.99
6/22/05	14	24860	SOLO WHT CUP B OZ 200 CT C378W P84	2	\$11.78
6/22/05	14	27763	TIDE W/DOWNY CLN BRZ 300Z LIQUID P80	1	\$17.99
8/22/05	12	30431	ROSEMARY POTATO CHIPS 14Z GOOD HEALTH P144 T4H3	1	\$4.59
6/22/05	61	33936	PORK LOIN BACKRIBS	1	\$29.96
6/22/05	65	38742	FRESH CORN ON COB	1	\$4.99
6/22/05	13	48445	NJOY CREAMER 8/16Z P126	1	\$6.65
6/22/05	65	50683	FRESH CUT FRUIT	1	\$10.99
6/22/05	65	82012	STRAWBERRIES	1	\$5.99
6/22/05	65	83333	GREEN SEEDLESS GRAPES	1	\$5.99
6/22/05	93	219076	ALAVERT N/DROWSY ALLGY RF 72CT. T7H4 MPK24	1	\$27.99
6/22/05	14	379338	LYSOL CRISP LINEN 3/19 OZ P256T64H4	2	\$19.78
6/22/05	14	416728	DOWNY LIQUID 135Z APRIL FRESH SCENT P160	1	\$8.99
6/22/05	31	817157	OP CARGO CLAM DIGGER LADIES COTTON TWILL	1	\$17.99
6/22/05	31	817157	OP CARGO CLAM DIGGER LADIES COTTON TWILL	1	\$17.99
6/22/05	93	857934	KS IBUPROFEN LIQUID SOFTGELS 350CT.T8H7 MPK20	1	\$13.99
6/22/05	32	866014	BIALETTI 14" JUMBO SAUTE W/NON-STICK P=24	1	\$21.79
6/22/05	12	895417	NEW YORK GARLIC BAGEL CHP 24 OZ P120 T4H3 NONNIS	1	\$4.95
					\$304.32
					6.5%
					\$324.10
					38916
					\$324.10



06/24/2005 #38916

\$324.10

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
7/18/05		14	20052 BOUNTY PAPER TOWEL 12 CT 90 SHEETS P20	2	\$26.98
7/18/05		63	24691 SQUARE TAKE & BAKE CHEESE	1	\$7.99
7/18/05		14	24860 SOLO WHT CUP 8 OZ 200 CT C37BW PB4	3	\$17.67
7/18/05		14	26757 KS PLSTC FOOD WRAP 2/750' T10X3 P306	1	\$7.39
7/18/05		12	27049 DORITO NACHO CHEESE 21.5Z #1551	1	\$3.69
7/18/05		14	33911 ULTRA CHARMIN JUMBO 30CT 250 SH 937.5 SQ FT P30	1	\$15.69
7/18/05		13	46242 KS DECAF ARABICA COFF 3LB P252/42C	1	\$8.49
7/18/05		18	309756 HOT 'N SPICY WINGS 8/5# FSTR FRMS #904B4 T7H3	1	\$12.69
7/18/05		14	384324 KS 33 GAL DRAWSTRNG 90 CT 1.2MIL P = 124	1	\$12.99
7/18/05		31	673846 WIPPETTE CHILDRENS RAIN COAT - FLEECE LINED	1	\$11.99
7/18/05		32	780856 HENCKELS 8PC STEAK KNIFE SET P=126/MIN.ORDER=5PLT	2	\$237.98
7/18/05		13	889105 LANGERS POMEGRANATE 64 OZ P=384U	1	\$5.95
7/18/05		13	929501 DRIED GRANNY SMITH APPLES 20 OZ SKYLAR HALEY P=540	1	\$6.39
					\$375.89
					6.5%
					\$400.00
					39218 \$400.00

39218

GMAC REAL ESTATE NORTHWEST
1900 NORTHWEST BLVD
COEUR D'ALENE, ID 83814-2615
(208) 667-1505

IDAHO INDEPENDENT BANK
BOISE, ID 83702
82-373/1231

7-18-05

PAY TO THE ORDER OF Carter \$400.00

Four hundred Dollars 2 no/100 DOLLARS

MEMO

Jerry A. Hill

⑆039218⑆ - ⑆123103732⑆ 0⑆00038447⑆ ⑆0000040000⑆

07/20/2005 #39218

\$400.00

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
7/26/05	18	33736	CHCKN CHPTLE WRAP 12/B-5Z T6H3 EL MONTEREY	1	\$8.99
7/26/05	13	64515	KRAFT MIRACLE WHIP 6OZ P312 T13H4	1	\$3.99
7/26/05	13	220726	MINUTE RICE 72 OZ P=180	1	\$3.99
7/26/05	31	699334	MAIDENFORM BODYMATES BRA 2 PK P=420	1	\$19.99
7/26/05	31	699334	MAIDENFORM BODYMATES BRA 2 PK P=420	1	\$19.99
7/26/05	31	699334	MAIDENFORM BODYMATES BRA 2 PK P=420	1	\$19.99
7/26/05	14	775469	ZIPFIZZ CITRUS 20CT. PKT ENERGY DRINK MIX	1	\$19.99
7/26/05	26	898537	REGAL ENTERTAINMENT 2 SINGLE VOUCHERS	2	\$39.98
7/29/05	31	699334	MAIDENFORM BODYMATES BRA 2 PK P=420	2	\$29.98
				-1	(\$19.99)
					\$126.91
					6.5%
					\$135.43

39272 \$135.43

Idaho Independent Bank Date: 07/31/2005 Account: 100

GMAC REAL ESTATE NORTHWEST 1900 NORTHWEST BLVD COEUR DALENE, ID 83814-2615 (208) 667-1505		IDAHO INDEPENDENT BANK BOISE, ID 83702 92-373/1231	39272 <u>7-27-05</u>
PAY TO THE ORDER OF <u>Carter</u>		<u>\$ 135.43</u>	
<u>One hundred thirty five dollars & 43/100</u>			
MEMO		<u>James A. Hill</u>	
039272 123103732 0100038447*			*0000013543*

07/28/2005 #39272

\$135.43

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
9/7/05	13	559	HOT DOG BUNS 6" 24 COUNT GAI'S OR FRANZ	1	\$2.39
9/7/05	13	9639	PLAIN HAMBURGER BUN 4 INCH 2/12 PACK S/L 7DAY	2	\$4.10
9/7/05	18	88741	KS 1/4 LB BEEF PATTY 6LBS KS 78% LEAN P120	2	\$22.98
9/7/05	17	90097	X-LARGE EGGS 2DZ GRADE AA *BBS*	1	\$1.95
9/7/05	18	258966	BROCCOLI FLORETS 8/3.5# FLAV-R-PAC MWT5H4/NWT6H4	1	\$3.79
9/7/05	13	222	C&H GRANULATED SUGAR 10# P240	1	\$3.99
9/7/05	14	7712	BASKET FILTER 700 CT GUSTIN KRAMER P192	1	\$2.49
9/7/05	18	9456	BREADED SHRIMP 12/2.5 LB T8H3	1	\$12.89
9/7/05	13	17767	KS COLOMBIAN COFFEE 3# P252	6	\$41.94
9/7/05	14	20052	BOUNTY PAPER TOWEL 12 CT 90 SHEETS P20	2	\$26.98
9/7/05	14	24860	SOLO WHT CUP 8 OZ 200 CT C378W P84	1	\$5.89
9/7/05	14	24860	SOLO WHT CUP 8 OZ 200 CT C378W P84	2	\$11.78
9/7/05	14	31725	CASCADE COMPLETE GEL 125 OZ P180	1	\$7.59
9/7/05	14	31725	CASCADE COMPLETE GEL 125 OZ P180	1	\$7.59
9/7/05	14	33911	ULTRA CHARMIN JUMBO 30CT 250 SH 937.5 SQ FT P30	2	\$31.38
9/7/05	13	46242	KS DECAF ARABICA COFF 3LB P252/42C	2	\$16.98
9/7/05	13	48445	N'JOY CREAMER 8/16Z P126	1	\$6.65
9/7/05	14	50787	KS KITCHEN BAG 200/13 GAL .90 MIL P140	1	\$10.89
9/7/05	14	416728	DOWNY LIQUID 135Z APRIL FRESH SCENT P160	1	\$8.99
9/7/05	14	637628	COMMERCIAL COFFEE FILTERS 1000 CT P75	1	\$4.99
9/7/05	13	641825	NONNI BISCOTI W/CHOC 26CT 34.5Z P210	1	\$9.99
9/7/05	13	641825	NONNI BISCOTI W/CHOC 26CT 34.5Z P210	1	\$9.99
9/7/05	32	880412	K.S. 7PC SS MIXING BOWLS W/ SILICONE BASE P=48	1	\$29.99
9/7/05	23	806105	24"X20' SHELF LINER #DISPC7E306 P=84	1	\$9.99
					\$296.19
					6.5%
					\$315.38

39523 \$315.38

GMAC REAL ESTATE NORTHWEST
1900 NORTHWEST BLVD
COEUR D'ALENE, ID 83814-2615
(208) 667-1505

IDAHO INDEPENDENT BANK
BOISE, ID 83702
92-3731231

39523

9-7-05

PAY TO THE ORDER OF Cates \$ 315.38

Three hundred fifteen Dollars + 38/100 DOLLARS

MEJAO

Jerry Hill

⑆039523⑆ ⑆123103732⑆ 0100038447⑆ ⑆0000031538⑆

09/09/2005 #39523

\$315.38

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
9/7/05	32	818944	SS 55L LAUNDRY HAMPER #CW1903 P=12	1	\$19.97
					\$19.97
					6.0%
					\$20.83
				39800	\$20.83

GMAC REAL ESTATE NORTHWEST
1900 NORTHWEST BLVD
COEUR D'ALENE, ID 83814-2815
(208) 667-1505

IDAHO INDEPENDENT BANK
BOISE, ID 83702
92-3731231

39800
9-14-05

PAY TO THE ORDER OF COSTCO \$ 20.83
Twenty & 83/100 DOLLARS

MEMO Latys Jerry A. Hill

⑆039800⑆ ⑆123103732⑆ 0100038447⑆ ⑆0000002083⑆

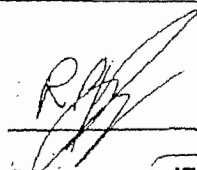
09/16/2005 #39800

\$20.83

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT
11/6/05	14	24860	SOLO WHT CUP 8 OZ 200 CT C378W P84	1	\$6.19
11/6/05	14	24860	SOLO WHT CUP 8 OZ 200 CT C378W P84	1	\$6.19
11/6/05	13	71648	YUBAN COFFEE 44Z P=252	1	\$6.19
11/6/05	14	84839	ZIPLOC SANDWICH 500 CT. P135T27H5	6	\$41.34
11/6/05	14	84842	ZIPLOC FREEZER GAL 160CT P108T27H4	1	\$7.49
11/6/05	14	171737	TIDE LIQUID 96 LOADS 300 OZ P80	1	\$9.89
11/6/05	14	171737	TIDE LIQUID 96 LOADS 300 OZ P80	2	\$35.98
11/6/05	14	379338	LYSOL CRISP LINEN 3/19 OZ P256T64H4	-1	(\$17.99)
11/6/05	14	379338	LYSOL CRISP LINEN 3/19 OZ P256T64H4	1	\$9.89
11/6/05	32	777158	HENCKELS 10PC KNIFE BLOCK SET P=36 MIN ORD=5 PLT	1	\$9.89
11/6/05	17	1902	CAN'T BLV ITS NOT BITTR 5# SL180 T7H8 P56	1	\$169.99
11/6/05	31	44836	FRENCH DRESSING CAMI 2PK COTTON P=576/L=144	1	\$5.35
11/6/05	13	55054	SWISS MISS HOT COCOA 75CT T7H3 P=126	1	\$9.99
11/6/05	14	460928	LITER PURRFECT 30 LBS SCOOPABLE CAT LITTER P80	1	\$5.89
11/6/05	17	500156	TROPICANA OJ W/CALC 4/84Z SL45 T30H4 P120	1	\$6.49
				1	\$7.99
					\$278.86
					6.0%
					\$294.20

40313 \$294.20

GMAC REAL ESTATE NORTHWEST 1900 NORTHWEST BLVD COEUR D'ALENE, ID 83814-2615 (208) 667-1505		IDAH0 INDEPENDENT BANK BOISE, ID 83702 92-373/1231		40313 11/4/2005
PAY TO THE ORDER OF <u>Costco Wholesale</u>		<u>\$294.20</u>		
<u>Two hundred ninety four and 20/100</u>		DOLLARS		
Costco Wholesale PO Box 34783 Seattle, Wa 98124				
MEMO		⑈040313⑈ ⑆123103732⑆ 0100038447⑈ ⑈0000029420⑈		

11/08/2005 #40313

\$294.20

Linda Browning
2005

DATE	DEPT	ITEM NO	DESCRIPTION	QTY	AMOUNT	
12/6/05	27	23195	10" POINSETTIA	3	\$49.47	
12/6/05	27	23195	10" POINSETTIA	-1	(\$16.49)	
12/6/05	65	30961	APPLE PEARS	1	\$6.99	
12/6/05	14	171737	TIDE LIQUID 96 LOADS 300 OZ P80	1	\$17.99	
					\$57.96	
					6.5%	
					\$61.79	
					40511	\$61.79

Idaho Independent Bank Date: 12/31/2005 Account: 100

GMAC REAL ESTATE NORTHWEST 1900 NORTHWEST BLVD COEUR D'ALENE, ID 83814-2615 (208) 667-1505		IDAHO INDEPENDENT BANK BOISE, ID 83702 92-373/1231	40511
PAY TO THE ORDER OF Costco Wholesale		12/6/2005	\$ 61.79
SIXTY ONE DOLLARS + 79/100			DOLLARS
Costco Wholesale PO Box 34783 Seattle, Wa 98124		JERRY A HILL	
MEMO	SUPPLIES		
⑆040511⑆ ⑆123103732⑆ 0100038447⑆		⑆0000006179⑆	

12/08/2005 #40511

\$61.79

STATE OF IDAHO }
COUNTY OF KOOTENAI } SS
FILED:

2011 JAN 31 PM 2:43

CLERK DISTRICT COURT
[Signature]
DEPUTY

MARK A. JACKSON
MARK A. JACKSON, P.A.
110 Wallace Ave.
Coeur d'Alene, Idaho 83814
Telephone: (208) 664-3626
Facsimile: (208) 666-0550
ISB #3134

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

VS.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

AFFIDAVIT OF JAY BARRETT

STATE OF FLORIDA)
 SS
COUNTY OF Charlotte

I, Jay Barrett, being first duly sworn upon oath, deposes and says:

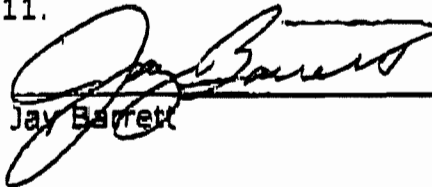
1. I am over the age of eighteen, and I am competent to testify herein.
2. I reside In Hayden Lake, Idaho.
3. From approximately October, 2005 to March, 2008, I worked for J. Foote Excavating, Inc. which was the general contractor for Jordan, Hill & Hall, Inc. ("JHH"), with respect to the Post Falls Crimson King Estates project. I was familiar with Jerry Hill, Patrick Hall, and Brad Jordan.
4. During the above period we were hired by JHH to complete the site infrastructures for Crimson King Estates, which included the installation of roads, water, sewer, a lift station, dry utilities, curbs, and storm

AFFIDAVIT OF JAY BARRETT -1

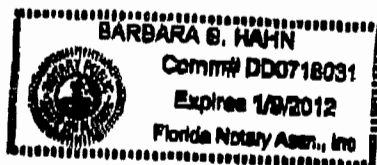
drains.


5. We first worked on the project until about July, 2006. Although we were 80% to 90% complete at that time, JHH had a lack of funds to pay us, and we were told their main investor felt JHH missed the curve in the housing development market as the residential housing market was going down.
6. We did some final work for JHH to finish up the lift station by agreement with Patrick Hall or Brad Jordan, and such work was completed in early 2008.
7. In working with JHH and the City of Post Falls on this project, I always considered and understood the Crimson King project to be a JHH project, and never considered or understood any portion of that project to involve Jerry Hill's own property.

DATED this 31ST day of January, 2011.


Jay Barrett

SUBSCRIBED AND SWORN TO before me this 31 day of January, 2011.



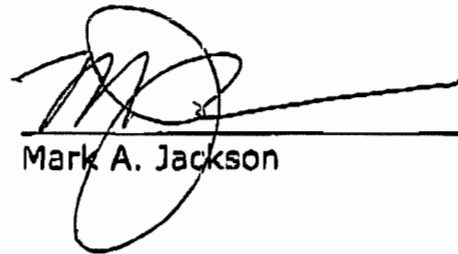

Notary Public for Florida
Residing In: ENGLEWOOD
My Commission Expires: 1-8-12

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 31 day of January, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- U.S. Mail
- Hand Delivered
- Overnight Mail
- Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816



Mark A. Jackson

2011 FEB -8 PM 2:44

CLERK DISTRICT COURT

DEPUTY

MARK A. JACKSON
MARK A. JACKSON, P.A.
110 Wallace Ave.
Coeur d'Alene, Idaho 83814
Telephone: (208) 664-3626
Facsimile: (208) 666-0550
ISB #3134

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

DEFENDANT'S RESPONSIVE BRIEF

COMES NOW the above named Defendant, Jerry A. Hill, by and through his attorney of record, Mark A. Jackson of MARK A. JACKSON, P.A., and hereby submits Defendant's Responsive Brief as follows:

The State's brief (without the aid of any affidavits) argues that the new information contains hearsay and no new trial is warranted. The State further attaches various checks and credit card exhibits referencing specific purchases by Jerry. Finally, instead of rebutting Ms. Metzger's affidavit with any affidavit of Mr. Clark or any other expert, the State chooses simply to conclude that Ms. Metzger's opinions are unfounded or based on hearsay.

Suzanne Metzger's affidavit is very important. It shows the court for the first time in this case, an expert opinion that **totally rebuts** the State's case which claims that Jerry stole \$354,000.00 from JHH and/or the other partners. Her opinion is diametrically opposed to Mr. Clark's. Jerry explains In his affidavit that he was not given the promised opportunity to have an

#657
DEFENDANT'S RESPONSIVE BRIEF -1

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accountant examine the State's case. Ms. Metzger provides this new information to the court (and jury), and sheds a completely different light upon the whole case. It is very questionable that the jury would have found Jerry guilty if they heard Ms. Metzger's conclusion that Jerry was owed more than \$168,000.00 from JHH at the time of trial. The jury did not hear from **any** accountant of JHH during the relevant time periods in this case; all they heard was Mr. Clark's after the fact opinion. Mr. Clark was hired by the partners, not the State. The jury did not hear from any JHH accountant that the JHH financial procedures and shareholder loans were disorganized and confusing. The jury did not hear an accountant testify that in the business world it is very common for partners to purchase personal items with business monies, and then later have their accountant reconcile these purchases. All of this information, which the jury never heard, may well have placed a reasonable doubt in the jury's mind that Jerry had any criminal intent in his business practices at JHH. The affidavits filed herein by Suzanne Metzger, Jerry Hill, Elizabeth Primozych, Jay Barrett, and John Kelpin all help support a new trial.

Suzanne Metzger's affidavit demonstrates that she is both a lay witness and an expert witness. As a lay witness, her testimony shows her personal knowledge of the confusing bookkeeping system at JHH, as well as the confusion regarding shareholder loans and draws from the company, which is at the heart of Jerry's defense. As an expert witness, it is well known in Idaho that experts are granted broad leeway to form opinions. **IRE 702** allows experts to form opinions ("or otherwise") if technical or specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue. **IRE 703** states that the facts or data upon which an expert bases their opinion or inference need not be admissible in evidence in order for the opinion or inference to be admitted. See also **Doty v. Bishara, 123 Idaho 329, 848 P.2d 387 (1992)**, which stated the court may in its discretion allow an expert to render an opinion based in part upon

hearsay or other inadmissible evidence, as long as the expert testifies as to the specific basis of his opinion and reaches an opinion through his own independent judgment. Experts can also use data from other experts in Idaho. **Long v. Hendricks, 109 Idaho 73, 705 P.2d 78 (Ct. App. 1985)**. A medical expert witness can give his own opinion and state the facts upon which that opinion was based, even though he relies in part upon the records of another medical expert. **Long, supra. IRE 704** allows testimony in the form of opinions even if such opinions embrace the ultimate issue to be decided by the trier of fact. In this case, Ms. Metzger, in addition to her personal knowledge of JHH, has for the most part taken the same evidence in court and arrived at a completely different opinion about Jerry's transactions with JHH. Ms. Metzger not only refers to Curtis Clark's correspondence, but has also attached other exhibits to her affidavit as a basis of her opinion. Most of these attached exhibits are business records as referenced by Ms. Metzger, documents established through Jerry, or were at least are admissible by way of **IRE 803(24)**. Ms. Metzger's ultimate opinion regarding personal purchases by Jerry and monies owed to Jerry from JHH go to the ultimate issue; did Jerry take monies from JHH, and did he do so with no criminal intent.

The Idaho Rules of Evidence also allow leeway for lay witnesses to testify about opinions which are rationally based on the perception of the witness, help determine a fact in issue, and which are not based on scientific, technical, or other specialized knowledge. See **IRE 701**. The other affidavits filed herein show facts and opinions supporting a new trial.

The Affidavit of Elizabeth Primozich supports a new character witness for Jerry. Elizabeth, who was shocked to hear of this case when first contacted in November, 2010, worked at JHH as a bookkeeper. She would be a character witness of behalf of Jerry, she has knowledge of the cash flow issues within JHH, and the Post Falls real estate project being a JHH project.

The jury needed to hear this fact as no JHH witnesses testified on behalf of Jerry.

The Affidavit of John Kelpin could have influenced the jury. John, a realtor at JHH (and former police detective) during the relevant time period, states that Jerry has good character, that the Maverick house was part of a JHH project, was invited by Jerry with other agents to attend hockey games, and even knew that the vending machine monies were used for JHH Christmas parties and agent drawings.

The Affidavit of Jay Barrett shows he was the general contractor for JHH, and always treated the Post Falls properties as a JHH project, not as any project where JHH owned part of the properties and Jerry owned other parts of the property.

The Affidavit of Jerry Hill demonstrates his inability to obtain an accountant to help him with this "accounting" case. Jerry did everything in his control to request an accountant, but one was never provided. Even the court got involved in this process prior to sentencing, and one still was not provided. Jerry's testimony will not be repeated at this point, but the bottom line is his attached exhibits (along with the new exhibits attached by Ms. Metzger) were never shown to the jury. They support the fact that JHH owed Jerry monies, that Exhibit No. 12 was incorrect, that the Mullan and Maverick properties were actually a JHH project agreed upon by the other shareholders to be a JHH project, and that Jerry had no criminal intent in writing checks or making the charges asserted herein. Added to Ms. Metzger's conclusion that at the time of trial JHH owed Jerry \$168,000.00, this would have placed the jury in an entirely position to view the evidence. It must again be noted that this is a very document driven case and Jerry's evidence consisted of one exhibit consisting of a single page, ignoring all the other documentation which rebutted the claims of the Mullan property, the Maverick property, and/or disorganization of JHH in terms of its bookkeeping or loan processes.

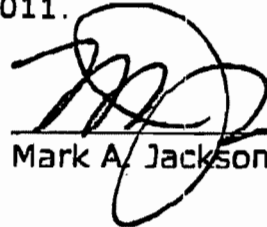
Another very important point comes from the prosecutor's responsive brief. The prosecutor attached a variety of exhibits again showing the charges made by Jerry which Jerry claims he did not steal from JHH. These exhibits demonstrate charges or checks which total less than \$15K to \$20K, yet the State seeks restitution for approximately \$354,000.00. Which is it? Does the prosecutor claim Jerry stole \$15,000.00 or \$354,000.00? Simply put, the numbers and figures thrown around in this case are mind-numbing, and an accountant is probably the only person who can trace or understand most of these figures. This case needed specific charges and specific jury instructions to allow Jerry to know the exact nature of the charges against him. Instead, the case expanded into various directions from checks, credit card purchases, Mullan and Maverick accounting issues, and even vending machine monies near the end of the trial.

Another argument made by the State in their responsive brief shows the State's own confusion in the case. The premise in their brief was that the majority of the payments for the criminal purchases were checks signed by Jerry, and "not the company bookkeeper". This is an absolutely incorrect premise. The bookkeeper never signed the checks at JHH. They could only be signed by the partners. Jerry was the Operations Manager, and signed most of the checks. All three of the partners took checks and hand wrote and signed the checks. See trial Exhibit No. 14, which shows all three partners signing checks. Some checks were prepared by the bookkeeper on the computer, and some were not, but the checks were not signed by the bookkeeper, as demonstrated by Exhibit No. 14. This fact will be supported by an affidavit of Jerry Hill similar to the one attached and incorporated hereto as Exhibit "A". The undersigned was unable to obtain Jerry's signature on this affidavit due to Jerry's transportation issues to Coeur d'Alene for the hearing.

In conclusion, this was an accounting case. This was a criminal case that ultimately appeared like a civil accounting case. In any such case,

whether criminal or civil, where one side has an accountant, and one does not, the side lacking the accountant generally does not succeed. The fact that Jerry was effectively denied an accountant made this criminal case not succeed, especially with Ms. Metzger's opinion. A lack of an accountant was not Jerry's fault, as he had no money to hire either a lawyer or an accountant, and his lawyer continually promised to get him an accountant. The undersigned would respectfully assert that this case would have been nearly impossible without the assistance of an accountant, especially given the variety of claims being made against Jerry. The undersigned would respectfully assert that it has met its burden, and that in the interest of justice, a new trial should be granted.

DATED this 8 day of February, 2011.



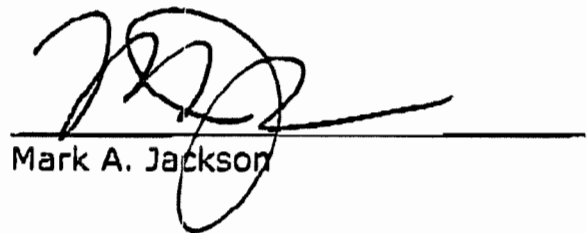
Mark A. Jackson

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 8 day of February, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- U.S. Mail
- Hand Delivered
- Overnight Mail
- Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816



Mark A. Jackson

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110 Wallace Ave.
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ISB #3134

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

SUPPLEMENTAL AFFIDAVIT OF
JERRY HILL

STATE OF IDAHO)
 SS
COUNTY OF KOOTENAI)

I, Jerry Hill, being first duly sworn upon oath, depose and say:

1. I am the Defendant in the above action.
2. I have reviewed the Brief in Opposition to Motion for New Trial, dated January 28, 2011 in this case.
3. In the prosecutor's brief, he continually asserts that I signed certain company checks, "not the bookkeeper". I want to make clear that our bookkeeper's never signed the company checks. The bookkeeper either created the checks through the computer program, which I did not know how to do, or the checks were hand written, either by myself, another partner, or the bookkeeper. Only myself, Patrick, and Brad were ever authorized to sign JHH checks. I signed most of the

SUPPLEMENTAL AFFIDAVIT OF JERRY HILL - 1

EXHIBIT "A"

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checks as I was the Operations Manager for JHH during the relevant times.

4. Please note Trial Exhibit No. 14, which are a variety of checks of JHH. They are all signed by either Patrick (who has the large, roundish artistic signature), myself (whose signature is clear), or Brad (whose signature starts with an "R", then looks like a scribble). These checks show that most of the checks were printed by a computer (i.e. through the bookkeeper), or were handwritten and signed by one of the three partners. **All three of the partners hand wrote and signed some of the checks in Trial Exhibit No. 14, consistent with my statement that the bookkeeper did not sign the checks.**
5. In conclusion, the prosecutor's theory that the bookkeeper did not sign the checks or "make this payment" is flawed and incorrect, as the bookkeeper's job function did not include signing any checks. Exhibit No. 14 shows that all three partners handwrote and signed JHH checks, as sometimes the partners had to take the checks with them to fill out and sign.

DATED this ____ day of February, 2011.

Jerry Hill

SUBSCRIBED AND SWORN TO before me this _____ day of February, 2011.

Notary Public for Idaho
Residing in:
My Commission Expires:

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the ____ day of February, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

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Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816

Mark A. Jackson

SUPPLEMENTAL AFFIDAVIT OF JERRY HILL - 3

644

Description		CR 2008-26363 Hill, Jerry 20110215 Motion for New Trial Judge: John T. Mitchell Court Reporter: Julie Foland Clerk: Jeanne Clausen	
Date		Location	1K-COURTROOM8
Time	Speaker	Note	
<u>12:21:55 PM</u>	Judge	Calls case - Mr. Jackson on behalf of deft; Mr. Verharen present on behalf of state. Motion for new trial. Motion for new trial and amended motion for new trial has been filed and I've reviewed them. Affd of Jerry Hill, brief in support deft's motion for new trial filed 1/28/11, affd of Elizabeth Perzuvich, brief by pltf in opposition for new trial, affd of Jay Barrett and supplemental affd of Jerry Hill and supplemental brief.	
<u>01:59:54 PM</u>	DA	Ready to proceed.	
<u>01:59:59 PM</u>	PA	Objection to affidavits as evidence for new trial are heresay.	
<u>02:00:21 PM</u>	DA	Alot of statements in each affidavit and we could go thru each one.	
<u>02:00:54 PM</u>	Judge	Have also reviewed affd of Mr. Halpin.	
<u>02:01:13 PM</u>	DA	There are going to be some heresay. Many of them were testifying about what they knew. Would have to be taken line by line.	
<u>02:01:56 PM</u>	PA	Objection to relevance. Issues are very narrow for motion for new trial. Great number of statements that aren't relevant to what court has to use to decide motion.	
<u>02:02:43 PM</u>	Judge	Go thru these in order that they were received. Looked at Criminal rule 34. Court shares the relevance concerns, but haven't reviewed as far as heresay. To reviews first affidavit of Jerry Hill. If there is objection to 1 & 2 its overruled.	
<u>02:03:11 PM</u>	DA	Paragraph #3 - 1st sentence - relevant to new trial to reconfirm that my client didn't have any criminal history.	
<u>02:07:04 PM</u>	PA	Objection on grounds of relevance. Why any prior criminal history would have any relevance on issues before court.	
<u>02:07:43 PM</u>	Judge	Sustained as to all of paragraph #3.	
<u>02:07:56 PM</u>	PA	My understanding that statute provides for affd to be filed. State v. Hayes - Legal problem faced with. Record basically establish that I'm objecting to those affd for everything that I've objected to. No objection to court ruling on merits of case.	
<u>02:09:24 PM</u>	Judge	Objecting to all affd as to St. v. Hayes by heresay and relevancy. Don't want it to be allowed for anything other than this hearing.	
<u>02:10:02 PM</u>	DA	Up to court to consider what is relevant. Would court to make that decision at end rather than going thru line by line.	

02:11:01 PM	Judge	Court will make determination of relevancy.
02:11:23 PM	DA	<p>Mr. Hill came to me initially. Complex accounting case. Still don't fully understand it even though an accountant has been hired. Very unique transition. Was bound over on \$8,000 to a trial for \$350,000 - seemed to be a moving train. Exhibit #12 is main summary of state's case looks like an IRS Audit. Exhibited back when I was involved and is same at trial and was never modified. My client payed \$216,000 for sale of house and it doesn't show. How jury instructions didn't have any specifics. New evidence - Susanne Metsger's affd - newly discovered expert and didn't exhibit before trial. Evidence wouldn't exhibit without her. Jury didn't hear from any accountant that company owed Jerry money. Her statements are in affd. State believes that Jerry owes \$350,000 not \$8,000 with criminal intent to steal. Jury didn't hear anything from Magnuson McHugh. Jury didn't hear Mullan Maverick purchases is normal practice. These items should've been deleted from exhibit #12. Gives a very opposite conclusion. Jury didn't hear for \$216,000 coming from his own house and put into company. They need to hear this wasn't an audit. Jury didn't hear about \$4,000,000 in unsecured debt. Jerry defense was company owed me money so that was why was making purchases. Her progression of time frame matched many of purchases and didn't get to hear this from an expert. Issue of Crimson King was never heard by Jury. Other partners signed deed of trust and were all interconnected. They were singling Jerry out. Provided other witnesses. Bookkeeper is a character witness. John Kelpin is a character witness and he knew about vending machine money. Law allows expert opinions and great latitude. Have expert that takes same documents and comes up for a different conclusion. Don't usually have a case where expert comes up with a completely different conclusion. Difference that they owed him money rather than he oweing money. Jerry had no money and had no money to hire an accountant. Attorney stated he would get an accountant and that never happened. Jerry did best he could under circumstances. Required specific allegations of specific thefts. 404(b) evidence is merky area. Needed to have specific amounts or thefts. Was going to have Jerry sign supplemental affidavit. The bookkeeper didn't pay bills and is shown by checks. They were signed by any of 3 owners. This is a case that begs for a new trial. Jury only heard only one side of story. Jerry was owed a whole lot of money at time of trial with exhibits provided.</p>
02:30:09 PM		<p>This motion has been brought under wrong statutory umbrella. Not proper new trial evidence and argument. Is post conviction matter. Area under which court can grant new trial is specific. Difference between what happened at preliminary hearing and trial. All evidence produced at trial were discovered to defense. Each count charged covered a year. Very difficult to imagine charging document that would allege every single wrong doing. That issue</p>

	PA	<p>was addressed at trial and isn't relevant to courts determination. Main argument is that there is new evidence. In order to get trial on basis of new evidence and they don't satisfy any of the elements. This isn't new evidence and wasn't unknown to deft. Part of corporation and no claim that he didn't know about any of the documents and all obtainable to defense. Defense arguments are impeaching. Mr. Clark never called it an audit. Mr. Clark became a creditor after the report. Simply impeachment evidence and not material. Ms. Metsgher affd is for impeachment and not material. Credit card purchases with method of payment. Deft would pay that purchase w/o knowledge of bookkeeper. Leaving a paperless train. That evidence wasn't brought up by defense. Costco purchases for food. Can't overcome this evidence. Evidence before jury was circumstantial, but was massive. Don't think that it would probably lead to accuital. Do think that this evidence was known to deft and was obtainable. Defense has claimed all along that they wanted an accountant. Their argument would be better filed as a post conviction.</p>
<u>02:40:12 PM</u>	DA	<p>Know we are in right vehicle for this. New expert opinion with an exact opposite opinion. Jerry didn't have an accountant and norm of accountating. Metsger's opinion is new evidence. Come in with a new trial there is impeaching. Scheduled H attached to Ms. Metsger's affd shows proof of bankrutcy. Grant a new trial. Cllient will sign his supplemental affd and would ask for his ability to do so. He's in transit from Boise.</p>
<u>02:47:50 PM</u>	Judge	<p>Will take this under advisement and you can get the affidavit corrected. Will right a decision or give my decision at his jurisdictional review hearing.</p>
<u>02:48:23 PM</u>	Judge	<p>Recess</p>

MARK A. JACKSON
 MARK A. JACKSON, P.A.
 110 Wallace Ave.
 Coeur d'Alene, Idaho 83814
 Telephone: (208) 664-3626
 Facsimile: (208) 666-0550
 ISB #3134

STATE OF IDAHO }
 COUNTY OF KOOTENAI } SS
 FILED: 2 | 7 | 11
 AT 10:30 O'CLOCK P.M.
 CLERK, DISTRICT COURT
J. Clausen
 DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
 THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

Case No. CR F 08-26363

SUPPLEMENTAL AFFIDAVIT OF
 JERRY HILL

STATE OF IDAHO)
 SS
 COUNTY OF KOOTENAI)

I, Jerry Hill, being first duly sworn upon oath, depose and say:

1. I am the Defendant in the above action.
2. I have reviewed the Brief in Opposition to Motion for New Trial, dated January 28, 2011 in this case.
3. In the prosecutor's brief, he continually asserts that I signed certain company checks, "not the bookkeeper". I want to make clear that our bookkeeper's never signed the company checks. The bookkeeper either created the checks through the computer program, which I did not know how to do, or the checks were hand written, either by myself, another partner, or the bookkeeper. Only myself, Patrick, and Brad were ever authorized to sign JHH checks. I signed most of the

checks as I was the Operations Manager for JHH during the relevant times.

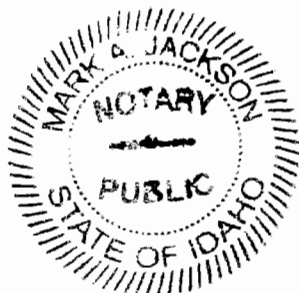
4. Please note Trial Exhibit No. 14, which are a variety of checks of JHH. They are all signed by either Patrick (who has the large, roundish artistic signature), myself (whose signature is clear), or Brad (whose signature starts with an "R", then looks like a scribble). These checks show that most of the checks were printed by a computer (i.e. through the bookkeeper), or were handwritten and signed by one of the three partners. **All three of the partners hand wrote and signed some of the checks in Trial Exhibit No. 14, consistent with my statement that the bookkeeper did not sign the checks.**
5. In conclusion, the prosecutor's theory that the bookkeeper did not sign the checks or "make this payment" is flawed and incorrect, as the bookkeeper's job function did not include signing any checks. Exhibit No. 14 shows that all three partners handwrote and signed JHH checks, as sometimes the partners had to take the checks with them to fill out and sign.

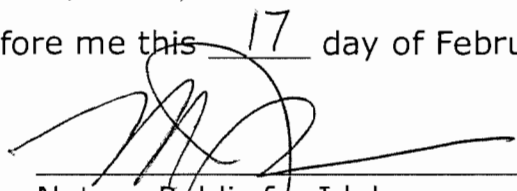
DATED this 11 day of February, 2011.



Jerry Hill

SUBSCRIBED AND SWORN TO before me this 17 day of February, 2011.





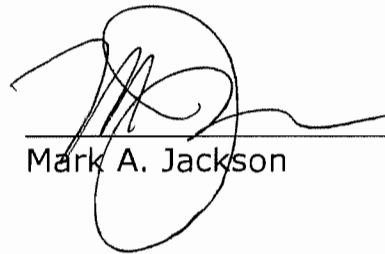
Notary Public for Idaho
Residing in: 47477 Cdd
My Commission Expires: 4/24/12

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 17 day of February, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- U.S. Mail
- Hand Delivered (*previously attached & brief*)
- Overnight Mail
- Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816



Mark A. Jackson

Description	CR 2008-2636 Hill, Jerry 20110217 Jurisdictional Review Judge: John T. Mitchell Court Reporter: Julie Foland Clerk: Jeanne Clausen	
Date	2/17/2011	Location 1K-COURTROOM8
Time	Speaker	Note
<u>10:24:44 AM</u>	Judge	Calls case - deft present incustody and represented by Mark Jacson. Ms. gardner present for the state. Addendum to PSI has been filed.
<u>10:25:48 AM</u>	DA	There is a statement in it that said he acknowledges what he's there for, but didn't want that to be sitting in there to contradict what other issues are pending with court.
<u>10:26:57 AM</u>	Deft	That is only correction.
<u>10:27:09 AM</u>	Judge	My suggestion would be to continue this hearing to a later date in future. Now have a motion for a new trial. If you persist in not acknowledging you guilt I might relinquinsh your jurisdiction. If I grant you a new trial, than it would go along with your persistance of not guilty.
<u>10:28:42 AM</u>	PA	No objection.
<u>10:28:46 AM</u>	DA	Given those choices, I don't have any choice but to continue this.
<u>10:30:01 AM</u>	Judge	But you do have a choice.
<u>10:30:27 AM</u>	DA	Will go with continuance.
<u>10:30:45 AM</u>	Judge	Set for 3/10/11 at 3pm for jursidictional review.
<u>10:31:37 AM</u>	Judge	Recess.

Jeanne Clausen

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FILED 2-22-11

AT 1:45 O'clock P.M
CLERK, DISTRICT COURT

Jessie Clausen
Deputy

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)
)
) *Plaintiff,*)
)
 vs.)
)
 JERRY ALLAN HILL,)
)
) *Defendant.*)

Case No. **CRF 2008 26363**

**MEMORANDUM DECISION AND
ORDER DENYING DEFENDANT'S
MOTION FOR A NEW TRIAL**

Defendant JERRY ALLAN HILL's Motion for a New Trial is denied.
Arthur Verharen, Dep. Prosecuting Attorney, lawyer for the Plaintiff.
Mark Jackson, Coeur d'Alene, lawyer for Defendant Hill.

I. FACTUAL BACKGROUND.

This matter is before the Court on Defendant Jerry Allan Hill's (Hill) "Motion for a New Trial" following a May 13, 2010, jury verdict of guilty on three counts of grand theft.

On November 25, 2008, a criminal complaint was filed against Jerry Allan Hill (Hill) alleging three counts of grand theft (each a theft or thefts in aggregate of \$1,000) from Jordan, Hill and Hall Inc., d/b/a GMAC Real Estate Northwest (of which Hill was a partner), each count covering three discrete periods: Count I January 1, 2004 – June 30, 2005, Count II July 1, 2005 – December 31, 2005, and Count III January 1, 2006 – May 31, 2006. Criminal Complaint, pp. 1-2. Hill appeared under summons and was arraigned on December 17, 2008. Hill applied for a public defender on December 26, 2008, and was

granted such on that date.

At Hill's initial appearance on December 17, 2008, a preliminary hearing was ordered within 21 days, and was scheduled for January 6, 2009. Hill applied for a public defender on December 26, 2008, and was granted such by Judge Friedlander on that same date. At that January 6, 2009, preliminary hearing, Hill's attorney moved for a continuance. The preliminary hearing was rescheduled for January 27, 2009. At the preliminary hearing on January 27, 2009, Hill's attorney again moved for a continuance, this time until at least March 1, 2009. Hill's motion to continue was granted and the preliminary hearing was rescheduled for March 24, 2009. On March 12, 2009, the State filed a motion to continue due to the unavailability of a witness for the preliminary hearing on March 24, 2009. Hill's attorney did not object to that motion. The preliminary hearing was rescheduled for April 2, 2009. On March 26, 2009, Hill's attorney filed a motion to continue the April 2, 2009, hearing, and the State did not object. On March 30, 2009, Hill filed a Waiver of Speedy Trial, and on March 31, 2009, Hill's motion to continue was granted. The preliminary hearing was rescheduled for April 21, 2009. On April 21, 2009, a preliminary hearing was held, continued to a second day on May 15, 2009. On May 22, 2009, Magistrate Judge Penny Friedlander announced her decision on the record, binding Hill over for trial on all three counts. An "Information" was filed on May 27, 2009.

Hill was arraigned before this Court on July 1, 2009, and on July 25, 2009, Hill filed a written not guilty plea. Hill's trial was scheduled for August 3, 2009. On July 23, 2009, Hill's attorney, along with the deputy prosecuting attorney, requested a continuance. The request for a continuance made by Hill's attorney was so that they "could get a forensic accountant" and due to a pending bankruptcy. The motion to continue was granted and the matter was set for a jury trial on October 5, 2009. Hill waived his right to a speedy trial.

On September 17, 2009, Hill made a motion to continue to allow more time for discovery. That motion was granted and the trial was rescheduled for December 7, 2009. On December 3, 2009, Hill made a motion to continue, again due to the bankruptcy, but Hill's counsel informed the Court, with Hill present at counsel table alongside counsel, that Hill "*had hired an accountant.*" Trial was scheduled for March 1, 2010. At a hearing on pre-trial motions on February 22, 2010, Hill's attorney announced that Hill would be making a motion to continue at the pre-trial conference scheduled for February 25, 2010. The deputy prosecutor did not object at the hearing on February 22, 2009, so the pre-trial conference scheduled for February 25, 2010, and jury trial scheduled for March 1, 2010, were vacated, and the jury trial was scheduled for May 10, 2010. On April 29, 2010, a pre-trial conference was scheduled, counsel appeared, and no objection was made by either party to proceeding to trial on May 10, 2010. On May 6, 2010, Hill's counsel made a motion to continue the trial, based on the fact that the defense had just received additional discovery from the prosecution. The deputy prosecutor informed the Court and Hill's counsel that much of it was information previously discovered but now in a different form for trial. This Court denied the motion to continue due to: the number of previous continuances; while some of this material may have been new to Hill's counsel, none of this material was new to Hill; there remained four days to review any new documents prior to trial; and because this Court had given this trial a special setting for the four-day jury trial.

The four-day jury trial began on May 10, 2010, and on the fourth day, May 13, 2010, at seven minutes before noon, the jury began deliberating. At 3:20 that afternoon, the jury reached its unanimous verdict, finding Hill guilty on all three counts. Sentencing was scheduled for July 20, 2010. On June 4, 2010, the Court moved the sentencing date to

July 27, 2010. On July 27, 2010, Hill's attorney moved to continue the sentencing hearing, and no objection was made to that motion by the deputy prosecutor. Sentencing was scheduled for August 24, 2010. On August 23, 2010, Hill sent a personal letter to the Court complaining that his public defender had never had the time to meet with him, that he promised to hire an accountant and an investigator, which never happened, that Mark Jackson who represented Hill in 2008 on these charges (apparently before they were filed) "had all the evidence showing my innocence and had gone over that evidence with his accountant", that Mark Jackson had sent the prosecutor "...all this material along with a letter hoping to convince the Prosecutor that this was a civil trial and not a criminal one", that his public defender requested this letter and these documents from the current prosecutor and received them just a few days before trial, that Hill had called the accountant for sentencing but he was on vacation, and requesting that this Court appoint a different public defender. Obviously, that letter became the focus at the August 24, 2010, sentencing hearing.

At the beginning of the sentencing hearing, Hill's attorney made a motion to continue the sentencing hearing. Just before noon on August 24, 2010, over the prosecutor's objection, the Court continued the sentencing hearing and rescheduled such for September 28, 2010. However, since Hill had provided this Court with this letter the day before Hill's sentencing hearing, and since the letter had no "new" information regarding any event that had occurred since the jury verdict, the Court ordered Hill to go to the public defender's office immediately and meet non-stop with his attorney until the issues between Hill and his attorney could be addressed and resolved (or not), that John Adams, the Kootenai County Public Defender had to be involved in these discussions, and that a decision had to be made by the end of the day. The Court admonished Hill that the

Court does not manage what experts are employed by a defendant or the public defender, and the Court asked Hill who this accountant was that Mark Jackson had hired more than two years ago, the accountant Hill had referenced in his letter to the Court. Hill did not know the accountant's name. The Court ordered Hill to disclose the name of this accountant by the end of the day as well.

On September 27, 2010, the day before the sentencing hearing, Hill's attorney filed a "Motion to Continue the Hearing", "...on the grounds that defendant requires expert accounting testimony regarding both the sentencing and restitution issues." Motion to Continue, p. 1. Counsel for Hill advised the Court in that motion that accountant Tom Baker could review the documents by late October 2010, and that Suzanne Metzger could review the records by mid-November 2010. At the September 28, 2010, sentencing hearing, the Court heard argument by Hill's attorney regarding the motion to continue. The motion to continue was primarily focused on the State's restitution request, \$177,031.19 for each of the two other partners, Brad Jordan and Patrick Hall, or \$354,062.38. Motion for Restitution, filed June 4, 2010, p. 1. The Court denied the motion to continue sentencing because at the last hearing the Court stated there would be no more continuances, because it had been fifteen weeks since the jury verdict and nearly two years since Hill was charged with these crimes, and because the jury had returned a verdict on the basis of the evidence presented and not on evidence that Hill was still trying to create. The restitution hearing was continued.

At the three-hour sentencing hearing on September 28, 2010, Hill had several people testify on his behalf, but no accountant testified on behalf of Hill. At the conclusion of that sentencing hearing, this Court sentenced Hill to three years fixed, three years indeterminate, total unified sentence of six years on all three counts, with the sentence on

all three counts to run concurrent. Hill was sentenced to a retained jurisdiction.

Up to this point in time, from the first scheduled preliminary hearing to sentencing, a span of almost twenty-two months, Hill at all times had been represented in Court by the office of the Kootenai County Public Defender.

On October 12, 2010, attorney Mark Jackson filed a Substitution of Counsel, substituting for the public defender as counsel for Hill. On that same date, the last possible day under I.C.R. 34, Mark Jackson on behalf of Hill filed a "Motion for a New Trial", an "Affidavit of Mark A. Jackson in Support of Motion for Extension of Time to File Motion for a New Trial." The Court granted Hill an extension of time until October 26, 2010, to file any amended motion for new trial, but the Court would not stay the imposition of Hill's sentence. On October 26, 2010, Hill filed an "Amended Motion for a New Trial." On December 16, 2010, Hill noticed that motion for a hearing on February 15, 2011. On January 26, 2011, Hill filed an "Affidavit of Jerry Hill", an "Affidavit of Suzanne S. Metzger". and an "Affidavit of John Kelpin". On January 29, 2011, Hill filed a "Brief in Support of Defendant's Motion for a New Trial" and an "Affidavit of Elizabeth A. Primozych." On January 31, 2011, the State filed its "Brief in Opposition to Motion for New Trial." On February 8, 2011, Hill filed "Defendant's Responsive Brief." On February 15, 2011, this Court heard oral argument on Hill's motion for a new trial. At the beginning of that argument the Court heard the State's objection to the various affidavits submitted by Hill on the grounds of relevance and hearsay, pursuant to *State v. Hayes*, 144 Idaho 574, 578, 165 P.3d 288, 292 (Ct.App. 2007). Brief in Opposition to Motion for New Trial, p. 2. The Court stated it would take those objections under advisement. At the conclusion of that oral argument, the Court took Hill's motion for new trial under advisement.

/

II. STANDARD OF REVIEW.

A motion under I.C.R. 34 is a matter committed to the discretion of the trial court. The trial court may grant a new trial in the interest of justice. I.C.R. 34; *State v. Hayes*, 144 Idaho 574, 577, 165 P.3d 288, 291. Idaho Appellate Courts review the denial of a motion for new trial for an abuse of the trial court's discretion. *Id.* A motion for a new trial based on newly discovered evidence involves questions of both fact and law. An abuse of discretion will be found if the trial court's findings of fact are not supported by substantial evidence or if the trial court does not correctly apply the law. *Id.* Motions for a new trial based on newly discovered evidence are disfavored and should be granted with caution, reflecting the importance accorded to considerations of repose, regularity of decision making, and conservation of scarce judicial resources. *Id.*, citing *State v. Eddins*, 142 Idaho 423, 425, 128 P.3d 960, 962 (Ct.App. 2006). Where the court's exercise of discretion is predicated upon factual findings and upon the application of legal standards to the facts found, we apply the "clearly erroneous" test to the findings and we determine whether the legal standards have been properly identified. *State v. Ames*, 112 Idaho 144, 146 730 P.2d 1064, 1066 (Ct.App. 1986).

III. ANALYSIS.

A. Evidentiary Objections by the State as to Hill's "New" Evidence.

At oral argument on February 15, 2011, counsel for the State objected to much of Hill's "new" evidence on hearsay grounds and relevance grounds. As discussed below, the submitted "new" evidence was considered by the Court, and after being considered by the Court, the relevance objection is sustained. The Court addresses the hearsay objection in the opinion. Due to the pervasive lack of relevance of the "new" evidence submitted by Hill, the Court will not address the hearsay objection other than as noted in this opinion.

B. Analysis of Hill's Motion for a New Trial.

1. Introduction.

Hill makes his Motion for a New Trial under I.C.R. 34 and I.C. § 19-2406. Idaho

Code § 19-2406 reads:

19-2406.GROUNDS FOR NEW TRIAL. When a verdict has been rendered against the defendant the court may, upon his application, grant a new trial in the following cases only:

1. When the trial has been had in his absence, if the indictment is for a felony.
2. When the jury has received any evidence out of court other than that resulting from a view of the premises.
3. When the jury has separated without leave of the court after retiring to deliberate upon their verdict, or been guilty of any misconduct by which a fair and due consideration of the case has been prevented.
4. When the verdict has been decided by lot or by any means other than a fair expression of opinion on the part of all the jurors.
5. When the court has misdirected the jury in a matter of law, or has erred in the decision of any question of law arising during the course of the trial.
6. When the verdict is contrary to law or evidence.
7. When new evidence is discovered material to the defendant, and which he could not with reasonable diligence have discovered and produced at the trial. When a motion for a new trial is made upon the ground of newly-discovered evidence, the defendant must produce at the hearing in support thereof the affidavits of the witnesses by whom such evidence is expected to be given, and if time is required by the defendant to procure such affidavits the court may postpone the hearing of the motion for such length of time as, under all the circumstances of the case, may seem reasonable.

Idaho Rule of Criminal Procedure 34 reads:

Rule 34. New trial.

The court on motion of a defendant may grant a new trial to the defendant if required in the interest of justice. If the trial was by court without a jury the court on motion of a defendant for new trial may vacate the judgment if entered, take additional testimony and direct the entry of a new judgment. A motion for a new trial based upon the ground of newly discovered evidence may be made only before or within two (2) years after final judgment. A motion for a new trial based on any other ground may be made at any time within fourteen (14) days after verdict, finding of guilt or imposition of sentence, or within such further time as the court may fix during the fourteen (14) day period.

Federal Rule of Criminal Procedure 33 is essentially the same as I.C.R. 34. The rules are arranged differently, the time period for newly discovered evidence is greater in the federal rules (not an issue in Hill's case), but the requirement of being "in the interests of justice" is the same in both rules. Federal Rule of Criminal Procedure 33 reads:

Rule 33. New Trial.

(a) Defendant's Motion.

Upon the defendant's motion, the court may vacate any judgment and grant a new trial if the interest of justice so requires. If the case was tried without a jury, the court may take additional testimony and enter a new judgment.

(b) Time to File.

(1) Newly Discovered Evidence.

Any motion for a new trial grounded on newly discovered evidence must be filed within 3 years after the verdict or finding of guilty. If an appeal is pending, the court may not grant a motion for a new trial until the appellate court remands the case.

(2) Other Grounds.

Any motion for a new trial grounded on any reason other than newly discovered evidence must be filed within 14 days after the verdict or finding of guilty.

The federal rule is mentioned in this decision as there is more case law which discusses the federal rule as compared to the Idaho rule. See generally 44 A.L.R.Fed. 13.

Hill bases his Motion for a New Trial on the following grounds:

1. New evidence exists which the Defendant could not with reasonable diligence have discovered or produced at trial.
2. The verdict was contrary to law or evidence.
3. The court misdirected the jury in a matter of law, or erred in decisions involving questions of law arising during trial.
4. The jury was guilty of misconduct by which a fair and due consideration of the case has been prevented.
5. Any other grounds allowed under I.C. § 19-2604 uncovered in the investigation of the above case
6. The Defendant is entitled to a new trial based on various facts and evidence, including but not limited to the following: (25 instances)

Amended Motion for New Trial, pp. 1-5. In the twenty-five examples of "various facts", none are items of evidence that were not known to Hill, or knowable to Hill in the

660

exercise of reasonable diligence, prior to and at the time of trial. In Hill's brief, Hill apparently limits those six grounds to three of the grounds under I.C. § 19-2406:

5. When the court has misdirected the jury in a matter of law, or has erred in the decision of any question of law arising during the course of the trial.
6. When the verdict is contrary to law or evidence.
7. When new evidence is discovered material to the Defendant, and which he could not with reasonable diligence have discovered an[d] produced at trial.

Brief in Support of Defendant's Motion for a New Trial, p. 1.

2. The Impossibility of Testing Hill's Claims.

For Hill to make these claims it is important to know exactly what was laid before the jury by way of testimony. Hill has not presented a transcript of the four-day trial, making this task essentially impossible. This flaw by Hill is in itself fatal to Hill because it is Hill who carries the burden on this motion. "The burden of proof on such a motion is clearly on the defendant" 44 A.L.R. Fed. 13, § 2(b), p. 41. § 11.

In briefing, Hill's attorney claims Hill could not afford a transcript of the jury trial. "Jerry could not afford a transcript". Brief in Support of Defendant's Motion for a New Trial, p. 8. Considering that much of Hill's argument on his motion for a new trial is his claim that he could not afford an accountant at trial, and yet he found an accountant for his motion for a new trial, and now he lacks a transcript, one could wonder where this claim of always being one step behind might end. This Court concludes it ends right here. Just as if Hill wishes to appeal the verdict or this Court's rulings, Hill will need to pay for a transcript so that the appellate courts will know what to review, so too he must provide this Court with an appropriate record from which to decide his motion for a new trial. He has failed in this regard.

Twelve of Hill's peers sat as jurors and listened to four days of testimony and

pondered over a plethora of exhibits. Hill himself testified, and that was likely his undoing. Any claims as to the inadequacy of the “testimony” presented to the jury is incapable of analysis. The Court has reviewed its own notes, but that is not the record. Hill has simply failed to present the record to the Court.

3. Legal Inadequacies of Hill’s Motion.

a. Hill’s Claim That the Corporation “Owed Me Money”.

Much, if not all, of Hill’s argument for a new trial is predicated in some way on his “defense” that the business, Jordan Hill & Hall, *owed Hill a lot of money*. Hill claims in his brief:

l. The jury never heard Ms. Metzger’s summaries confirming the various different times that Jerry was actually owed money by the corporation, which is consistent with Jerry’s position at trial.

m. **The jury never heard Ms. Metzger’s opinion that at the time of trial, JHH owed Jerry in excess of \$168,000.00.** She based this opinion upon using Exhibit No. 12 and removing the Mullan and Maverick properties, removing the “commission” items and interest and applying the proceeds from Jerry’s lake home.

Brief in Support of Defendant’s Motion for a New Trial, pp. 5, 6. (bold in original). First of all, this is nothing “new”. Hill made that claim in his testimony to the jury, in his closing argument, and before the Court at sentencing. Second, “they owed it to me” is not a defense. Writing it in bold doesn’t make it a defense, nor does writing it in bold make the issue relevant.

Idaho Code § 18-2406 sets forth the “defenses” to the charge of theft. Nowhere in that statute is the defense of “*they owed it to me*” found. That was the mantra proclaimed by Hill in his own testimony before the jury. From the Court’s notes, Hill told the jury when asked by his own attorney about Exhibit 12 (the report of Curtis Clark): “When the company was formed I was owed money by the corporation”, “They always owed me money”, “they owed me a lot of money” (regarding the 3/7/06 entry), “They owe me”

(regarding the 9/25/06 entry). When cross-examined, Hill testified: "Why would I want to hide it, the company owed me money?" (regarding Exhibit 8), and "The company owed me money and my personal expenses were taken out of what they owed me." (regarding Exhibit 12). Items in nature of a set-off do not constitute a defense to a charge of larceny or embezzlement. *State v. Cocharane*, 51 Idaho 521, 526, 6 P.2d 489, 491 (1931). Idaho Code § 18-2406 reads:

18-2406. DEFENSES.

(1) It is no defense to a charge of theft of property that the offender has an interest therein, when the owner also has an interest to which the offender is not entitled.

* * *

(3) In any prosecution for theft committed by trespassory taking or the offense previously known as embezzlement, it is an affirmative defense that the property was appropriated openly and avowedly, and under a claim of right made in good faith. It is not a defense to a theft committed by such conduct that the accused intended to restore the property taken, but may be considered by the court to mitigate punishment if the property is voluntarily and actually restored (or tendered) prior to the filing of any complaint or indictment relating thereto, and this provision does not excuse the unlawful retention of the property of another to offset or pay demands held against such other person.

Subsections (2), (4) and (5) are not relevant to this case. If the money was owed to Hill by the corporation, then Hill could argue that he had a "claim of right". However, the evidence adduced at trial did not show Hill "appropriated" the corporation's property "openly and avowedly". Quite the opposite, Hill was sneaky. That was the evidence presented to the jury by the State. Hill testified to rebut this, but the jury, understandably, must not have believed Hill's testimony. None of the "evidence" presented to the Court by Hill on Hill's motion for a new trial changes this. Hill requested a jury instruction pursuant to I.C. § 18-2406(3). Defendant's Requested Instruction No. 1. Such an instruction was given. The jury was instructed:

It is an affirmative defense to the offense of theft, that the property was appropriated openly and avowedly, and under a claim of right made

in good faith.

The burden is on the State to prove defendant's guilt beyond a reasonable doubt. To find the defendant guilty, therefore, you must conclude beyond a reasonable doubt, that the property was not appropriated openly and avowedly, and not under a claim of right made in good faith.

It is not a defense to the offense of theft, that the defendant has an interest therein, when the owner(s) also has an interest to which the defendant is not entitled.

It is not a defense to the offense of theft, that the defendant intended to restore the property taken.

It is not a defense to the offense of theft, that the defendant retained property of another to offset or pay demands held against the defendant.

Court's Instruction No. 14. Obviously, the jury felt the State had met its burden of proving that the property was not appropriated openly and avowedly, and not under a claim of right made in good faith. When asked by his attorney about the Spokane Chief's luxury box which Hill purchased with the corporate credit card: "I intended to pay that back." As the above instruction (which comports with I.C. § 18-2406(3)), that is *not* a defense.

Because "set-off" is not a defense, Hill in his new affidavit essentially admits the crime: "I accept responsibility of contributing to the confusion by making personal purchases with corporate funds; but at the same time, the company owed me monies." Affidavit of Jerry Hill, p.15, ¶ 25.

b. The "Standard" on a Motion for New Trial.

The Idaho appellate courts have consistently held:

A motion for a new trial based on newly discovered evidence must satisfy the test adopted in *State v. Drapeau*, 97 Idaho 685, 551 P.2d 972 (1976). The requirements under that test are:

- (1) that the evidence is newly discovered and was unknown to the defendant at the time of trial;
- (2) that the evidence is material, not merely cumulative or impeaching;
- (3) that it will probably produce an acquittal; and
- (4) that failure to learn of

the evidence was due to no lack of diligence on the part of the defendant.

Id., at 97 Idaho 691, 551 P.2d 978, quoting 2 C. WRIGHT, FEDERAL PRACTICE AND PROCEDURE: CRIMINAL § 557, at 515 (1969).¹ [FN1. This language has been retained in the 1982 edition of Wright's text. See 3 C. WRIGHT, FEDERAL PRACTICE AND PROCEDURE: CRIMINAL § 557, at 315 (1982).] If the alleged new evidence does not meet each of the requirements set forth in *Drapeau*, the district court should not grant a motion for a new trial.² [FN2. These standards are the same whether the motion for new trial is based on newly discovered evidence under I.C. § 19-2406(7) or under the auspices of I.C.R. 34 (permitting a new trial "if required in the interest of justice").]

State v. Ames, 112 Idaho 144, 146 P.2d 1064, 1066 (Ct.App. 1986); *State v. Pugsley*, 119 Idaho 62, 63, 803 P.2d 563, 564 (Ct.App. 1991). See also 44 A.L.R.Fed. 13 § 1, p. 37.

i. No "Newly Discovered Evidence" Submitted.

Hill's "newly discovered evidence" is really old evidence, at all times known to Hill, run through a "new" person, Suzanne Metzger, an accountant.

Other "new" evidence are the affidavits of Primozich and Kelpin. Elizabeth (Ellie) Primozich submitted an affidavit in support of Hill's motion for a new trial. Primozich was known to Hill prior to trial. Affidavit of Elizabeth A. Primozich, p. 1-3, ¶¶ 3, 4, 6, 10. Several witnesses at trial testified about Primozich. Primozich is no one "new" to Hill, nor does she provide any "new" evidence. John Kelpin submitted an affidavit in support of Hill's motion for a new trial. Kelpin was known to Hill prior to trial. Affidavit of John Kelpin, pp. 1-2, ¶¶ 4, 5. The evidence must have been unknown or unavailable to the defendant at the time of trial. *U.S. v. Winters*, 600 F.3d 963 (8th Cir. 2010). This issue is discussed further in part (d) immediately below.

ii. Evidence Submitted is Not Material.

Much of Metzger's "expert" "opinion" discusses the "fact" that Hill was owed money by the corporation from which he stole money. As discussed above, that is not

a defense. Thus, that "testimony" is not material.

iii. Evidence Submitted Will Not Probably Produce an Acquittal.

In order to succeed on a motion for new trial based on newly discovered evidence, a defendant must show, inter alia, that the new evidence will *probably* produce an acquittal. *Estes v. State*, 111 Idaho 430, 439, 725 P.2d 135, 144 (1986). It is unclear if Hill is aware of the correct standard or if Hill's new attorney is simply being candid with the Court, as Hill's new attorney, in concluding Hill's brief on his motion for a new trial, writes:

In conclusion, the undersigned respectfully request a new trial. The new information before the court would have been very relevant to a jury, and certainly it can be said such evidence "might" have changed the result of the verdict.

Brief in Support of Motion for a New Trial, pp. 10-11. If Hill's new counsel is simply being candid with the Court, the Court appreciates that candor and Hill's new counsel's effort to not overstate Hill's case. Anything "might" happen. Unfortunately for Hill, that is not enough. For this Court to properly exercise its discretion and grant Hill's motion for a new trial, this Court would have to be convinced that the "new evidence" (there is no "new evidence", but ignoring that for the moment) *probably* would produce an acquittal. As *Estes* shows, it is not enough that the "new evidence" would probably "change the result of the verdict", as Hill writes. It is not enough for Hill to at this time convince this Court that the jury might be hung. *Estes* shows Hill must convince this Court that a new jury *probably* would *acquit* Hill. There is absolutely no way Hill has convinced the Court that the "new evidence" would probably produce all twelve jurors unanimously deciding the State had not met its burden of proof on grand theft.

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**iv. Any Failure by Hill to Learn of the Evidence
Submitted on Hill's Motion for a New Trial is Due to a
Lack of Diligence by Hill or Hill's Agents.**

The standard is that of "ordinary diligence." 44 A.L.R.Fed. 13, § 6, pp. 59-68.

Not only must this Court consider Hill's knowledge, and Martin Neils' knowledge, but also Mark Jackson's knowledge today, and in 2008 when he initially represented Hill on these charges. The knowledge or diligence of defense counsel may be considered by the court in determining whether the lack of knowledge and the diligence requirements have been met for the purposes of a motion for a new trial. 44 A.L.R.Fed. 13, § 72.

Hill's complaint that: "I again told Mr. Neils that we needed to get an accountant..." is of no avail, as Hill himself testifies in his affidavit that "...Tom Baker, a local accountant, who assisted Mr. Jackson during his representation of me." Affidavit of Jerry Hill, p. 4, ¶ 8.

A disturbing recurrent feature of Hill's motion for a new trial is Hill's willingness and Hill's new counsel's willingness to throw Hill's public defender under the bus for not obtaining the evidence Hill knew about (thus, making it not "new" evidence). As but one example, Hill complains in his affidavit: "I had asked Mr. Neils before trial to contact Ellie Primozich, the former bookkeeper, as well as the accountants at Magnuson McHugh, who did the JHH accounting work, but he never did." Affidavit of Jerry Hill, p. 3, ¶ 6. **Factually**, nothing contained in Primozich's affidavit would result in a new trial. Most of the affidavit is hearsay ("I recall Suzanne Metzger being frustrated about JHH getting their books timely completed", ¶ 7), most of it is cumulative ("Jerry always had a good character", ¶ 6), and most of it is not relevant (poor bookkeeping, cash flow problems ¶¶ 7, 8, and 9). **Legally**, nothing contained in Primozich's affidavit is "new" as Hill knew Primozinch when Hill started at this real estate company. "Ineffective

assistance of counsel cannot be ground for new trial under Rule 33 if facts alleged in support of motion were within defendant's knowledge at time of trial." 44 A.L.R.Fed. 13, p. 43, § 3. citing *United States v Jackson*, 88 F.3d 845 (10th Cir. 1996); 44 A.L.R.Fed. 13, § 5, p. 53. "The testimony of witnesses, whom the defendant stated he had requested his trial counsel to call as defense witnesses, was held by the court not to constitute newly discovered evidence for the purposes of a motion for a new trial." *Id.*, § 16, p. 92, citations omitted.

Hill in his affidavit claims: "This was an accounting case. My education is a high school diploma and 1 ½ years of general college classes, none of which were bookkeeping classes" (Affidavit of Jerry Hill, p. 3, ¶ 6), and "In sum, there was sloppy bookkeeping at JHH, especially during the building boom years of 2004-07." *Id.*, p. 15, ¶ 25. Claims by Hill that he did not know what was going on within the business are not to be considered by this Court on Hill's motion for a new trial as it strains credulity to assume a criminal defendant did not know how his own business was being operated. 44 A.L.R.Fed. 13, § 12, pp. 82-83.

Any new evidence Hill himself would bring to a new trial cannot be newly discovered evidence. "Defendant's own testimony which would certainly have been available to him at trial." *Id.*, § 24, p. 109.

If Metzger's testimony were admissible (much of it is not), it still would not warrant a new trial. A new expert to testify is ordinarily not grounds for a new trial. *Id.*, § 26, pp. 114-117. Such testimony could have been obtained at the time of trial. *Id.*, citing *United States v. Iannelli*, 528 F.2d 1290 (3rd Cir. 1976); *Wright v. United States*, 215 F.2d 498 (DC Cir. 1954); or a request to adjourn could have been made. *United States v. Keller*, 145 F.Supp 692 (D. N.J. 1956).

It cannot be said Hill did not have adequate time to prepare for this trial and find all available evidence in his defense. The Court has set forth above the extremely large number of continuances involved in this case.

4. Factual Inadequacies of Hill's Motion.

Much of what Hill states in his "Brief in Support of Defendant's Motion for a New Trial" is simply not true. Some of these unsupported claims by Hill may be due to the fact that prior to trial, during trial, and at sentencing, Hill had the same deputy public defender, Martin Neils, and then, immediately after sentencing, Hill retained private attorney Mark Jackson to represent him. It is attorney Jackson who has made the claims contained in Hill's "Brief in Support of Defendant's Motion for a New Trial". It is understandable how Hill's claims of what happened at trial are simply false, given the fact that there is no trial transcript at present and given the fact that Jackson was not present at trial.

Both Hill in his affidavit and Metzger in her affidavit, jump on the bandwagon and join Hill's new attorney in being critical of Hill's former attorney who represented Hill for nearly two years from preliminary hearing through trial to sentencing. Hill makes the claim that his former attorney "was overwhelmed by this case with his other workload." Affidavit of Jerry Hill, p. 3, ¶ 5. Metzger writes that she was "surprised that [she] was never contacted" by Hill's attorney prior to trial. Affidavit of Suzanne Metzger, p. 3, ¶ 6. Aside from lacking any foundation, these claims by Hill and Metzger beg the question: "Where is the affidavit of Martin Neils giving any credibility to any of these claims?"

The following are examples of what "evidence" Hill claims was not presented to the jury. Hill makes the claim "**The jury might easily have reached a different verdict had they heard the testimony of Suzanne Metzger.**" Brief in Support of

Defendant's Motion for a New Trial, p. 4. (bold in original). Printing something in bold does not make the proposition true. Hill claims Metzger would show a different jury:

- a. The jury never heard from an actual staff attorney of MM who worked with JHH, who knew the shareholders and bookkeeper, and was aware of the "confusing" shareholder loans within the company.

Id. No citation is given to that bald statement. The Court has read Metzger's affidavit, and Metzger never references "an actual staff attorney of MM" (Magnuson McHugh). Metzger is not an attorney. Affidavit of Suzanne Metzger, pp. 1-2, ¶ 1. Metzger was an accountant at Magnuson, McHugh & Co., P. A. from June 2000 to September 2010, and Magnuson McHugh performed work for Jordan Hill and Hall. *Id.*, p. 2, ¶ 3. Metzger did state in her affidavit that: "Shareholder loans at JHH with all three members was a constant point of discussion or dispute between JHH members and MM." *Id.*, p. 5, ¶ 8. First, that opinion would inherently be based on nothing but hearsay. Second, even if that opinion were admissible, it does nothing to prove the legality or illegality of any "loan" to Hill that was discussed in the present case. Hill next claims in his brief:

- b. The jury never heard that it was common for shareholders to personally purchase property on behalf of businesses.
- c. The jury never heard that it was common among small businesses for partners or shareholders to make personal charges on company credit cards.
- d. The jury never heard that it was common place for shareholders in similar companies to purchase items with the intent that those items be deemed company purchases through reimbursement.
- e. The jury never heard it was commonplace among similar small businesses for loans to exist between shareholders and the company.

Brief in Support of Defendant's Motion for a New Trial, p. 4. **First**, what "similar small businesses" do is of absolutely no relevance to this case. What "shareholders" in other companies do is of no relevance. Had such evidence been elicited at trial and objected to on relevance, that objection would have to have been sustained. What *is* relevant is what *Hill* did and why. There was plenty of testimony about that. What *is* relevant is

what others did *at Hill's direction*, and there was testimony on that point by Hill and by others, such as Sauni Walker and Linda Yacano. It might be relevant what Hill's partners Hall and Jordan did in this particular corporation and why, and Hill testified about what they did, as did Brad Jordan. **Second**, even Metzger's affidavit shows Jordan, Hill and Hall was not a "small business" ("JHH was a large client...", Affidavit of Suzanne S. Metzger, p. 5, ¶ 8). **Third**, what other "similar small businesses" do is not *new evidence*.

5. The Verdict is Not Contrary to Law or Evidence.

Hill also claims as a ground for a new trial, that the verdict was "contrary to law or evidence." Brief in Support of Defendant's Motion for a New Trial, p. 1. As pointed out by the State, that ground ordinarily applies to circumstances in which the defendant asks the court to overrule the verdict of the jury," which can be construed as a claim that there was not substantial evidence to support the verdict of the jury. Brief in Opposition to Motion for New Trial, p. 9, citing *State v. Olson*, 119 Idaho 370, 372, 806 P.2d 963, 965 (Ct.App. 1991). There is more than substantial evidence to support the verdict reached by the jury in Hill's case. This Court must "...give full consideration to the right of the jury to determine the credibility of witnesses, the weight to be afforded evidence, as well as the right to draw all justifiable inferences from the evidence before them. *State v. Hamilton*, 129 Idaho 938, 941, 935 P.2d 201, 204 (Ct.App. 1997). There is sufficient factual basis for the jury's verdict. Hill paid for several significant high value items with a company credit card, kept that fact from his partners, there was evidence of his surreptitious actions in keeping that fact from his partners and bookkeepers, and Hill could not avail himself of his claim that "they owed me money."

/

6. The Court did not Misdirect the Jury.

Hill claims “the court has misdirected the jury in a matter of law, or has erred in the decision of any question of law arising during the course of the trial.” Brief in Support of Defendant’s Motion for a New Trial, p. 1. Nothing further to flesh out this claim is made by Hill in his Brief in Support of Motion for a New Trial, and no reference to this argument is made at all in Hill’s “Defendant’s Responsive Brief.” No error in the admission of evidence nor the giving of any instruction (nor failure to give an instruction) has been made by Hill’s new attorney. The Court can only assume that Hill has abandoned this claim.

IV. CONCLUSION AND ORDER.

The A.L.R. section quoted extensively in this opinion begins with the following admonition:

Counsel for a convicted defendant should realize that the likelihood of obtaining a new trial based on newly discovered evidence is not good. Not only is this reflected by the results of the cases collected in this annotation, where the number of instances in which the motion was denied vastly exceeds those in which it was granted; but there is also judicial authority to the effect that a motion for a new trial is not regarded with favor and is granted only with great caution.

44 A.L.R. Fed. 13, § 2(b), p. 41. § 10. As the State notes in its brief, Idaho appellate courts have noted that high burden on the defendant:

Motions for a new trial based on newly discovered evidence are disfavored and should be granted with caution, reflecting the importance accorded to considerations of repose, regularity of decision making, and conservation of scarce juridical resources.

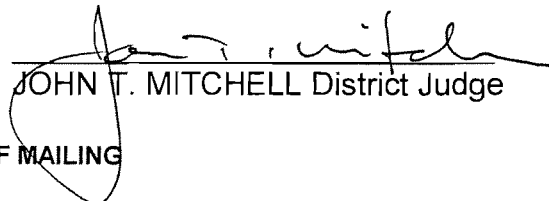
State v. Stevens, 146 Idaho 139, 144, 191 P.3d 217, 222 (Ct.App. 2008), quoting *State v. Hayes*, 144 Idaho 574, 577, 165 P.3d 288, 291 (Ct.App. 2007). Brief in Opposition to Motion for New Trial, p. 3. Hill has simply not met his high burden on his motion for a new trial. Hill’s motion must be denied.

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The State points out (yet Hill refuses to recognize) the fact that Hill purchased several expensive items on the company credit card (a \$2,000 generator on June 4, 2005, Exhibit 3; \$3,000 for Spokane Chiefs Box Seats on October 8, 2005, Exhibit 5; log furniture shoes, televisions and a gas stove in December 2005), and then Hill wrote the company check to pay that paid for those items. Brief in Opposition to Motion for New Trial, pp. 6-7. Other instances are highlighted by the State where the trail was not quite as direct as the above where *Hill himself* signed the check that paid for these credit card purchases (*Id.*, p. 7-8), but since Hill could not explain these purchases at trial, they were just as inculpatory.

IT IS HERBY ORDERED THAT JERRY ALLAN HILL's Motion for New Trial is **DENIED.**

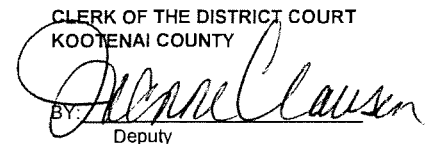
DATED this 22nd day of February, 2011


JOHN T. MITCHELL District Judge

CERTIFICATE OF MAILING

I hereby certify that on the 22 day of February, 2011 copies of the foregoing Order were mailed, postage prepaid, or sent by facsimile or interoffice mail to:

Defense Attorney – Mark Jackson 666-0550
Courtesy copy to Martin Neils I.D.
Prosecuting Attorney – Arthur Verharen 446-1841

CLERK OF THE DISTRICT COURT
KOOTENAI COUNTY
BY: 
Deputy

2011 MAR -9 PM 12: 59

CLERK DISTRICT COURT

DEPUTY

462

MARK A. JACKSON
MARK A. JACKSON, P.A.
110 Wallace Avenue
Coeur d'Alene, Idaho 83814
Telephone: (208) 664-3626
Facsimile: (208) 666-0550
ISB #3134

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,

Plaintiff,

vs.

JERRY A. HILL,

Defendant.

CASE NO. CR F08-26363

SUBMISSION OF AFFIDAVIT OF
MARTIN NEILS

COMES NOW, the above-named Defendant, Jerry A. Hill (hereafter "Jerry"), by and through his attorney of record, Mark A. Jackson of MARK A. JACKSON, P.A. and hereby submits to the court the attached Affidavit prepared and written by Martin Neils.

DATED this 9 day of March, 2011.

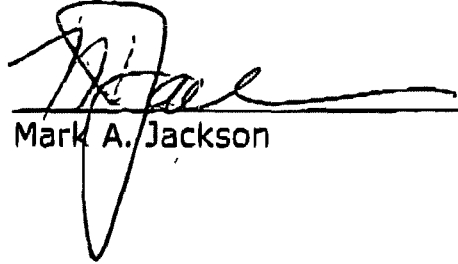
Mark A. Jackson

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 9 day of March, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

- U.S. Mail
- Hand Delivered
- Overnight Mail
- Facsimile (Fax) to: 446-1833

Kootenai County Prosecutor's Office
PO Box 9000
Coeur d'Alene, ID 83816



Mark A. Jackson

SUBMISSION OF AFFIDAVIT OF MARTIN NEILS -2

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8. On May 6, 2010 the state provided supplemental discovery of 161 pages consisting primarily of financial records. Some of this material had not been previously provided to Defendant.
9. Only a small portion of the evidence and testimony at the trial was directly related to the credit card transactions. Most of the evidence at trial regarded the overall financial relationship between Jerry Hill and Jordan, Hill and Hall.
10. The court ordered that I discuss with John Adams retention of an expert to conduct an audit of the financial evidence presented at trial. John Adams authorized retention of an expert on the same day as the Court order.
11. I contacted Tom Baker's office and Suzanne Metzger about reviewing the records. I chose Mr. Baker and Ms. Metzger because they had familiarity with the Jordan, Hill and Hall records. I was told the earliest Tom Baker could review the records was late October 2010. Suzanne Metzger informed me she would not be able to complete the review until mid November 2010.
12. The case changed from an allegation of less than \$10,000 in unauthorized credit card transactions at the Preliminary Hearing to a claim at trial that Jerry Hill stole \$354,000 from Jordan, Hill and Hall.
13. I had a very heavy case load as a Deputy Public Defender during 2009 and 2010.

FURTHER YOUR AFFIANT SAYETH NAUGHT.

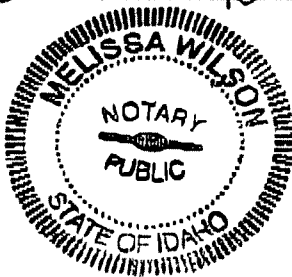
DATED this 9 day of March, 2011.


[Signature]
NAME, Affiant

SUBSCRIBED AND SWORN to before me this 9 day of March, 2011.

Melissa Wilson

Notary Public in and for the State of Idaho
Commission Expires: 3/28/2014



Description	CR 2008-26363 Hill, Jerry 20110310 Jurisdictional Review Judge Mitchell Court Reporter Julie Foland Clerk Jeanne Clausen		
Date	3/10/2011	Location	1K-COURTROOM8
Time	Speaker	Note	
<u>03:02:53 PM</u>	Judge	Calls case - deft incustody and represented by Mr. Jackson and state represented by Mr. Verharen. Jurisdictional review. Continued this hearing from 2/17/11 so I could get my decision out on motion for new trial.	
<u>03:04:20 PM</u>	PA	No evidence.	
<u>03:04:27 PM</u>	DA	Client is going to make a statement. Presents affidavit of Martin Neils.	
<u>03:05:24 PM</u>	PA	Have reviewed affd.	
<u>03:06:26 PM</u>	Judge	Read that affidavit.	
<u>03:06:42 PM</u>	DA	No other witnesses or evidence.	
<u>03:06:53 PM</u>	Judge	Anything you would like to tell the court?	
<u>03:07:02 PM</u>	Deft	Apologize to my family and friends and the court and PA. I know now that if I had been on the jury I would've found me guilty to. I have learned alot on rider. Support of family and friends. Will find work and won't be burden on society.	
<u>03:08:12 PM</u>	PA	Made recommendations that he should be sent to prison without a rider. Magnitude of crime. Large extent of money and over a course of years. He was stealing from partners who considered him a friend and trusted him. For this I warranted a prison sentence. Also because he isn't acknowledging his crime. Evidence was extremely strong, varied , extensive and comprehensive. Thefts by credit cards, vending machine and costco and covered his tracks so they wouldn't be found. Method of documentations would've mattered. He wasn't framed for this crime. Evidence supports that he did this crime.	
<u>03:11:45 PM</u>	DA	Having read memorandum of court and I feel responsible for comments by court. Bolding in affidavit is my fault. Couldn't afford a transcript. I was hired by clients friends and family. It was my choice not to get a transcript was my fault, because couldn't afford one. I listened to trial with CD's. I paid Tom Baker \$300 to \$400 to help me go over the documents. He played a very small role in this. Very unique case to me. Felt an expert was needed. Court granted retained jurisdiction, this is his first criminal offense. He remained in Boise because of his heart condition. He did all of his bookwork. Ask court to allow Jerry to go back to hiss wife and family and that he can complete a probationary period.	

<u>03:18:36 PM</u>	Judge	Where did APSI state that they were ok with him not admitting his crime.
<u>03:19:11 PM</u>	DA	They didn't say it so it is now positive. If court isn't going to retained jurisdiction than would ask that court change sentence. Grant probation today and that he can abide by any terms and conditions.
<u>03:20:00 PM</u>	Judge	Why is he having a hard time being accountalbe for this offense.
<u>03:20:16 PM</u>	DA	His statements have been exactly the same thru this whoe thing. Very credible to me. I find him credible and like him alot.
<u>03:21:23 PM</u>	Judge	Why is he having difficulties that he can't admit to this crime. Why do you think youre client is having such difficulty admitting to what he has done. Rereads statement by deft earlier today. He hasn't said that he was guilty or responsible for even three things he was being tried on. I'm waiting to hear some accountability and responsiblity by your client and I'm not hearing it.
<u>03:25:33 PM</u>	DA	He got the statement from me. If I had been on jury I would've found you guilty. And my statement to him all along. I didn't know what would be send in Ms. Metzgher's affd and she had personal knowledge of the business. He stated he help create this entire situation. He's not stating he had a criminal intent when he did this. He accepts responsiblity for creating this whole mess. I don't know how else to say this.
<u>03:28:00 PM</u>	Judge	Going to send client to prison if he doesn't admit to what he has done. Or at least give me an amount about what he has done and can argue about amount later.
<u>03:28:45 PM</u>	DA	Needs more time.
<u>03:28:53 PM</u>	Deft	I understand what you are saying.
<u>04:21:44 PM</u>	Judge	Back on the record. Mr. Verharen remains for pltf and Mr. Jackson for Mr. Hill.
<u>04:22:12 PM</u>	DA	Came here today not prepared for a restitution hearing. Reviews preliminary hearing transcript. Jerry will take full responsibility for the monies in preliminary hearin that he was bound over on. Alford situation. He can't say that at time he didn't have any criminal intention. \$3115.50 chiefs tickets, hot tub \$5500, Generator and LA weightloss. I still think Suzanne Metzger's affidavit is powerful.
<u>04:26:04 PM</u>	Deft	I know I must not be saying it the way court wants to hear. I did write checks that my partners didn't know about. I take full responsibility. Not sure what to say anymore.
<u>04:26:57 PM</u>	Judge	Made purchases on credit cards and checks did you intend to pay it back.
<u>04:27:20 PM</u>	Deft	After corporation paid me back.
<u>04:27:30 PM</u>	Judge	There is no set off in this.

<u>04:27:35 PM</u>	Deft	I thought about this in a wrong way. Knew at the trial there was no set off.
<u>04:27:57 PM</u>	Judge	It is no defense.
<u>04:28:02 PM</u>	Deft	I was blindsided. Didn't know what to expect. It doesn't make sense that I was responsible for all of this. I wanted to show you that I didn't owe all that money. It will take millions of years to pay back. I'm not trying to be sneaky with court. I'm one that wrote checks.
<u>04:29:28 PM</u>	Judge	Wrote checks and made purchases and used credit cards and partners didn't know about it, did you ever intend to pay them back?
<u>04:29:59 PM</u>	Deft	I didn't get my money back from company. When I was going to get money back from company I would've paid it back. I didn't get my commission because company couldn't afford to pay me.
<u>04:30:49 PM</u>	Judge	Continue to 4/6/11 at 3pm.
<u>04:31:37 PM</u>		
<u>04:31:37 PM</u>	End	

Produced by FTR Gold™
www.fortherecord.com

Description		CR 2008-26363 Hill, Jerry 20110406 Jurisdictional Review Judge Mitchell Court Reporter Julie Foland Clerk Jeanne Clausen
Date		4/6/2011
Location		1K-COURTROOM8
<i>Jeanne Clausen</i>		
Time	Speaker	Note
<u>03:00:24 PM</u>	Judge	Calls case - deft present incustody and represented by Mr. Jackson; Ms. Borgman for the state. Continued jurisdictional review hearing. Still time left on the jurisdictional review clock.
<u>03:01:34 PM</u>	PA	Nothing to add.
<u>03:01:39 PM</u>	DA	My client wants to make a statement.
<u>03:01:48 PM</u>	Deft	I have thought more about this. I would like to point out alot of things of Plaintiff's exhibit #12. I had charged \$3,119.57 on my American Express Credit Card. I gave bookkeeper money for Christmas. My intentions were to always pay back whatever I put on my credit card. Generator that I charged next was 6/4/05 because company owed me \$12,000 still. Most of all charges totals around the \$12,000. Trying to be as honest as I can. I don't know what else to tell you. Took out a loan on my lake house for a corporate loan. Trying to be as honest as I can. I had no intention to steal from company. May I have probation.
<u>03:06:24 PM</u>	PA	Nothing that I've heard today would change Mr. Verharen's recommendation for prison.
<u>03:06:54 PM</u>	DA	A lot of trouble adding more facts. 53 yrs old. Lost weight down there. Heart condition. No reason he's not a canidate for probation. APSI states he did acknowledge the crime. State said he is compliant. That is just what record said. Done best to acknowledge, but simply denies any criminal contempt. Jerry states he shouldn't have written the checks. Should've had an accountant for defense during trial. He will do well on probation.
<u>03:11:47 PM</u>	Judge	Recess
<u>03:37:20 PM</u>	Judge	Back on the record. Suspended judgment and sentence and place on supervised probation for 14 yrs. 191 days CTS. 42 days to appeal this decision. Commit no law viol; comply with Prob rules and regs. Pay cc previously imposed. \$200 for CS. \$5000 for KC for prior defense counsel time. Have ability to pay over the course of next 14 yrs. make monthly progress. 14 yrs open for restitution. Traning programs as recommended. full time employment or education. Counseling upon request of PO. No alcohol, bars, taverns or liquor stores. No substance to alter UA. Submit to person, personal property and residence at request of PO. 300 hrs CS by 12/31/12. Waives extradition. Submit to polygraph upon request. Live in state of Idaho and pay \$50/mo COS. 90 days UJT.

		Released today. Begin CSC program and complete.
<u>03:46:29 PM</u>	Deft	No questions and accepts the terms and conditions.
<u>03:46:45 PM</u>	Judge	This is probably one of the most frustrating cases I've ever dealt with. Your inability to admit what you have done wrong. Stepfeld vs. State, State v. Hefrin, St. vs. Kellis and Thomas vs. State of Nevada. In Nevada case it is quite clear that as far as determination amount of sentence; when I imposed sentences I imposed on 9/28/10 I did not take into account your failure to admit your guilt that jury found you possessed. That didn't enter into my sentencing decision. Concerns that if I were to follow states recommendation due to your refusal and inability for you to admit what jury found guilty of maybe an appealable issue. State vs. Stepfeld - page 276 refers to St. vs. Lawrence; find that in all probability that you will not reoffend while you are on probation and in a similar way. St. vs. Hefrin - page 950 refusal to admit factual guilt may take into consideration at sentencing. 19-2601 indicates a statutory preference for probation. While I'm frustrated, I'm convinced it is only appropriate decision to make.
<u>03:53:47 PM</u>		
<u>03:53:47 PM</u>	End	

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www.fortherecord.com

Deanne Clausen
Deputy Clerk

State of Idaho

vs.

JERRY ALLAN HILL

Case # **CRF 2008 26363**

**MINUTE ENTRY ORDER
CREDIT FOR TIME SERVED**

=====

IT IS ORDERED that Hill is entitled to credit for time served calculated as follows:

CRF 2008 26363

Determined by a prior order entered on 9/28/10 0 days _____

From 9/28/10 to 3/10/11 or 191 days _____
~~184~~

From _____ to _____ or _____ days _____

From _____ to _____ or _____ days _____

Total 191 days _____
~~184~~

April 6, 2011
Dated: ~~March 10, 2011~~

John T. Mitchell
John T. Mitchell, District Judge

Copies sent to counsel of record on 4/7/11

Deanne Clausen
Deputy Clerk

FILED 4-6-11

AT 5:00 O'clock P.M

CLERK, DISTRICT COURT

Maric Ru

Deputy

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)
)
 Plaintiff,)
)
 vs.)
)
 JERRY ALLAN HILL)
)
 DOB: [REDACTED])
)
 SSN: [REDACTED])
)
 IDOC: 97615)
)
 Defendant.)

Case No. **CRF 2008 26363**

**RETAINED JURISDICTION
DISPOSITION AND NOTICE
OF RIGHT TO APPEAL**

This ORDER SUSPENDING JUDGMENT AND SENTENCE constitutes the retained jurisdiction disposition in the above matter.

On February 15, 2011, before the Honorable John T. Mitchell, District Judge, you **JERRY ALLAN HILL**, appeared for your Motion for a New Trial. Also appearing were a lawyer from the Office of the KOOTENAI County Prosecuting Attorney and your lawyer, Mark Jackson. At the conclusion of that hearing, the Court stated it would announce its decision at the February 17, 2011, hearing scheduled for your jurisdictional review.

On February 17, 2011, before the Honorable John T. Mitchell, District Judge, you, **JERRY ALLAN HILL**, were scheduled for a jurisdictional review hearing. At that hearing, the Court stated it had not decided the Motion for a New Trial, and encouraged you to continue your jurisdictional review hearing until after that decision had been made. On February 22, 2011, this Court filed its "Memorandum Decision and Order Denying Defendant's Motion for a New Trial."

On March 10, 2011, before the Honorable John T. Mitchell, District Judge, you, **JERRY ALLAN HILL**, personally appeared for disposition of your retained jurisdiction. Also appearing were a lawyer from the Office of the KOOTENAI County Prosecuting Attorney and your lawyer, Mark Jackson. *Continued again to April 6, 2011;*

Whereupon the court considered the report of the jurisdiction review committee

and any offered evidence, and the defendant having been given the opportunity to explain, or comment concerning disposition, and you having been given the opportunity to make a statement and having done so, and recommendations having been made by counsel for the State and by your lawyer, the Court did then pronounce its disposition as follows:

IT IS HEREBY ORDERED that, pursuant to *I.C. §§19-2601*,



That the execution of your previously imposed sentence be suspended and you are placed on supervised probation for a period of FOURTEEN (14) years upon the terms and conditions identified and set forth on the attached Schedule of Probation Terms and Conditions.

That in the presence of your probation officer, you shall on a certified copy of this order and the attached Schedule of Probation Terms and Conditions endorse your receipt of a copy of this order and shall have initialed your acceptance, agreement, and consent to each of the terms and conditions contained in this order and attachment. Your probation officer shall return to the court the certified copy that contains your endorsement.

That as soon as you are released from custody, you shall report to the probation and parole office in KOOTENAI County.

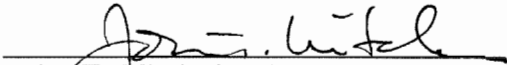
IT IS FURTHER ORDERED that pursuant to Idaho Code § 18-309 you, **JERRY ALLAN HILL**, shall be given credit for time served on any sentence imposed on the above charges as follows: CRF 2008 26363 - ~~154~~ days.

NOTICE OF RIGHT TO APPEAL

YOU, JERRY ALLAN HILL, ARE HEREBY NOTIFIED that you have a right to appeal this order to the Idaho Supreme Court. Any notice of appeal must be filed within forty-two (42) days of the entry of the written order in this matter.

YOU ARE FURTHER NOTIFIED that if you are unable to pay the costs of an appeal, you have the right to apply for leave to appeal in forma pauperis or to apply for the appointment of counsel at public expense. If you have questions concerning your right to appeal, you should consult your present lawyer.

DATED this 6th day of ~~March~~ ^{April}, 2011.

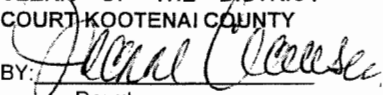

John T. Mitchell, District Judge

CERTIFICATE OF MAILING

I hereby certify that on the 7 day of ~~March~~ ^{April}, 2011 copies of the foregoing Order were mailed, postage prepaid, or sent by facsimile or interoffice mail to:

- Defense Attorney - Mark Jackson ~~446-4761~~ 666-0550
- Prosecuting Attorney - 446-1833 ✓
- Probation & Parole, fax: 769-1481
- Community Service (Interoffice Mail)
- KOOTENAI County Auditor (Interoffice Mail) fax
- GLOBAL DRUG TESTING via FAX: ~~664-6045~~

- KOOTENAI County Sheriff 446-1407
- Idaho Department of Correction
- [Certified copy faxed to (208) 327-7445]
- IDOC CCD, fax (208) 658-2186

Defendant, In Court
CLERK OF THE DISTRICT COURT KOOTENAI COUNTY
BY: 
Deputy

TERMS AND CONDITIONS OF PROBATION IMPOSED ON March 10, 2011
Unless stricken, the Probation Terms & Conditions for the above case are as follows:

IT IS FURTHER ORDERED, that you shall comply with each of the following **TERMS AND CONDITIONS OF PROBATION:**

- 1. That you shall commit no violations of any law of the United States of America, or of any law of any other country, or of any law of any state, county, city, or other political subdivision.
- 2. That you shall comply with all of the rules, regulations and requirements of the Idaho Department of Corrections.
- 3. That you shall pay court cost as previously ordered.
- 4. That you shall pay additional costs, fees, restitution and reimbursements as follows:

f. CS Work Comp		180.00
CS Set up fee		20.00
g. Reimburse defense costs	\$ 5,000.00	500.00
h. Reimburse KOOTENAI County Prosecutor's costs	\$ 5,000.00	200.00
i. Reimburse District Court Fund		100.00
j. Reimbursement for <i>[Signature]</i> (Court ordered evaluation paid from Court administered funds).		
TOTAL		\$ 10,300.00

5. All of the above sums shall be paid to the County Clerk at the KOOTENAI County Courthouse, in monthly installments to be determined by your probation officer, based upon your ability to pay. Based upon a periodic review of your financial circumstances, your probation officer may increase or decrease the amount of your monthly payment, it being the intent that your financial obligations under this sentence be paid in full prior to your discharge from probation. All payments shall be made in the form of cash, cashier's check or money order. The clerk shall distribute the payments in the priority set by the Idaho Supreme Court.

6. That the court shall reserve jurisdiction to determine the amount of restitution you shall pay your victim(s) in this matter. The amount shall be determined from time to time by stipulation or upon notice and hearing. *Left open for 14 years.*

7. That you shall attend and complete such rehabilitation, educational, and vocational training programs as your probation officer may designate.

8. That you shall make every effort to obtain and maintain full time employment or be enrolled in a full time educational program.

9. That you shall attend and complete such substance abuse and mental health counseling as your probation officer may designate.

10. That you shall submit to analysis of your blood, breath or urine at your own expense at the request of your probation officer or any law enforcement officer. You shall submit to random substance abuse testing at your expense and as requested by your probation officer.

11. That you shall not purchase, possess, or use any substance intended to alter the results of urinalysis testing for the presence of controlled substances or alcohol.

12. That you shall submit to searches of your person, personal property, automobiles, and residence without a search warrant at the request of your probation officer.

13. That you shall not consume or possess alcoholic beverages during the

period of your probation.

14. That you shall not enter any establishment wherein the primary source of revenue is the sale of alcoholic beverages.

15. That you shall perform and complete THREE hundred (300) hours of community service on a periodic basis approved by your probation officer, but in any event not later than December 31, 2012

16. By accepting this probation you do hereby waive extradition to the State of Idaho and also agree that you will not contest any effort by any State to return you to the State of Idaho.

17. That you shall not associate with any individuals specified by your probation officer.

18. That you shall, at the request of your probation officer, submit to a polygraph examination at your expense.

19. If requested by your probation officer, you will be required to reside in the State of Idaho.

20. That you shall pay to the Idaho Department of Corrections its costs of supervision of your probation, in an amount not to exceed \$50.00 per month.

21. That in addition to any other local incarceration you are given ninety (90) days in the county jail to be served and imposed at the discretion of your probation officer and upon the written approval of the District Court.

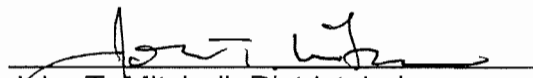
22. You shall immediately request of your probation officer that you be allowed to begin the Cognitive Self Change series and complete such program.

23.

The terms of the defendant's probation may be revoked, modified or extended at any time by the Court, and in the event of any violation of the conditions hereof, during the period of probation, the Court may revoke this Order and cause the sentence to be executed. Defendant is subject to arrest without a warrant for violation of any condition hereby imposed.

IT IS FURTHER ORDERED that so long as you abide by and perform all of the foregoing conditions, entry of judgment and sentence will continue to be suspended. If you successfully complete your probation, the charges against you may be reduced upon your application. If you violate any of the terms and conditions of your probation, you will be brought before the Court for imposition of your suspended judgment and sentence.

DATED this 6th day of April, 2011.


John T. Mitchell, District Judge

RECEIPT BY DEFENDANT

I, **JERRY ALLAN HILL**, hereby acknowledge receipt of a copy of the foregoing disposition order and hereby accept and agree to the incorporated terms and conditions of probation. By accepting this probation, I do hereby agree that if I am placed on probation to a destination outside the State of Idaho, or if I leave the confines of the State of Idaho, with or without the permission of my probation officer, I do hereby waive extradition to the State of Idaho. I further agree that I will not contest any effort by any State to return me to the State of Idaho.

Dated this _____ day of _____, 2011.

JERRY ALLAN HILL

Witness

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

APPLICATION FOR: JERRY ALLAN HILL
 DEFENDANT JUVENILE CHILD PARENT

CASE NO. CRF 2008 26363

DOB [REDACTED]

BY _____
PARENT or GUARDIAN OF MINOR
DOB _____

FINANCIAL STATEMENT AND ORDER

NOTE: If this application is being made on behalf of a minor, please answer the following questions as they apply to his/her parents or legal guardian. Include information for you and your spouse.

I, the above named defendant (or the parent(s) on behalf of a minor), being first duly sworn on oath, depose and say in support of my request for court appointed counsel:

My current mailing address is: 4761 E. Woodland Dr. Post Falls Idaho 83854
Street or P.O. Box City State Zip Code

My current telephone number or message phone is: 208-215-1804

Crimes Charged: 3 Counts of Grand Theft / Appealing to the Idaho Supreme Court.

I request the Court appoint counsel at county expense; and I agree to reimburse the county for the cost of said defense, in the sum and upon the terms as the Court may order.

BELOW IS A TRUE AND CORRECT STATEMENT OF MY FINANCIAL CONDITION:

1. EMPLOYMENT:

A. Employed: ___ yes X no B. Spouse Employed: X yes ___ no
C. If not employed, or self-employed, last date of employment APRIL 2007
D. My employer is: _____
Address: _____

2. HOUSEHOLD INCOME MONTHLY (Include income of spouse):

Wages before deductions \$ 1502.92 Other income: (Specify: Child Support, S.S., V.S., A.D.C.,
Less Deductions \$ 264.92 Food Stamps, Etc.)
Net Monthly Wages \$ 1238.00 Food Stamps \$ ~~1111~~ 360.

3. HOUSEHOLD EXPENSES MONTHLY:

Rent or Mortgage Payment \$ 600.00 Child Care \$ -0-
Utilities \$ 150.00 Recreation \$ -0-
Clothing \$ -0- Medical \$ 100.00
Transportation \$ 250.00 Insurance \$ 50.00
School \$ -0- Other (Specify) \$ _____
Food \$ 400.00

3. HOUSEHOLD EXPENSES MONTHLY: (cont.)

DEBTS: Creditor <u>Brad Clome (Auto)</u>	Total \$ <u>3500.⁰⁰</u>	\$ <u>50⁰⁰</u> per mo
Creditor _____	Total \$ _____	\$ _____ per mo
Creditor _____	Total \$ _____	\$ _____ per mo

4. ASSETS:

A. I (we) have cash on hand or in banks \$ -0-

B. I (we) own personal property valued at \$ -0-

C. I (we) own vehicle(s) valued at \$ -0-

D. I (we) own real property valued at \$ -0-

E. I (we) own stocks, bonds, securities, or interest therein \$ -0-

5. THE FOLLOWING ALSO AFFECTS MY FINANCIAL CONDITION (Specify): PREVIOUS COURT FEES OF \$10,300⁰⁰ Monthly probation FEES OF \$60.00

6. DEPENDENTS: self spouse _____ children _____ other (specify) _____
(number)

Jerry A Hill
APPLICANT

Subscribed and sworn to before me this 19 day of April, 20 11.

Peggy Arnold
NOTARY PUBLIC/CLERK/JUDGE

The above named _____ defendant _____ parent _____ guardian appeared before the court on the aforesaid charge and requested the aid of counsel. The court having considered the foregoing, and having personally examined the applicant; **ORDERS** _____ **DENIES** the appointment of the service of counsel.

The applicant is ordered to pay \$ _____ monthly beginning _____, 20 _____ for the cost of appointed counsel. Payments are to continue until

[] notified by the court that no further amount is due.
[] the sum of \$ _____ has been paid.

THE APPLICANT IS ORDERED TO PAY REIMBURSEMENT FOR THE COST OF APPOINTED COUNSEL AT THE CONCLUSION OF THE CASE; THIS AMOUNT MAY BE IN ADDITION TO ANY SUMS ORDERED ABOVE.

ENTERED this 19 day of April, 20 11.

[Signature]
#267
JUDGE

Custody Status: ___ In Out

Copies to:
 Prosecuting Attorney KC
 Public Defender

Bond \$ _____

4/20/11 Peggy Arnold
Date Deputy Clerk **690**

ORIGINAL

116
STATE OF IDAHO }
COUNTY OF KOOTENAI } SS
FILED:

2011 MAY 17 PM 3:05

CLERK DISTRICT COURT
[Signature]
DEPUTY

Martin Neils, Deputy Public Defender
The Law Office of the Public Defender Kootenai County
PO Box 9000
Coeur d'Alene, Idaho 83816
Phone: (208) 446-1700; Fax: (208) 446-1701
Bar Number: 4044

**IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI**

STATE OF IDAHO,)
)
) Plaintiff,)
)
) V.)
)
) JERRY ALLAN HILL,)
)
))
) Defendant.)
_____)

**CASE NUMBER CR-08-0026363
S.Ct. Appeal**

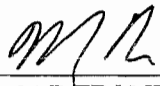
**MOTION FOR APPOINTMENT OF
STATE APPELLATE PUBLIC DEFENDER
IN DIRECT APPEAL; RETAINING TRIAL
COUNSEL FOR RESIDUAL PURPOSES**

COMES NOW, the above named defendant, by and through his attorney, Martin Neils, Deputy Public Defender and hereby moves the Court for an Order pursuant to Idaho Code §19-867, et seq., and Rule 13(b), (12) and (19) for its order appointing the State Appellate Public Defender's Office to represent the Appellant in all further proceedings. This motion is brought on the grounds and for the reasons that the Defendant is currently being represented by the Office of the Public Defender, Kootenai County; the State Appellate Public Defender is authorized by statute to represent the Defendant in all felony appellate proceedings; and it is in the interest of justice, for them to do so in this case since the Defendant is indigent, and any further proceedings on this case will be appealed.

**MOTION FOR APPOINTMENT OF STATE APPELLATE PUBLIC DEFENDER IN
DIRECT APPEAL; RETAINING TRIAL COUNSEL FOR RESIDUAL PURPOSES -1 -**

DATED this 17 day of May, 2011.

THE LAW OFFICE OF THE PUBLIC
DEFENDER OF KOOTENAI COUNTY

BY: 
MARTIN NEILS
DEPUTY PUBLIC DEFENDER

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this 17 day of May, 2011, served a true and correct copy of the attached MOTION FOR APPOINTMENT OF STATE APPELLATE PUBLIC DEFENDER via interoffice mail or as otherwise indicated upon the parties as follows:

- X Kootenai County Prosecuting Attorney via Interoffice Mail
P.O. Box 9000
Coeur d'Alene, Idaho 83816-9000

- X State Appellate Public Defender First Class Mail
3050 N. Lake Harbor Lane, STE 100 Certified Mail
Boise, Idaho 83703 Facsimile (208) 334-2985

- X Lawrence G. Wasden First Class Mail
Attorney General Certified Mail
P.O. Box 83720 Facsimile (208) 854-8071
Boise, Idaho 83720-0010

- X Reporter for District Judge John T. Mitchell, Julie Foland via Interoffice Mail

- Reporter for District Judge Fred M. Gibler, Byrl R. Cinnamon via Interoffice Mail

- Reporter for District Judge John P. Luster, Anne MacMannus via Interoffice Mail

- Reporter for District Judge Benjamin Simpson, JoAnn Schaller via Interoffice Mail

- Reporter for District Judge Lansing Haynes, Laurie Johnson via Interoffice Mail

Ellisawilson

ORIGINAL

Martin Neils, Deputy Public Defender
Office of the Kootenai County Public Defender
PO Box 9000
Coeur d'Alene, Idaho 83816
Phone: (208) 446-1700; Fax: (208) 446-1701
Bar Number: 4044

STATE OF IDAHO
COUNTY OF KOOTENAI
FILED: 5/18/11
AT 12:00 O'CLOCK P.M.
CLERK, DISTRICT COURT
Janet Clausen
DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)	
	)	CASE NUMBER CR-08-0026363
Plaintiff,	)	S.Ct. Appeal
)	
V.	)	ORDER FOR APPOINTMENT OF STATE
	)	APPELLATE PUBLIC DEFENDER IN
	)	DIRECT APPEAL; RETAINING TRIAL
JERRY ALLAN HILL,	)	COUNSEL FOR RESIDUAL PURPOSES
)	
)	
Defendant.)	

TO: OFFICE OF THE IDAHO STATE APPELLATE PUBLIC DEFENDER, AND,
MARTIN NEILS, DEPUTY PUBLIC DEFENDER, KOOTENAI COUNTY.

A judgment having been entered by this Court on April 6, 2011, and the defendant having requested the aid of counsel in pursuing a direct appeal from this district court in this felony matter, and defendant's trial counsel having filed a timely notice of appeal, and the Court being satisfied that said defendant continues to be a needy person entitled to public representation, therefore,

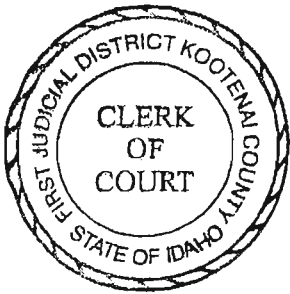
IT IS HEREBY ORDERED, in accordance with I.C. 19-870, that the State Appellate Public Defender is appointed to represent defendant in all further proceedings involving his appeal.

ORDER FOR APPOINTMENT OF STATE APPELLATE PUBLIC DEFENDER IN
DIRECT APPEAL; RETAINING TRIAL COUNSEL FOR RESIDUAL PURPOSES -1 -

IT IS FURTHER ORDERED that trial counsel shall remain as appointed counsel of record for all other matters involving action in the trial court which, if resulting in an order in defendant's favor, could affect the judgment, order or sentencing in the action, until the expiration of the time limit for filing said motions or, if sought and denied, upon the expiration of the time for appeal of such ruling with the responsibility to decide whether or not a further appeal will be taken in such matters.

IT IS FURTHER ORDERED that trial counsel shall cooperate with the Office of State Appellate Public Defender in the prosecution of defendant's appeal.

DATED this 18th day of May, 2011.



John T. Mitchell

 JOHN T. MITCHELL
 DISTRICT JUDGE

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this 18 day of, served a of May, 2011 true and correct copy of the attached ORDER FOR APPOINTMENT OF STATE APPELLATE PUBLIC DEFENDER via facsimile, interoffice mail or as otherwise indicated upon the parties as follows:

- | | | | |
|--------------|--------------------------------------|-------------------------------------|--------------------------|
| <u> X </u> | Kootenai County Public Defender | <input type="checkbox"/> | Interoffice Mail |
| | | <input checked="" type="checkbox"/> | Facsimile (208) 446-1701 |
| <u> X </u> | Kootenai County Prosecuting Attorney | <input type="checkbox"/> | Interoffice Mail |
| | | <input checked="" type="checkbox"/> | Facsimile (208) 446-1833 |
| <u> X </u> | State Appellate Public Defender | <input type="checkbox"/> | First Class Mail |
| | 3050 N. Lake Harbor Lane, STE 100 | <input type="checkbox"/> | Certified Mail |
| | Boise, Idaho 83703 | <input checked="" type="checkbox"/> | Facsimile (208) 334-2985 |

#4003

#4004

Mark Jackson - Fax 666-0550

**ORDER FOR APPOINTMENT OF STATE APPELLATE PUBLIC DEFENDER
 IN DIRECT APPEAL; RETAINING TRIAL COUNSEL FOR RESIDUAL PURPOSES -2-**

X Lawrence G. Wasden
Attorney General
P.O. Box 83720
Boise, Idaho 83720-0010

First Class Mail
 Certified Mail
 Facsimile (208) 854-8071

 X Supreme Court (certified)

First Class Mail
 Fax Certified (208) 334-2616

- X Reporter for District Judge John T. Mitchell, Julie Foland via Interoffice Mail
- Reporter for District Judge Fred M. Gibler, Byrl R. Cinnamon via Interoffice Mail
- Reporter for District Judge John P. Luster, Anne MacMannus via Interoffice Mail
- Reporter for District Judge Charles W. Hosack, JoAnn Schaller via Interoffice Mail
- Reporter for District Judge Lansing Haynes, Laurie Johnson via Interoffice Mail



Description	CR 2008-26262 Hill, Jerry 20110614 Restitution Judge Mitchell Court Reporter Julie Foland Clerk Jeanne Clausen		<i>Jeanne Clausen</i>
Date	6/14/2011	Location	1K-COURTROOM8
Time	Speaker	Note	
<u>04:07:52 PM</u>	Judge	Calls case - deft present and represented by Mr. Neils; Mr. Verharen for the state. Restitution hearing.	
<u>04:08:21 PM</u>	PA	One witness. Calls Curtis Clark. Directs.	
<u>04:08:58 PM</u>	Curtis Clark	Certified public accountant for 33 yrs. Works for a CPA firm and am President. Degree from Eastern Washington State College and required education every year since then. Accounting procedure is a definition of steps and describes what accountants do. Look at general ledger, bank statements, receipts and documents that may support books. GMAC reality - hired to prepare their corporate tax returns for 2006. Was asked to start to review books and be able to develop schedules. Involved preparation of tax return and scheduled. Took their Quick Books and incorporated into our software program. Started to move accounts into stockholder loan accounts. Quick books contains general ledger. We were provided certain credit card statements. Reviews plaintiff's exhibit #1 and it is first written communication with Mr. Hill. Wanted him to go over items so we can talk about them and is dated 4/27/07.	
<u>04:15:36 PM</u>	PD	Objection to refreshing document on the witness stand. Withdrawn.	
<u>04:16:13 PM</u>	Curtis Clark	Appears to be the same as what I had sent.	
<u>04:17:00 PM</u>	PA	Motion to admit exhibit #1.	
<u>04:18:22 PM</u>	PD	Request I have a copy of this. Have seen the first pages and not last 2 pages.	
<u>04:18:48 PM</u>	Judge	Exhibit #1	
<u>04:22:08 PM</u>	PA	Motion to admit exhibits 2 & 3	
<u>04:23:28 PM</u>	PD	Same objection.	
<u>04:23:33 PM</u>	Judge	2 & 3 are admitted.	
<u>04:23:38 PM</u>	PA	Motion to admit #4	
<u>04:23:43 PM</u>	PD	No objection	
<u>04:24:49 PM</u>	Judge	#4 is admitted.	
<u>04:25:46 PM</u>	Curtis Clark	Reviews exhibit #5. Has a total of what Mr. Hill owed GMAC.	

<u>04:26:44 PM</u>	PA	Motion to admit #5
<u>04:26:50 PM</u>	Judge	#5 is admitted.
<u>04:28:00 PM</u>	PD	Cross
<u>04:28:06 PM</u>	Curtis Clark	Lynn Anderson is a Vice President and a shareholder. I knew that Anderson was a creditor of Jordan, Hill and Hall. Difference between an accounting procedure and an audit. There are set standard accounting procedures. Prosecutor knew about the Anderson's involvement in the accounting procedure. Reviews exhibit 2. There was bad bookkeeping regarding Jordan, Hill and Hall. I wasn't involved before Soni Walker. Soni Walker was taking orders from Jerry Hill. Reviews exhibit #5. 12/31/03 as of that time showing Jerry Hill owing money - \$41,764.85. All transactions all happened prior to 2003, but don't know when the coding was done. Exhibit #5 - several properties were involved in transactions. They were purchased as company properties initially, but later on Jerry Hill decided to have them be his properties. Properties were titled in his name, but were intended to be used for the corporation. 10/16/06 entry on exhibit #5 - there are 3 transactions. Mr. Hill was relieved of debt to Delay. Delay was taken over by GMAC - \$320,000. 12/31/06 that loan was on books of GMAC and what happened after that I have no knowledge what so ever. We didn't do any work for GMAC after 2007. Client gives a broad design of what they want and we work with that. Audit standards don't apply. Exhibit 5 entry on 12/31/06 - interest calculation for year of 2006 for daily balance outstanding. Interest rate was 15% and was market rate and approx amount that was being paid on their hard interest loans. Don't know if there was any equity in firm because I didn't do a valuation. Exhibit #5 - information came from Quick Books file from Jordan Hill and Hall and it was basis to create this document. Prepared schedules for all 3 shareholders. \$295,000 loan I don't recall that transaction.
<u>04:55:31 PM</u>	PA	No redirect. I have no more evidence.
<u>04:56:04 PM</u>	PD	I have witnesses. Calls Susanne Metzger.
<u>04:58:32 PM</u>	Susanne Metzger	Certified public accountant. Went to Eastern Washington University and take additional courses to keep my license. Retained to review the information in 10/2010. I had opportunity to work with bookkeepers at Jordan, Hill and Hall. 2004-2006. Have seen exhibit #5 before. Document shows that Mr. Hill owes approx \$354,000. I don't believe this is correct. I signed an affidavit earlier and it was truthful. I consulted documentation such as a planning and zoning statement.
<u>05:04:04 PM</u>	PA	Objection - best evidence rule.
<u>05:04:13 PM</u>	PD	Simply stating which documents she has consulted to give an expert opinion.

05:04:58 PM	PA	Objects to narrative answer and it is improper.
05:05:56 PM	PD	Take judicial notice of affidavit.
05:06:27 PM	Judge	Objection as to narrative is overruled.
05:06:50 PM	Susanne Metzger	Reviews exhibit #5 doesn't show any receipt of Jerry Hill's Lake Home.
05:07:38 PM	PA	Cross.
05:07:41 PM	Susanne Metzger	Lake home property was sold and was used to pay off a loan with Idaho Independent Bank. Proceeds went to a bank that was for the guarantee of a debt from Jordan, Hill & Hall. Pltf #5 - if it had gone out further in time there should've been a \$216,000 credit. \$354,000 than \$216,000 should be subtracted. Income tax preparation should be a federal rate of 2% Interest should be less than \$3,000. \$4,460 would be total interest instead. Reviews plaintiff's exhibit #6.
05:14:14 PM	PA	Motion to admit #6.
05:14:27 PM	PD	No objection.
05:14:37 PM	Judge	Exhibit #6 is admitted.
05:14:59 PM	Ms. Metzger	Reviews exhibit #5 entry on 12/30/05 \$9,725 I have taken out because there was nothing to describe it. Actual transactions that are Maverick and Mullan based. Sept of 2008 Mr. Hill might have had a positive amount. These properties were never for his benefit. Plaintiff's exhibit #5 - 10/18/05 entries - stating Maverick, Mullen and Maverick loans. 12/12/05 there are 2 more entries. 1/1/06(9 transactions) 1/13/06 \$218,000 credit that was incorrectly posted; 1/30/06, 2/13/06 (2 transactions); 2/28/06, 3/13/06, 3/15/06 (2 transactions), 4/5/06, 4/20/06 (2 transactions), 5/5/06, 6/5/06, 6/16/06, 7/3/06, 7/7/06 (transactions), 8/4/06, 8/15/06, 9/8/06, 9/14/06 (2), 9/15/06 (2), 10/16/06(2), 11/3/06. Resume at 1pm on Thursday 6/16/11.
05:23:30 PM		
05:23:35 PM	End	

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Description	CR 2008-26363 Hill, Jerry 20110616 Restitution Judge Mitchell Court Reporter Julie Foland Clerk Christine Stokes		
Date	6/16/2011	Location	1K-COURTROOM8
Time	Speaker	Note	
12:55:42 PM	Judge Mitchell	calls case	
12:55:47 PM	Mr Verharen	pres	
12:55:51 PM	Mr Neils	pres	
12:56:26 PM	Ms Metzger	familiar w/ PL #5 looked over closely - agreed upon procedure is a service provided under profession of accounting that may lead to atestation report - credit card receipts - I would be neutral and unbiass and have no opinion before hand - verification of work papers - lack of bias based on lack of independence - it would cloud judgment to have an opinion before the investigation - I did not have an opinion before I did the investigation - I had an opinion into prior years as to working w/ the company - not on the guilt or innocense of the defendant - I have the affd in front of me - I developed my opinion in 2003,4,5 and 6 - page 3 of affd	
01:00:54 PM	Mr Verharen	reads page 3 of affd	
01:01:05 PM	Ms Metzger	I know he's not guilty of theft - I had an opinion formed from time I had spent w/ JHH on their recording keeping in 2007 I did not do coporate books for them, I saw their Quick Books in 2010 to develop this opinion - I had an opinion in 2003-2006 - I do not recall doing the books in 2007 - I believe I did them in 2006 - I can not recall for sure, 2005 I did work on 2004 tax returns - I wrote about how important Ex 5 was very important in trial as to what context was presented - it was pivital to courts decision because the statement I had heard was the exact number from the bottom of that schedule - I understand the guilty found by the def was found by the jury - I realized he was charged w/ 3 different count of grand theft, this was eventually brought up and stated as an opinion - In my mind that is why the jury found guilty, the info presented so strong is that wrang evident of \$354,000 - reviews PL8 recognize this to be a power generator -	
01:07:20 PM	Mr Neils	objection	
01:07:23 PM	Judge Mitchell	over ruled	
01:07:29 PM	Ms Metzger	he used his corporate credit card to make a personel purchase	

Marie Clausen for Christine Stokes

01:07:41 PM	Mr Neils	objection to foundation as to witness' knowledge
01:07:53 PM	Judge Mitchell	over ruled
01:08:16 PM	Ms Metzger	<p>yes he used the company card to purchase and then a personal check to pay it - Spokane Chief's box tickets, \$3k worth and paid for it w/ a company check - - reviews PL10 I do not recall this one, I may have seen this, but this particular discussion doesn't stand out to me - this one I was under impression I was reviewing for pellet stove, but it maybe for the TV's I'm not sure - reviews PL 11 Jewelry - from Samules and used company card - and a check charged to the company to pay for it - ACH check which would be somebody paid cash for direct electronic payment vs hard copy check which would have been signed - I do not know if Mr Hill called and made ACH payment, or did it online or if someone else paid for it - reviews PL 12 which is receipt for LA Weight Loss in the amount of 1800 by an ACH check - reviews PL 13 familiar, purchases from Costco, one was a Spa for over 4k - he used a company ACH check - I have seen this before, Mr Hill was interacting w/ accounting staff and through discussions w/ his accountant, he was under impression he was owed money by coporation rather than a write a check, he was drawing on moneys he was owed by corporation - I was under impression that Brad and Patrick knew what was going on - I think he has credibility, I believed him at trial even though the jury did not - I wrote the affd, every word in there - Maverick and Mullan are underlying properties to Crimsonkings - I was not aware that Mr Hill did not convey those to the company, does not change opinion, his name was not going to be taken off the loans according to Mr Hill - I met w/ Mark Jasckon my time was over 5k he paid me 4k - there will be a bill presented to PD's office for my testimony today and two days ago at \$175 per hour - including prep time and testifying</p>
01:19:02 PM	Mr Neils	re direct
01:19:09 PM	Ms Metzger	<p>I recall doing work on client JH&H - I was asked about doing process' of summaries - agreed upon procedure is a term of art - accounting procedure is not - there are rules regarding independence - something that is attributed to other people in the accounting firm - AICPA is what we use for our standards - affd refers to ten min convo - Jordan, Hill and Hall large client easily 30-40hr engagement and did more than one year - I spent time reviewing these records prior to writing affd other than the ten mins I speant consulting w/ you - I spent prob 50hrs going over documentation easily - I was gone Sept 2006-Sept 2006 - we were in a debate and we had to step off bc Len and I couldn't get a meeting, one of the docs was an exhibit - I think in 2006 theres a hand written fact from Mr Hodge saying they were about to go past extension - we would look for obvious transaction but depth of investigation is not inherent of income tax investigation - PL 5</p>

		it and I was concered IRS was going to consider that income so that was the reason for it - that loan was made for understanding I would spend the money for the corporation - I am familiar w/ DF H that is Krimson King Estate, that is the lots that we created out of 16.5 acres w/ price of each lot, prepared to sell to customers to show how much each lot was worth including the property that was in my name DF I is also a colored version of it for our packages and everything - it includes property that was originally in my name, it is a home plus 13 lots -
<u>01:44:55 PM</u>	Mr Neils	move to admit DF G, I, H and F
<u>01:45:06 PM</u>	Mr Verharen	no objection
<u>01:45:13 PM</u>	Judge Mitchell	they are admitted
<u>01:45:19 PM</u>	Jerry Hill	revs DF A Lake home - the coporation put the lein on my property, it was not a consensual lein - lein satisfied w/ sale of property
<u>01:47:01 PM</u>	Mr Neils	move for A
<u>01:47:05 PM</u>	Mr Verharen	no objection
<u>01:47:11 PM</u>	Judge Mitchell	A is admitted
<u>01:47:17 PM</u>	Jerry Hill	DF B closing statement for Lake Home - \$216,251.27 paid to the bank, lake home sold on 9/23/08 - that payment paid of dept of Jordan, Hill and Hall wen t toward \$295k
<u>01:48:29 PM</u>	Mr Neils	move to admit B
<u>01:48:34 PM</u>	Mr Verharen	no objection
<u>01:48:37 PM</u>	Judge Mitchell	B is admittted
<u>01:48:44 PM</u>	Jerry Hill	DF C, I have rev all pages of this exhibit before, familiar w/ it - loan w/ Mr Delay and him releasing the loan and it was satisfied in full beause it was moved to lots 17, 20 - \$320k loan - 2nd and 3rd page are promissary note and corporate signautes - familiar w/ sigs of Mr Hall and Mr Jordan, this page has all 3 of our signatures that loan was for \$320k
<u>01:51:00 PM</u>	Mr Neils	move for C
<u>01:51:03 PM</u>	Mr Verharen	object, beyond scope of cross, wait confused, no objection
<u>01:51:27 PM</u>	Judge Mitchell	C is admitted
<u>01:52:05 PM</u>		Oct 16 has an entry for \$320k refered to as Delay Note, I never had a personal note to him, it was always a corporate obligation -

	Jerry Hill	revs DF E familiar w/ this doc - this is a loan that corporation took out w/ Charles and Mary Aderson for \$249k funds used for Krimson King Estates - it is a Deed of Trust laon, a secure loan, newly used lots created secured it - I never had personal independent obligation to the Anderson's
<u>01:54:59 PM</u>	Mr Verharen	ex says 2 of 12 and on 2nd page says 3 of 12, where are the rest of the docs
<u>01:55:26 PM</u>	Jerry Hill	I do not know
<u>01:55:33 PM</u>	Mr Neils	document stands alone, its clear from top of doc that it has been in posession of KCPA
<u>01:56:10 PM</u>	Judge Mitchell	Ex F to something else only 2 pages of 12 in that exhibit, w/out hearing more I am going to sustain, E is marked but not admitted
<u>01:57:15 PM</u>	Jerry Hill	revs DF D this is the rest of Ex E these two should be together
<u>01:58:29 PM</u>	Mr Neils	I asked that E be incorporated into D and be admitted as a joint exhibit - ask that they be admitted ad Ex D
<u>01:59:10 PM</u>	Mr Verharen	no objection
<u>01:59:31 PM</u>	Judge Mitchell	combined - D is admitted
<u>02:00:03 PM</u>	Jerry Hill	revs Ex 5 -
<u>02:00:56 PM</u>	Mr Verharen	objection
<u>02:01:01 PM</u>	Judge Mitchell	sustained
<u>02:01:08 PM</u>	Jerry Hill	proceeds from sale of lake house were to be applied
<u>02:01:39 PM</u>	Mr Neils	no further questions
<u>02:01:48 PM</u>	Mr Verharen	cross Jerry Hill
<u>02:01:55 PM</u>	Jerry Hill	I do not know if Brad Jordan lost lake property - I do not know if it was foreclosed on - it went to the bank - my lake lot was worther \$216k his was worth \$40k - they money of the sale of my property went to Jordan, Hill and Hall Debt
<u>02:03:16 PM</u>	Judge Mitchell	excuses
<u>02:03:38 PM</u>	Mr Verharen	like to admit 8-13
<u>02:04:06 PM</u>	Mr Neils	no objection
<u>02:04:09 PM</u>	Judge Mitchell	8-13 are admitted
<u>02:04:16 PM</u>		Still under oath - revs PL6 - assinged 50% rate bc that was going

	Mr Clark	rate for the money they were borrowing at that time - 2nd page of 6 is PL summary sheet - whole premises of support schedule is to pretend that Jerry Hill did not buy the property and to pretend those transactions didn't happen - she has added a transaction twice about 8-9 numbers down removing \$65,361.00 - once because of what it was and 2nd because of what he said it was but it turned out not to be that - instead of calling it a distribution he called it a loan to Jerry Hill - Jerry Hill bought the Mullan property and he did not convey the property, he was crystal clear and stated they were his properties and they were trying to remove the transactions - he borrowed the money from Mr Delay
<u>02:09:56 PM</u>	Mr Neils	objection best evidence
<u>02:10:10 PM</u>	Mr Verharen	can you produce that document
<u>02:10:25 PM</u>	Mr Clark	yes I have it right here -
<u>02:10:52 PM</u>	Mr Verharen	marks as PL 14
<u>02:11:45 PM</u>	Mr Neils	no objection
<u>02:11:57 PM</u>	Judge Mitchell	PL 14 is admitted
<u>02:12:04 PM</u>	Mr Clark	turn to the back side of PL 6 - that is wrong it is pretending those transactions didn't happen, but they did happen - the Delay loan was given to Jerry but some proceeds did go into the property and when he sold the property the credit was given back to the company and we simply charged him for what accrued - we took effort to exclude Mr Nelson, it was an income tax engagement - schedule I prepared was to support a work paper - he had a few questions and we resolved and followed up on - PL 5 -
<u>02:15:51 PM</u>	Mr Verharen	offers PL 7 to Mr Clark
<u>02:16:00 PM</u>	Mr Clark	reviews PL 7 - I recognize this its a letter from me to you, first 6 pages and it has 3 exhibits attached, response letter from Ms Metzgers affd
<u>02:17:25 PM</u>	Mr Verharen	move to admit 7
<u>02:17:32 PM</u>	Mr Neils	objection hearsay, due process
<u>02:17:41 PM</u>	Judge Mitchell	alright
<u>02:17:49 PM</u>	Mr Verharen	I've layed foundation, he's here today
<u>02:18:04 PM</u>	Mr Neils	it would amount to same thing as leading
<u>02:18:12 PM</u>	Judge	all objections are over ruled and PL 7 is admitted

	Mitchell	
<u>02:18:57 PM</u>	Mr Clark	there was numbers on her schedule when it took from my schedule to hers a lot of 6's were changed to 8's the check was written and indicated it was a comission he immediately paid commission back that same day -
<u>02:20:41 PM</u>	Mr Neils	motion to strike, foundation, hearsay
<u>02:20:52 PM</u>	Judge Mitchell	hear say is over ruled
<u>02:20:58 PM</u>	Mr Neils	he's talking about other people telling him things they heard or observed - were you there when Jerry Hill paid back the commission
<u>02:21:35 PM</u>	Mr Clark	all those things happened before I was hired
<u>02:21:43 PM</u>	Judge Mitchell	objection over ruled
<u>02:21:51 PM</u>	Mr Clark	the \$65k transaction duplicated and interrest issue, she tossed out \$21k interest charge indicating it should be intererst free - my advice to my client was that we shouldn't go back and change those - we didn't go back and change what they had done
<u>02:24:21 PM</u>	Mr Neils	cross - take about 20 mins
<u>02:24:36 PM</u>	Judge Peterson	we are tripple set at 2pm and we are 35mins late for that
<u>02:24:47 PM</u>	Mr Neils	let me abreviate it than
<u>02:25:00 PM</u>	Judge Mitchell	what about tomorrow morning at 8am
<u>02:25:17 PM</u>	Mr Neils	Fri mornings we have 3 DC Judge's - after cross no sir rebuttle
<u>02:25:40 PM</u>	Judge Mitchell	you may procede w/ cross
<u>02:26:16 PM</u>	Mr Clark	revs PL 14 this doc does not show debt owing - its a buyers/borrowers closing statement - this is a document where a title company is documenting a closing transaction - 10/16/06 corporation assumed note that was due to delay - before that date the only person w/ a obligaiton was Jerry Hill - revs DF C 2nd page is a promisory note for \$320k from Delay Enterprises LLC - PL 14 amount of debt is \$320k dated 1/13/06 - two docs are consistent w/ each other - I have never seen this doc before today - I was not provided w/ Def C - I was not given documentation to show delay loan was a corporation - I was given substantial documentaion that described the Mullan and Maverick properties, if in fact this loan was always a corporate loan - if Jerry's version is true he paid \$425k for Mullan property
<u>02:34:30 PM</u>	Mr Neils	objection non responsive
<u>02:34:38 PM</u>	Judge	

	Mitchell	sustained
<u>02:34:42 PM</u>	Mr Clark	PL 5 shows that Jerry Hill owed over \$40k on 12/31/03 - we used average daily ballance for 2006 - my calculation had nothing to do w/ illegal charges or knowing any laws - revs PL 4 - it is addressed to Brad Jordan Patrick Hall and JMAC Realty - I do not know why it is not address to Jerry Hill - my contact was Brad and Patrick - nothing states I have to write a letter to all share holders - reads PL 5 out loud - once we developed schedule and met w/ Jerry Hill - it was all part of tax engagement - PL 5 was prepared for tax purposes - rather than starting w/ a ballance it made more senes to recap and show the components of the balance
<u>02:40:40 PM</u>	Mr Verharen	re-direct
<u>02:40:52 PM</u>	Mr Clark	4/29/05 Jerry Hill bought property from Westby for \$420k he had to take out 3 loans to buy it - 8/26/05 payment that paid of Westby loan \$65k, it was not a comission at all - 1/13/06 Delay Enterprises loans Jerry Hill - 10/16/06 sold portion of property to Linda Browning - there wasn't enough money from that sale to close that property - on same day Jerry completed his sale to GMAC if we take position that I have taken, Jerry paid \$425 sold for \$243 and sold ballance to \$200k so his profit was \$18k - he also got them taking over the Delay loan so profit to Jerry would be \$338k - if we throw Delay loan at same as him having a profit
<u>02:44:26 PM</u>	Mr Neils	Sir Rebuttle
<u>02:44:33 PM</u>	Mr Hill	I did not personally receive any money from the Delay loan
<u>02:45:02 PM</u>	Judge Mitchell	preference for arguing this, briefing?
<u>02:45:13 PM</u>	Mr Verharen	I guess I would leave it to the courts preference
<u>02:45:37 PM</u>	Mr Neils	I agree, but briefing
<u>02:45:50 PM</u>	Judge Mitchell	submit simultaneous briefing w/in a week and I will take under advisement until than .
<u>03:02:58 PM</u>		
<u>03:02:58 PM</u>	End	

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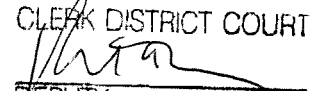
 ORIGINAL

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Telephone: (208) 446-1800
Facsimile: (208) 446-1833

ASSIGNED ATTORNEY
ARTHUR VERHAREN

116
STATE OF IDAHO }
COUNTY OF KOOTENAI } SS
FILED:

2011 JUN 23 PM 3: 16

CLERK DISTRICT COURT

DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

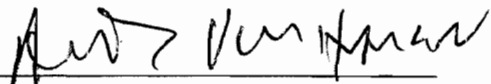
STATE OF IDAHO,)	
	)	CASE NO. CR-F08-26363
Plaintiff,)	
)	
vs.	)	AMENDED MEMORANDUM
	)	OF RESTITUTION
JERRY A. HILL,)	
)	
Defendant.)	
_____)	

COMES NOW, ARTHUR VERHAREN, Deputy Prosecuting Attorney for Kootenai County, Idaho, and hereby requests in the following additional amount(s) to be paid to the Kootenai County Clerk, 324 West Garden, Coeur d'Alene, ID 83814 in the form of cash, certified check or money order:

Brad Jordan \$145,384.15
2994 E Nettleton Gulch Road
Coeur d'Alene, Idaho 83814

Patrick Hall \$145,384.14
22855 E Country Vista Drive #453
Liberty Lake, Washington 99019

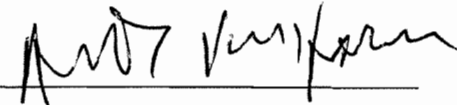
DATED this 23 day of June, 2011.



ARTHUR VERHAREN
Deputy Prosecuting Attorney

CERTIFICATE OF MAILING

I hereby certify that on the 23 day of June, 2011, a true and correct copy of
the foregoing was hand delivered to:
PUBLIC DEFENDERS OFFICE
FAXED



ORIGINAL

STATE OF IDAHO }
COUNTY OF KOOTENAI } SS
FILED:

Martin Neils, Deputy Public Defender
The Law Office of the Public Defender of Kootenai County
PO Box 9000
Coeur d'Alene, Idaho 83816
Phone: (208) 446-1700; Fax: (208) 446-1701
Bar Number: 4044

2011 JUN 23 PM 2:50

CLERK DISTRICT COURT
[Signature]
DEPUTY

**IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI**

STATE OF IDAHO,)		
	)	CASE NUMBER	CR-08-0026363
Plaintiff,	)		Fel
)		
V.)		
	)	RESTITUTION MEMORANDUM	
JERRY ALLAN HILL,)		
)		
Defendant.)		

COMES NOW, the above named defendant, by and through his attorney, Martin Neils, Deputy Public Defender, and hereby submits a Restitution Memorandum in opposition to the States request for restitution.

The State is requesting that restitution of \$177,031.19 be ordered paid to both Brad Jordan and Patrick Hall. The figure sought for each of these individuals is one half of the \$354,062 amount listed in Plaintiff's exhibit 5.

The restitution amount determined by the Court should be paid to Jordan, Hill and Hall Inc., dba: GMAC Real Estate Northwest the victim named in the Information. This would protect any creditors in the Jordan, Hill and Hall Inc. bankruptcy proceeding. In addition naming the correct victim avoids unjust enrichment to Brad Jordan and Patrick Hall. To the extent that Jerry Hill stole

from Jordan, Hill and Hall he was stealing from an entity in which he owned one third of the shares. Ordering the restitution to be paid directly to Brad Jordan and Patrick Hall would result in them receiving Jerry Hill's share of the corporate assets in addition to their own.

Exhibit 5 was a document originally prepared to document money the corporation claimed to be owed by Jerry Hill. The document did not try to differentiate between money owed as a result of criminal actions by Jerry Hill and money owed by Jerry Hill to the corporation due to non criminal activities. This is illustrated by the claim that Jerry Hill owed the corporation \$41,764.85 as of December 31, 2003. This is money that is claimed to have been owed before any of the criminal activity charged in the information. The three counts in the information charge theft occurring between January 1, 2004 and May 31, 2007.

Exhibit 5 was prepared by Curtis Clark who testified at the Trial and at the Restitution Hearing. His credibility was brought into question by evidence that his partner was a creditor of the corporation. The creditors of the corporation have an interest in maximizing the accounts receivable of the corporation to increase the likelihood that the corporation will be able to pay off the corporation's obligations to creditors.

Exhibit 5 lists payments regarding the "Delay" loan as obligations of Jerry Hill to the corporation. Testimony and evidence was submitted that the "Delay" loan was in fact a corporate debt obligation. The original debt instrument and trust deed documents occurred at the same time and were signed by each of the primary shareholders and officers of the corporation. Apparently, Curtis Clark was not originally provided with the information and documentation to properly characterize the "Delay" loan as a corporate obligation and not a personal obligation of Jerry Hill.

Exhibit 5 includes eight payments which were made directly from the corporation to Allegro Escrow on the "Delay" loan. These payments totaling \$41,772.38 were listed as occurring on 2/14/06, 3/13/06, 4/5/06, 5/5/06, 6/16/06, 7/3/06, 8/4/06 and 9/8/06. The testimony was that two additional entries in Exhibit 5 regarded the "Delay" obligation. These were the 10/16/06 credit for \$200,000 and the charge against Jerry Hill on 10/16/06 for \$320,000 for a net charge against Jerry Hill of \$120,000. The 10/16/06 entries were accounting entries and no funds were actually transferred. The restitution statute provides for recovery of out of pocket expenses. The testimony was that the corporation filed for bankruptcy. There was no showing made that the corporation ever made any actual payments related to the 10/16/06 accounting entries.

There was conflicting testimony regarding the Maverick property and the Mullan Home. The uncontradicted testimony was that these properties were originally regarded as having been purchased for the corporations benefit. Disputes arose later regarding each of the properties. There was no evidence presented at the restitution that the disputes over these properties were the result of criminal actions by Jerry Hill. As such the entries in Exhibit 5 regarding the Maverick property and Mullan home do not come within the restitution statute. This includes the 8/31/05 entry of \$57,808.12. The total amounts regarding the Maverick property and the Mullan Home include as charges against Jerry Hill in Exhibit 5 are in excess of \$150,000.

Curtis Clark testified regarding interest charges that he made as part of Exhibit 5. These interest charges of \$21,529.24 were calculated at a rate arbitrarily set by Brad Jordan or Patrick Hall. The calculation is inherently inapplicable to a restitution calculation because it includes interest on sums allegedly owed prior to time period covered by the criminal counts.

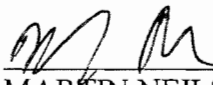
Deducting the above discussed figures from the requested restitution would result in no restitution being owed by Jerry Hill. This is prior to making an adjustment for the sums already paid by Jerry Hill. The evidence is that \$216,231.27 was paid to the corporation upon sale of Jerry Hill's residence.

The State introduced exhibits documenting credit card charges made by Jerry Hill. These amounts are not disputed as being appropriate requests for restitution. However, these amounts would still be subject to the offset for the payments made to the corporation from the sale of Jerry Hill's residence.

The defense requests this Court to deny the State's request for a restitution order in this matter.

DATED this 23 day of June, 2011.

THE LAW OFFICE OF THE PUBLIC
DEFENDER OF KOOTENAI COUNTY

BY: 
MARTIN NEILS
DEPUTY PUBLIC DEFENDER

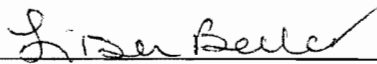
CERTIFICATE OF DELIVERY

I hereby certify that a true and correct copy of the foregoing was personally served by placing a copy of the same as indicated below on the 23rd day of June, 2011, addressed to:

Kootenai County Prosecutor FAX 446-1833

 Via Fax

X Interoffice Mail



ORIGINAL

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ASSIGNED ATTORNEY:
ARTHUR VERHAREN

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STATE OF IDAHO }
COUNTY OF KOOTENAI } SS
FILED:

2011 JUN 24 AM 10:21

CLERK DISTRICT COURT
[Signature]
DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,	)	Case No. CRF 08-26363
)	
Plaintiff,)	
)	
vs.	)	BRIEF IN SUPPORT OF
	)	AMENDED MEMORANDUM
JERRY ALLAN HILL,	)	OF RESTITUTION
)	
Defendant.)	
)	

COMES NOW, Arthur Verharen, Deputy Prosecuting Attorney for Kootenai County, and hereby submits the state's Brief in Support of the Amended Memorandum of Restitution.

APPLICABLE LAW

Complete crime victim compensation is the driving force behind Idaho's restitution statute. *State v. Richmond*, 137 Idaho 35, 38 (Ct. App. 2002). Restitution orders encompass "any economic loss the victim actually suffers." I.C. § 19-5304(2). Restitution amounts are resolved by the trial court as questions of fact. *State v. Bybee*, 115 Idaho 541, 544 (Ct. App. 1989). A preponderance of the evidence standard is utilized. I.C. § 19-5304(6). Although restitution issues lay within the discretion of the sentencing court, the statutory guidelines under I.C. § 19-5304 must be followed. *State v. Johnston*, 123 Idaho 222, 227 (Ct. App. 1993).

BRIEF IN SUPPORT OF AMENDED MEMORANDUM OF RESTITUTION: 1

Restitution is appropriate, when not consented to, only for convicted offenses against named victims. *State v. Aubert*, 119 Idaho 868, 870 (Ct. App. 1991). In terms of grand theft, restitution may be granted for all unauthorized transactions that stem from a defendant's criminal conduct as long as they fall within the charged time frame. *State v. Schultz*, 148 Idaho 884, 887 (Ct. App. 2008). An award of restitution may not necessarily be limited if a victim has received compensation from another source:

Because restitution also promotes the rehabilitative purpose of the criminal law, and because civil damage payments may not be fully compensatory, the court is not automatically foreclosed from ordering some restitution simply because the victim has received some compensation as a result of a civil action.

State v. Hamilton, 129 Idaho 938, 943 (Ct. App. 1997).

As such, restitution may be ordered for a victim despite a victim's bankruptcy discharge. *Id.*

ARGUMENT

In typical restitution disputes, the problem often centers on valuation issues. That is not the focus of this case. In our case, the state has requested restitution to the victims in an amount in excess of \$290,000. The defense request is that no restitution should be awarded. Thus, the Court is faced with the task of determining both whether restitution should be awarded and, if so, how much. The decision before the Court in terms of the matter of restitution is similar to that of the decision that was before the jury. There was no affirmative defense in this case. There was no lesser included offense. The defense was that simply that the defendant did not steal anything. The jury had to make an "all or none" decision. The argument by the defense in terms of restitution is that no restitution should be ordered. Thus, in a sense, the decision by the Court is also an "all or none" decision.

An order of restitution is appropriate in this case on the most basic level because the Defendant was convicted of three counts of grand theft. The evidence at trial established that he took from his partners, utilizing various methods, many thousands of dollars over the course of several years. Thus, the real issue before this Court, despite the defense “all or none” approach, is determining how much restitution should be ordered to the victims. The defense and the state have introduced expert testimony as to this issue and it falls to the Court’s to assess reliability and credibility as it pertains to those experts. In making such an assessment there are a number of issues that should be considered. The first issue deals the differences of the expert witnesses in terms of possible motivations and preconceived bias.

Curtis Clark was hired by the corporation’s two other partners to examine the business records and to provide a “written report summarizing the activity and quantifying the amounts owed as of December 31, 2006.” *Plaintiff’s Exhibit No. 4*, p. 1. He did not begin his analysis with the notion that the Mr. Hill had committed theft, indeed, even after his analysis was complete, he expressly maintained that he could not “opine as to whether Jerry’s actions constitute a criminal offense, or if it is just bad business and bad bookkeeping.” *Plaintiff’s Exhibit No. 4*, p. 2. In contrast, Ms. Metzger formed an opinion, after ten minutes of conversation with the Defendant’s attorney, that “the issues involving Jerry were simply a case of poor record keeping rather than deliberate theft.” *Affidavit of Suzanne S. Metzger*, p. 3, paragraph 6. In contrast to Mr. Clark, Ms. Metzger had no trouble at all in opining, inappropriately, as to whether Mr. Hill’s actions constituted a criminal offense, an area that should be reserved for the fact finder in a criminal case and certainly not within her realm of expertise.

Ms. Metzger bias in this matter is further demonstrated by her personal attack of Mr. Clark in her affidavit. She claimed that Mr. Clark called his work “an agreed upon procedure” and implied that he referred to his work as an audit. *Affidavit of Suzanne S. Metzger*, p. 12. However, at trial, Mr. Clark never called the work he performed for the corporation “an agreed upon procedure” or as an audit. Nor did he ever tell Mr. Hill, through correspondence, that the work was “an agreed upon procedure.” Throughout the proceeding Mr. Clark has been clear in terms of the work he performed and to attribute a conflict based upon unsupported allegations smacks of bias.

Ms. Metzger’s analysis suffered from other deficiencies. She mistakenly assumed that the Maverick and Mullan properties should have been assessed as company properties when it was Mr. Hill that refused to convey them to the corporation. That mistake led her to improperly credit Mr. Hill for the Maverick and Mullan mortgage payments to the tune of \$152,682.22, as reflected on Plaintiff’s Exhibit #6, the second page summary sheet. Furthermore, on that sheet she transposed many of the numbers writing “sixes” when she should have wrote “eights.” She also calculated \$17,400.00 as a commission when in fact Mr. Hill agreed with Mr. Clark that it was not a commission and was also the reason why Mr. Hill gave the money back the same day. In addition, on the same summary sheet, she duplicated the entry for \$65,361.51 because she assumed that it was a commission, despite Mr. Hill’s admission that it was not a commission. In summary, Ms. Metzger’s analysis in this case is suspect due to issues pertaining to credibility as well as reliability.

In terms of amount considerations, the fact that Brad Jordan went through bankruptcy subsequent to the Defendant’s criminal conduct should not constitute a basis for a decreased

restitution order. Pursuant to *State v. Hamilton*, that fact does not serve as a legal deterrent to restitution for this victim nor should it serve as any other type of deterrent in terms of a restitution order. The criminal conduct the Defendant engaged in was egregious. As a partner in a business, he had a fiduciary duty to his partners which he breached on a substantial scale. He had to put some thought into how he could steal from his partners in light of the multiple and varied methods he employed to illicitly obtain the money, merchandise and services and, furthermore, this behavior went on for years. From that perspective, an order of full restitution is appropriate.

The defendant was charged and convicted of grand theft between the time period of January 1, 2004, and May 31, 2007. Mr. Clark's schedule, Plaintiff's Exhibit No. 5, ends 2003 with the Defendant \$41,764.85 in arrears to the corporation. The defense has pointed out that the state is seeking restitution for the amounts that the Defendant stole from the corporation before the charging date of January 1, 2004. The state concedes the point. Thus, because the amount taken by the Defendant by the end of 2003, \$41,764.85, falls outside the charging document, that amount should not be awarded to the victims in terms of restitution and should be subtracted from Mr. Clark's total amount of \$332,553.14 leaving \$290,768.29 as a total before an interest rate is assigned and calculated.


The defense has suggested that the interest rate, 15%, assessed by Mr. Clark was arbitrary. Mr. Clark testified that the interest rate of 15% was utilized because that was the interest rate the partners were paying. However, in the event the court determines that a lower interest rate should be assigned then it would be the state's suggestion that the Court assess the rate of restitution at the current judgment rate of interest which is 5.375%. I.C. 28-22-104(2).

BRIEF IN SUPPORT OF AMENDED MEMORANDUM OF RESTITUTION: 5

CONCLUSION

For the above reasons, the state respectfully requests the Court order restitution in the amount set forth in the state's Amended Memorandum of Restitution.

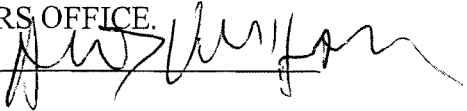
DATED this 24 day of June, 2011.



ARTHUR VERHAREN
Deputy Prosecuting Attorney

CERTIFICATE OF MAILING

I hereby certify that on the 24 day of June, 2011, a true and correct copy of the foregoing was caused to be FAXED to PUBLIC DEFENDERS OFFICE.



FILED 7-25-11

AT 1:15 O'clock P. M
CLERK, DISTRICT COURT

Jesse Clauson
Deputy

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,)
)
Plaintiff,)
)
vs.)
)
JERRY ALLAN HILL,)
)
Defendant.)
)
_____)

Case No. **CRF 2008 26363**

**MEMORANDUM DECISION AND
ORDER ON MOTION FOR
RESTITUTION**

I. PROCEDURAL HISTORY AND BACKGROUND.

Defendant, Jerry A. Hill, (Hill) was charged in a criminal complaint with three felony counts of Grand Theft on November 25, 2008. Each of the three counts covered a certain and different period of time, and charged that Hill had taken money from a local real estate business known as Jordan, Hill and Hall, Inc., d/b/a GMAC Real Estate Northwest (JHH). Information, p. 2. In JHH, Hill was a business partner with Brad Jordan and Patrick Hall.

Following May 15, 2009, preliminary hearing in this case, Magistrate Judge Penny Friedlander announced her decision on the record on May 22, 2009, binding Hill over to District Court to stand trial, and on May 27, 2009, the Information in this case was filed. After several continuances by Hill (the preliminary hearing was continued three times and the trial was continued four times, all on Hill's motion, see Memorandum Decision and

Order Denying Defendant's Motion for New Trial, pp. 2-3), a jury trial began on May 10, 2010. Four days later, on May 13, 2010, Hill was found guilty of all three counts of Grand Theft. Sentencing was set for July 27, 2010. On July 27, 2010, Hill moved to continue the hearing, which was granted. On August 24, 2010, Hill's sentencing hearing began, but was continued, at Hill's request, to September 28, 2010. The day before the September 28, 2010, sentencing hearing, Hill moved to continue his sentencing, which was denied. At the conclusion of the three-hour sentencing hearing, this Court sentenced Hill to three years fixed followed by three years indeterminate on each of the three counts, with all three sentences to run concurrently. Hill was sentenced to a retained jurisdiction.

On October 12, 2010, Hill, through new private counsel (at all previous times Hill was represented by the Kootenai County Public Defender), filed a Motion for a New Trial. Oral argument on the Motion for a New Trial was heard on February 15, 2011, and on February 22, 2011, this Court filed its Memorandum Decision and Order Denying Defendant's Motion for a New Trial. On April 6, 2011, Hill had his jurisdictional review hearing, at which time this Court suspended Hill's prison sentence and placed him on supervised probation for fourteen years.

Mention of these continuances is pertinent as each continuance granted was to allow Hill more time to study the State's evidence and to develop his own evidence. At all times, this has been a document-intensive case and a case involving forensic accounting. Even with these continuances, Hill has not been able to develop credible evidence that it was he that was owed money by JHH, not the other way around as found by the jury.

Hill's defense at trial was as follows: Hill could not deny that he had used company credit cards and company checks for Hill's own personal expenses. However, Hill justified those actions by claiming JHH owed him several hundred thousand dollars, and Hill was

simply offsetting that by the amounts he surreptitiously took from the business. Hill's claim at trial was that even subtracting out the approximately \$300,000.00 the State proved Hill took from the business, Hill was still owed thousands of dollars by JHH.

Obviously, that defense was not believed by the twelve jurors in Hill's criminal trial.

Similarly, the gestalt of Hill's Motion for New Trial was based on Hill's theory that JHH actually owed Hill several thousand dollars, and that now, with the benefit of private counsel (as opposed to the public defender), and with the benefit of the Affidavit of Suzanne S. Metzger (filed January 26, 2011, in support of Hill's Motion for a New Trial), Hill could now prove that JHH actually owed Hill several thousand dollars. The proof presented by Hill in support of his Motion for a New Trial was not believed by this Court. On February 22, 2011, this Court entered its twenty-two page Memorandum Decision and Order Denying Defendant's Motion for New Trial.

That same unsuccessful theory used at trial by Hill and in Motion for New Trial by Hill is now used by Hill in his defense to the amount sought as restitution by the State for the victims of Hill's crimes. Restitution Memorandum, pp. 1-4.

Following the guilty verdict, the State filed a Motion for Restitution on June 4, 2010, pursuant to I.C. 19-5304. In that Motion for Restitution, the State sought \$177,031.19 for each of the two victims, Brad Jordan and Patrick Hall, or \$354,062.37 collectively. When Hill was sentenced on September 28, 2010, this Court ordered that the restitution issue be left open for ninety days after Hill's jurisdictional review hearing.

The hearing on the State's Motion for Restitution was set for June 14, 2011, and was heard by this Court on that date. At the close of evidence which occurred on two days, June 14, 2011, and June 16, 2011, the parties agreed to submit closing argument by brief to the Court.

On June 23, 2011, Hill filed his Restitution Memorandum. On June 23, 2011, the State filed an Amended Memorandum of Restitution, seeking \$145,384.15 from Hill for each of the two victims, Brad Jordan and Patrick Hall, or \$290,768.30 collectively. On June 24, 2011, the State filed its Brief in Support of Amended Memorandum of Restitution. On June 24, 2011, Hill submitted a Restitution Memorandum.

II. STANDARD OF REVIEW.

In considering a motion for restitution in a criminal case, courts of criminal jurisdiction normally do not have the authority to award restitution to a crime victim without a statute that allows such a provision. *State v. Gonzales*, 144 Idaho 775, 778, 171 P.3d 266, 269 (Ct.App. 2007). The Court may order a defendant found guilty of any crime which caused an economic loss to the victim to pay restitution. I.C. § 19-5304(2). Economic loss:

...includes, but is not limited to, the value of property taken, destroyed, broken or otherwise harmed, lost wages and direct out-of-pocket losses or expenses such as medical expenses resulting from the criminal conduct, but does not include less tangible damage such as pain and suffering, wrongful death or emotional distress.

I.C. § 19-5304(a); *Gonzales*, 144 Idaho 775, 778, 171 P.3d 266, 269. The victim of the crime should receive restitution only for the economic loss which was *actually* suffered. I.C. § 19-5304(2). In determining whether an order of restitution is proper, and in determining the amount of restitution, the Court should consider the factors set forth in I.C. § 19-5304(7). These factors include, "the amount of economic loss [to the victim], the financial resources needs and earning ability of the defendant, and such other factors as the court deems appropriate." I.C. § 19-5304(7). Although these factors provide guidelines for the court, the ultimate decision whether and to what extent to which restitution should be granted is within the discretion of the trial court. *State v. Richmond*,

137 Idaho 35, 37, 43 P.3d 794, 796 (Ct.App 2002). The determination of an appropriate restitution amount to be awarded is left to the sound discretion of the district court. *State v. Lombard*, 149 Idaho 819, 822, 242 P.3d 189, 192 (Ct.App. 2010). An award of restitution may be overturned, upon a showing that the trial court abused its discretion in awarding the restitution. *State v. Bybee*, 115 Idaho 541, 543, 768 P.2d 804, 806 (Ct.App. 1989). In determining whether a trial court's discretion was proper, the reviewing court must look at whether the trial court: 1) correctly identified the issue as one involving the exercise of discretion, 2) acted within the boundaries of the court's discretion and was consistent with any legal standards that applied to the choices it had, and 3) reached its decision by an exercise of reason. *State v. Powell*, 125 Idaho 889, 891, 876 P.2d 587, 589 (1994).

When determining restitution, "economic loss shall be based upon the preponderance of evidence submitted to the court..." I.C. § 19-5304(6). Further, the amount of restitution ordered should be equal to the amount of economic loss suffered as a result of the crime. I.C. § 19-5304(14). A defendant's immediate inability to pay, considered alone, is not a reason to refuse ordering restitution. I.C. § 19-5304(7). Although the financial situation of the defendant may be a factor to be considered, a lack of resources is not dispositive of whether restitution should be ordered. *Id.* Likewise, the court may still order a defendant who has filed bankruptcy to pay restitution to the victims of his crimes. *State v. Hamilton*, 129 Idaho 938, 943, 935 P.2d 201, 206 (Ct.App. 1997).

III. ANALYSIS.

A. The Arguments of the Parties.

At the June 14, 2011, and June 16, 2011, restitution hearing, both the State and Hill presented extensive evidence in regard to financial statements of the business Jordan, Hill & Hall (JHH).

Curtis Clark, a certified public accountant with 33 years of experience, testified on behalf of the State. *Id.* Clark stated that he was hired at the time by JHH to prepare their corporate tax returns for 2006. *Id.* Clark first contacted Hill on April 25, 2007, informing him that he was conducting tax preparations for JHH and that upon review, the accounting schedule reflected Hill having charged a total of \$324,104.61 in expenses to JHH. Plaintiff's Exhibit 1.

Hill countered the State's expert with Susanne Metzger, a certified public accountant. Metzger testified (as a fact witness) stating that while working for the accounting firm of Magnuson & McHugh, she had been involved in the bookkeeping at JHH. Affidavit of Suzanne S. Metzger, pp. 4-5, ¶¶ 7-8. Metzger went on to testify that in her opinion, after reviewing the account schedules, she believed that Hill was actually owed in excess of \$168,000.00 by JHH. *Id.* at 14.

The State argues in its Brief in Support of Amended Memorandum of Restitution that \$145,384.15 be awarded to both Brad Jordan and Patrick Hall, the other two partners in JHH. Amended Memorandum of Restitution, p. 5. Hill argues any restitution which may be owed to the partners should be paid to JHH, thereby avoiding Jordan and Hall from being unjustly enriched. Restitution Memorandum, p. 2. No legal authority was given in support of this argument. However, if restitution was paid back to JHH, potentially this would allow Hill access to the restitution funds as well. Because the loss caused by Hill's theft affected the two other partners, Hall and Jordan, and benefitted only Hill, restitution from the theft should not benefit Hill. Restitution should be awarded to only the victims of the crime who suffered economic loss. *State v. Olpin*, 140 Idaho 377, 378, 93 P.3d 708, 709 (Ct.App. 2004). This rule eliminates the argument that restitution should be paid to the partnership as a whole, which includes Hill as a partner.

Hill goes on to argue that any restitution which may be due would not include any amount owed by him prior to his criminal charges. Restitution Memorandum, p. 2. This would include the \$41,764.85 allegedly owed by Hill as of December 31, 2003. *Id.* at 3. The State concedes this point and agrees that the \$41,764.85 debt was acquired prior to the criminal charges. Brief in Support of Amended Memorandum of Restitution, p. 5. Next, Hill argues against Clark's credibility, suggesting that he has a private interest in testifying for the state because his partner was a creditor of JHH. Restitution Memorandum, p. 2. The State bases its argument on the relative reliability and credibility of the expert witnesses testifying on behalf of both parties. Brief in Support of Amended Memorandum of Restitution, p. 3. The State notes throughout trial, Clark never took a position of whether Hill intentionally committed theft or if this was just matter of "bad bookkeeping." *Id.* The State argues that Metzger, on the other hand, immediately formed the opinion that Hill was not guilty of committing a criminal offense and began her investigation with this opinion in place. *Id.* In addition, the State points out that Metzger personally attacked Clark's experience and work in accounting schedules. *Id.* at 4.

Hill also states that the "Delay" loan was a corporate loan obligation and not a personal obligation of Hill and although it is shown as a charge against Hill, no funds were actually expended by JHH. Restitution Memorandum, p. 2. Likewise, Hill suggests that the Maverick and Mullan properties were purchased for the company's benefit and the dispute over the property did not result in any criminal charges; therefore, restitution regarding the properties would be barred by the restitution statute § I.C. 19-5304. *Id.*

The State argues that Metzger wrongfully credited Hill's account with the Maverick and Mullan mortgage payments, even though the property was never transferred to JHH as a company interest. Brief in Support of Amended Memorandum of Restitution, p. 3.

Additionally, the State notes Metzger recorded many of the number “eights” as number “sixes”, wrongly credited Hill for commissions that were not due, and duplicated a \$65,361.51 entry which was never confirmed, all of which made her accounting schedule inaccurate. *Id.*

In circumstances where the amount of restitution is disputed, the award should be based upon the preponderance of evidence that is brought before the court by the parties, victim or presentence investigator. *Lombard*, 149 Idaho 819, 822, 242 P.3d 189, 192. Here, the amount of evidence and documents that were produced by Clark in response to questioning by both parties exceeds that which was produced by Metzger when she was being questioned regarding the financial schedules.

Lastly, Hill argues that the interest charges of \$21,529.24 are inapplicable to a restitution amount because the rate was arbitrarily set by Jordan and Hall at a time prior to his criminal charges. Restitution Memorandum, p. 2. With regard to the interest, the State suggests that the 15% interest rate was based on what Jordan and Hall were paying on the debt while not being reimbursed by Hill, but that if the court finds this rate unreasonable, the State asks that the current rate of 5.375% be used. Brief in Support of Amended Memorandum of Restitution, p. 3. In conclusion, Hill claims that no restitution is owed based on the deductions of the figures he stated. Restitution Memorandum, p. 4.

However, Hill produced no evidence besides Metzger’s testimony and financial schedules which Metzger prepared to show that Hill was not responsible for restitution to the victims. Clark’s testimony was more credible than Metzger’s and Clark’s testimony was superior to Metzger’s both qualitatively and quantitatively. Clark’s opinion and calculations were supported by documentation in the record. Metzger’s opinion was not. Because

Jordan and Hall were the victims of economic loss caused by the crimes committed by Hill, this Court exercises its discretion and orders Hill to pay restitution to his victims.

B. The Amount of Restitution Sought.

Restitution was initially sought in the amount of \$177,031.19 each for Brad Jordan and Patrick Hall, or \$354,062.38 collectively. Memorandum of Restitution filed June 4, 2010. Hill claims this is the amount that is listed in Plaintiff's Exhibit 5. Restitution Memorandum, p. 1. That amount was changed after the restitution hearing to \$145,384.15 each for Brad Jordan and Patrick Hall, or \$290,768.30 collectively. Amended Memorandum of Restitution, p. 1. The difference in the collective amounts is \$62,194.08. Part of that difference is explained by fact that originally the State was requesting restitution for occurrences *before* the January 1, 2004 charging date. The State now concedes this is improper, and "...because the amount taken by the Defendant by the end of 2003, \$41,764.85, falls outside the charging document, that amount should not be awarded to the victims in terms of restitution and should be subtracted from Mr. Clark's total amount of \$332,553.14 leaving \$290,768.29 as a total before an interest rate is assigned and calculated." Brief in Support of Amended Memorandum of Restitution, p. 5. Thus, the State is left with the maximum amount requested of \$145,384.15 each for Brad Jordan and Patrick Hall, or \$290,768.30 collectively. The next issue is whether the State has proven that amount by the preponderance of the evidence.

C. The Amount of Restitution Proven and Hill's Claim that he is Entitled to an Offset of Amounts Owed to Hill by JHH.

As mentioned above, Hill's theory all along has been JHH owed him money, and all Hill was doing was recouping those amounts the business owed him. The only problem is, Hill has never proved this theory. Hill has never proven as a fact that the business owed him money. Even if Hill had proven such, it would not have been a defense in his criminal

case. Idaho Code § 18-2406(1) makes that clear: "It is no defense to a charge of theft of property that the offender has an interest therein, when the owner also has an interest to which the offender is not entitled." See *State v. Cocharane*, 51 Idaho 521, 6 P.2d 489 (1931). See also, I.C. § 18-2403, ICJI 540 and 551. However, an offset might be relevant in the restitution hearing (I.C. § 18-2406(3)), but Hill again failed to prove the business owed him money at the restitution hearing.

Hill's biggest allies in mounting this defense (that the business owed him money) were: 1) the sloppy accounting practices employed by JHH, and 2) the fact that Hill was the one of the three principals to oversee financial matters of the business. There is no doubt the business and accounting practices used by the partners in JHH were not good. But Hill was responsible for many of those practices, and those sloppy business practices simply allowed Hill to easily hide his regular thefts from his partners who were not as involved in the financial matters of the business.

But at the jury trial, the jury did not believe Hill. Hill's testimony was inconsistent. For example, Hill purchased with the JHH credit card, Hill purchased an entire box of seats at the Spokane Arena for Spokane Chiefs Hockey games. Hill then testified that he "intended to pay that back", which would be expected if it were a personal purchase, but there was no documentation that supported that "intent" to pay the corporation back. There was only Hill's uncorroborated claim that he told someone to put it down as an account receivable. Perhaps realizing the weakness of that position, Hill next testified he took JHH employees Linda Yacano and two of their top producing agents to a game, and the box was a "benefit to the corporation", as if to make it look like it was a corporate asset. But then on cross-examination, Hill admitted he had told none of his other two partners about the box seat. Another example is the hot tub Hill purchased from Costco. Since the

hot tub wound up in Hill's house, he had to admit the personal use. At trial, Clark testified that when he initially interviewed Hill in 2007 about the various purchases, Hill told Clark he thought he was doing the corporation a favor because they would be able to deduct the purchase from the corporate income taxes. Contradicting Hill's "thought" at the time he made that purchase he was doing the corporation a favor are: such act is still a fraud upon the IRS; to perform the act Hill would have to assume the corporation did not need the cash—which it did (as shown by Hill's own elaborate "trading checks" scheme to deal with shortages and problems with cash flow); and Hill obfuscated the records to make detection of the act difficult.

The myriad reasons Hill claims JHH owed him hundreds of thousands of dollars are simply not supported by any document. At trial, Hill told the jury he was always owed money by the corporation; even when the corporation was formed he was owed money by the corporation. But Hill produced no evidence to support that claim. The Maverick and Mullan properties were owned by Hill, and Hill claims they were to be brought into the corporation. But Hill said they were his properties and refused to provide Clark (or this Court, or the jury) with any documentation to support his claims they were corporate properties encumbered by corporate debt.

Certified Public Accountant Curtis Clark testified at the trial and at the restitution hearing. Clark's testimony at the restitution hearing regarding the schedules Clark prepared for trial was clear and easily understood. Clark prepared those records from accounting information he found at JHH back in 2007 when he was hired by JHH to do a tax return for 2006. Clark reviewed credit card statements, cancelled checks, invoices and receipts found at JHH. Clark was extensively cross-examined by Hill's attorney, but not at all impeached.

Hill's attorney tried to raise a claim of bias by Clark. Clark was asked about the fact that at the time he performed his initial work, a partner in his accounting firm (Clark, Anderson & McNellis) was owed money by JHH. Clark testified such would have been a conflict of interest that would have prevented him from being able to audit JHH, but did not prevent him from preparing taxes for JHH or conducting the accounting procedures he did for JHH or for the State in conjunction with this case. Hill's expert did not contradict that testimony by Clark. Clark was first contacted in 2006 by Brad Jordan and Patrick Hall, because those two owners knew the books of the corporation were a mess, knew Hill was in charge of those books and records, and Jordan and Hall wanted to see what transactions all shareholders were making so they could determine what all three shareholders owed the company. While Jordan and Hall may have suspected wrongdoing by Hill in 2006, Hill has not produced any evidence that any such suspicion by them tainted Clark's objective review of corporate books, receipts, invoices, cancelled checks and credit card statements.

The jury obviously found Clark credible and Hill not credible. The Court specifically makes the same findings on credibility.

At the restitution hearing, Suzanne Metzger testified on behalf of Hill. Metzger on cross-examination admitted she was biased in favor of Hill because she had an opinion of what happened based on prior years of working with JHH and its sloppy bookkeeping. Suzanne Metzger was biased in that she reached her conclusion and her opinion that the Crimson King, Mullan and Maverick properties were all JHH properties that should not have been attributed to Hill (as Clark testified), solely upon what Hill told her. Metzger did not support that opinion with any documentation and was confronted at hearing with much documentation that she had never seen regarding the paper trail of those properties. The

evidence is consistent that Hill refused to convey these properties to the corporation. Hill's testimony on this issue is confusing, but Hill has produced *no* evidence to support any claim that he in fact conveyed these properties to JHH. When confronted with the paper trail of the personal items Hill bought using the JHH company credit card or company checks, Metzger testified she had "Seen it before" where shareholders and partners used a company credit card for personal purposes and pay that company credit card off with a company check. Incredibly, Metzger based her opinion at the restitution hearing on Hill's statements to Metzger that Hill had told Brad Jordan and Patrick Hall that he was doing these things. Aside from that testimony being hearsay by Metzger (such objection was sustained), when Hill testified at the restitution hearing, he did not testify that he told such things to Metzger. At trial, Hill never testified that he told Brad Jordan and/or Patrick Hall about any of these purchases of personal items Hill had made using corporate funds. Thus, what Metzger claims Hill told her (that Hill had told Jordan and Hall that he was doing these things), those claims were never made by Hill to the jury. Those claims were never made by Hill to the Court at the restitution hearing. At trial, Brad Jordan specifically testified Hill never told him he was taking money from JHH through credit card purchases for personal expenses. Jordan testified all three shareholders had company credit cards, but they were to be used for gas, meals with clients or meals recruiting agents, and for meetings and conventions.

At the restitution hearing, Metzger was candid in admitting that she was "basing her opinion on what Hill told me." The problem is, what Hill told Metzger is hearsay through Metzger. And, what Hill told Metzger (that Hill had told his partners what he was doing), is not corroborated by what Hill testified to under oath before the jury or before the Court.

Metzger's testimony at the restitution hearing was confusing. The few conclusions she reached were not supported by any facts. Again, the basis of her opinion was "what Hill told me", and this Court finds Hill to not be credible.

Clark's rebuttal testimony truly dissected Metzger's testimony on several issues. Clark pointed out that Metzger has transposed numbers and made numerous assumptions not supported by the evidence.

Clark's figures are supported by the evidence, and are adopted by the Court.

D. To Whom is Restitution Owed?

Hill writes:

The restitution amount determined by the Court should be paid to Jordan, Hill and Hall Inc., dba: GMAC Real Estate Northwest the victim named in the Information. This would protect any creditors in the Jordan, Hill and Hall Inc. bankruptcy proceeding. In addition naming the correct victim avoids unjust enrichment to Brad Jordan and Patrick Hall. To the extent that Jerry Hill stole from Jordan, Hill and Hall he was stealing from an entity in which he owned one third of the shares. Ordering the restitution to be paid directly to Brad Jordan and Patrick Hall would result in them receiving Jerry Hill's share of the corporate assets in addition to their own.

Restitution Memorandum, pp. 1-2. While no law was cited by Hill to support this argument, Hill's argument at first blush makes sense. Hill stole from JHH. Hill was a one-third owner of JHH. Why then should the other two partners in JHH, Brad Jordan and Jerry Hall, get 100% of the amounts Hill stole from JHH, when Hill owned a third of JHH? In other words, to a one-third extent, Hill was stealing from himself.

However, Hill is not a "victim" under I.C. § 19-5304(1)(e). Thus, Hill cannot claim one-third of the amounts owed.

Additionally, restitution is an equitable concept. *Ellis v. Butterfield*, 98 Idaho 644, 656, 570 P.2d 1334, 1346 (1997). Hill is not entitled to restitution with his unclean hands. *Sword v. Sweet*, 140 Idaho 242, 251, 92 P.3d 492, 501 (2004).

Were Hill to have supported this argument with any legal authority, this Court would be more than willing to consider such. Due to the fact that Hill cannot be a victim and due to the equitable considerations, this Court finds Hill's argument has no merit.

There is no import to Hill's cryptic mention above of JHH's bankruptcy. There is "no rationale" for concluding the Bankruptcy Code bars a state court from ordering the defendant in a criminal case to pay restitution to a victim whose civil claim against the defendant for the damage covered by the restitution order has been discharged in bankruptcy. *People v. Moser* 50 Cal.App.4th 130, 136 (Cal.App.3d Dist. 1996).

This Court finds Hill owes restitution to Brad Jordan and Jerry Hall. It is these two individuals alone who suffered the loss at Hill's hands. The business apparently no longer exists. If there is a bankruptcy component to this restitution award, then that is for Brad Jordan and Jerry Hall to address, not this Court.

E. The Applicable Interest Rate.

Hill argues, "These interest charges of \$21,529.24 were calculated at a rate arbitrarily set by Brad Jordan or Patrick Hall." Restitution Memorandum, p. 3. The State points out that "Mr. Clark testified that the interest rate of 15% was utilized because that was the interest rate the partners were paying." Brief in Support of Amended Memorandum of Restitution, p. 5. Clark testified at the restitution hearing that 15% is what JHH was paying at the time for "hard money loans." There is no good reason advanced by Hill that 15% should not be the applicable rate. For every dollar Hill stole from JHH for his hot tub, Chief tickets and myriad other items, that was a dollar out of the JHH corporation, a corporation that frequently, according to Hill's own testimony, had cash flow problems and had to borrow money. That money was loaned to JHH at 15%. At the restitution hearing, Metzger criticized the choice of interest rate to which Clark testified, however,

Metzger failed to give any testimony about what her opinion as to the appropriate interest rate.

The Court finds the applicable rate to be 15%. The issue of interest rate is in the court's discretion. I.C. § 19-5304(4). The Court finds it is fair for the Court to apply 15% interest to these amounts beginning March 1, 2006. These thefts occurred over time, and March 2006 is the mid-point of the time period in which Hill's thefts occurred (January 2005 - May 2007). While it is explained that the State used the 15% interest rate, it is not clear from what point in time the State calculated interest at that rate to run. The Court will sign the restitution order and civil judgment in the amended amount requested (\$145,384.15 for each partner). If interest calculated beginning March 1, 2006, produces a different figure, counsel for the State is instructed to prepare an amended order to pay restitution and an amended civil judgment.

F. Credit for the Sale of Hill's Residence.

Hill makes the following argument:

Deducting the above discussed figures from the requested restitution would result in no restitution being owed by Jerry Hill. This is prior to making an adjustment for the sums already paid by Jerry Hill. The evidence is that \$216,231.27 was paid to the corporation upon sale of Jerry Hill's residence.

Restitution Memorandum, p. 4. No citation is made by Hill to any exhibit. Even if there were a citation, this restitution hearing is not the place for Hill to make claims about other corporate matters. This restitution hearing is not the place for Hill to make claims of set-off, or to bring in collateral issues. Hill can bring a civil action if he feels JHH owes him money.

G. Hill's Ability to Pay Restitution.

Finally, the Court is cognizant that Hill might not have the present ability to pay the restitution ordered. Hill did not argue in his briefing that he was unable to pay any

restitution amount. However, there was testimony as to this issue. Hill began his testimony at the June 16, 2011, restitution hearing answering questions about his present job at the Post Falls Jiffy Lube since May 2011, where he makes \$8.00 per hour working no more than thirty hours per week, and where he anticipates no increase in wages. Hill testified he went bankrupt in 2008, that he owns no personal property over \$1,000, has only about \$100.00 in checking at the time of hearing, and owns no real property. Hill testified he has diabetes that causes him problems with his feet and legs at work.

However, as noted above, the “immediate inability to pay restitution by a defendant shall not be, in and of itself, a reason to not order restitution.” I.C. § 19-5304(7). Although the financial situation of the defendant may be a factor to be considered, a lack of resources is not dispositive of whether restitution should be ordered. *Id.* The Court may order restitution in contemplation of a future ability to pay, thereby saving the victims the cost and inconvenience of a separate civil proceeding. *State v. Bybee*, 115 Idaho 541, 543, 768 P.2d 804, 806 (Ct.App. 1989). Likewise, the court may still order a defendant who has filed bankruptcy to pay restitution to the victims of his crimes. *State v. Hamilton*, 129 Idaho 938, 943, 935 P.2d 201, 206 (Ct.App. 1997).

The Court is not persuaded that the highest wage Hill is presently capable of is \$8.00 per hour. The Court finds Hill credible that such is in fact his current wage, but there is no indication with Hill's abilities that such employment is his pinnacle of wage earning. The Court finds even with Hill's current wage, restitution is warranted. The Court specifically finds no proof has been presented why Hill is not capable of earning a higher hourly wage or working more hours per week. In their respective lifetimes Jordan and Hall might not see all restitution paid by Hill, but that is no reason to foreclose Jordan and Hall from restitution owed. Nor is it reason to reduce the amount of such restitution. The

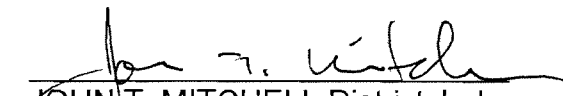
amount of restitution ordered should be equal to the amount of economic loss suffered as a result of the crime. I.C. § 19-5304(14).

III. CONCLUSION AND ORDER.

For the reasons stated above, this Court finds the State's Amended Memorandum of Restitution is appropriate, and restitution is ordered by Hill to Brad Jordan in the amount of \$145,384.15, and to Patrick Hall in the amount of \$145,384.15.

IT IS HERBY ORDERED THAT defendant Jerry Hill pay restitution to Brad Jordan in the amount of \$145,384.15, and to Patrick Hall in the amount of \$145,384.15. The Order to Pay Restitution as Condition of Probation and Civil Judgment in these amounts is signed and filed contemporaneous with this Memorandum Decision and Order, subject to clarification as to any change in calculation given the interest inception date of March 1, 2006.

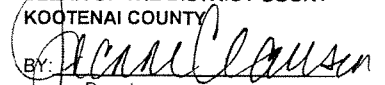
DATED this 25th day of July, 2011.


JOHN T. MITCHELL District Judge

CERTIFICATE OF MAILING
I hereby certify that on the 25 day of July, 2011 copies of the foregoing Order were mailed, postage prepaid, or sent by facsimile or interoffice mail to:

Defense Attorney – Martin Neils 446-2186
Prosecuting Attorney – Art Verharen 446-1833

#8458

CLERK OF THE DISTRICT COURT
KOOTENAI COUNTY
BY: 
Deputy

STATE OF IDAHO } SS
COUNTY OF KOOTENAI }
FILED: 7-25-11
AT 1:15 O'CLOCK P.M.
CLERK, DISTRICT COURT
Charmaine M. Collett
DEPUTY

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO,	)	Case No. CR08-26363
)	
Plaintiff,	)	CIVIL JUDGMENT
)	
JERRY A. HILL,)	
)	
Defendant.)	
_____)	

Judgment is hereby entered against the defendant, Jerry A. Hill, in the amount(s) that follow.

Such amounts to bear statutory interest from the date indicated and shall be paid to the Kootenai County Clerk, 324 W. Garden, Coeur d'Alene, Idaho, 83814 in the form of cash, certified check or money order:

Brad Jordan	\$145,384.15
2994 E Nettleton Gulch Road	
Coeur d'Alene, Idaho 83814	

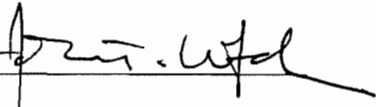
Patrick Hall	\$145,384.14
22855 E Country Vista Drive #453	
Liberty Lake, Washington 99019	

(4)

This judgment is entered pursuant to Idaho Code Section 19-5304 and ~~20-520(3)~~ and shall include ^{fifteen percent (15%)} ~~statutory~~ interest pursuant to ~~Idaho Code 28-22-104(2)~~ accruing from March 1, 2006, and ^{statutory interest pursuant to I.C. § 28-22-104(2) thereafter,} together with all post judgment attorney's fees and costs extended in the collection of this judgment as allowed by law.

IT IS FURTHER ORDERED that the Judgment shall be entered upon the records Kootenai County as a public record.

Entered this 25th day of July, 2011.



JUDGE

CLERK'S CERTIFICATE OF MAILING

I hereby certify that on the 25 day of July, 2011, that a true and correct copy of the foregoing was mailed/delivered by regular U.S. Mail, postage prepaid, Interoffice Mail, Hand Delivered, or Faxed to:

Prosecutor 446-1833
KCPSB _____
Bonding Co. _____
ISP 208-884-7197

Defense Attorney 446-2186 Defendant _____
Auditor Fax Police Agency _____
Other P+P-769-1481

CLIFFORD T. HAYES
CLERK OF THE DISTRICT COURT

BY: Jane Claxson, Deputy

#8459
8458

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE

STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO }
COUNTY OF KOOTENAI } SS
FILED: 1-25-11
AT 1:13 O'CLOCK P.M.
CLERK, DISTRICT COURT
Charmaine Mallett
DEPUTY

STATE OF IDAHO,)
)
Plaintiff,)
)
JERRY A. HILL,)
)
Defendant.)
_____)

Case No. CR08-26363

ORDER TO PAY RESTITUTION
AS CONDITION OF PROBATION

Order is hereby entered against the defendant, Jerry A. Hill, in the amount(s) that follow.

Such amounts to bear statutory interest from the date indicated and shall be paid to the Kootenai County Clerk, 324 W. Garden, Coeur d'Alene, Idaho, 83814 in the form of cash, certified check or money order:

	<u>TO:</u>	<u>Amount</u>
1:	Brad Jordan 2994 E Nettleton Gulch Road Coeur d'Alene, Idaho 83814	\$145,384.15
2:	Patrick Hall 22855 E Country Vista Drive #453 Liberty Lake, Washington 99019	\$145,384.14
	TOTAL:	<u>\$290,768.29</u>

This order is entered pursuant to Idaho Code Section 19-5304 ⁽⁴⁾ and ~~20-520(3)~~ and shall include ~~statutory~~ ^{fifteen percent (15%)} interest pursuant to Idaho Code ~~28-22-104(2)~~ accruing from the 1st day of ~~and statutory interest pursuant to I.C. § 28-22-104(2)~~ ^{March} thereafter, 2006 together with all post judgment attorney's fees and costs extended in _____

ORDER TO PAY RESTITUTION
AS A CONDITION OF PROBATION:

the collection of this judgment as allowed by law.

The defendant shall pay a minimum sum of _____ per month commencing _____ and continuing on the _____ day of each month thereafter until the entire restitution amount has been paid in full.

The defendant shall pay court ordered restitution at a rate to be determined by your probation officer;

A Civil Judgment has been entered this date separate from this order. To the extent the victims recover on the Civil Judgment, the Defendant shall be credited the amount paid through the Civil Judgment against this restitution order.

IT IS FURTHER ORDERED that the Judgment shall be entered upon the records Kootenai County as a public record.

Entered this 25th day of July, 2011.

[Signature]
JUDGE

CLERK'S CERTIFICATE OF MAILING

I hereby certify that on the 25 day of July, 2011, that a true and correct copy of the foregoing was mailed/delivered by regular U.S. Mail, postage prepaid, Interoffice Mail, Hand Delivered, or Faxed to:

Prosecutor 446-1833 Defense Attorney 446-2186 Defendant _____
KCPSB _____ Auditor FAX Police Agency _____
Bonding Co. _____ Other PO P- 769-1481
ISP _____ 208-884-7197

CLIFFORD T. HAYES
CLERK OF THE DISTRICT COURT

BY: [Signature], Deputy 458
#5459

ORDER TO PAY RESTITUTION
AS A CONDITION OF PROBATION:

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO	)	SUPREME COURT
	)	38808
Plaintiff/Respondent	)	CASE NUMBER
	)	CR08-26363
VS.	)	CLERK'S CERTIFICATE
)	
JERRY ALLAN HILL)	
<u>Defendant/appellant</u>)	

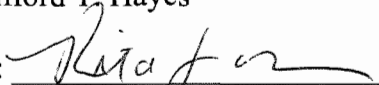
I, Rita J Brown, Clerk of the District Court of the First Judicial District of the State of Idaho, in and for the County of Kootenai, do hereby certify that the foregoing Record in this cause was compiled and bound under my direction and is a true, correct and complete Record of the pleadings and documents requested by Appellate Rule 28.

I further certify that the following will be submitted as exhibits to this Record on Appeal:

PLAINTIFF'S EXHIBITS 1 - 22 (FILED 05/10/10 - 05/12/10)
DEFENDANT'S EXHIBIT A (FILED 05/12/10)
PRESENTENCE REPORT (FILED 07/22/10)
ADDENDUM TO THE PRE-SENTENCE INVESTIGATION (FILED 01/31/11)
PLAINTIFF'S EXHIBITS 1 - 14 (FILED 06/16/11)
DEFENDANT'S EXIBITS A - I (FILED 06/16/11)

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the said Court this 29th Day of July, 2011.

CLERK OF DISTRICT COURT
Clifford T. Hayes

by: 
Deputy Clerk

Rita J Brown
CLERK'S CERTIFICATE

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

STATE OF IDAHO }
Plaintiff/Respondent }
VS. }
JERRY ALLAN HILL }

Defendant/Appellant }

SUPREME COURT # 38808

CASE # 08-26363

CERTIFICATE OF SERVICE

I, Rita J Brown, Deputy Clerk of the District Court of the First Judicial District of the State of Idaho, in and for the County of Kootenai, do hereby certify that I have personally served or mailed, by United States Mail, one copy of the Clerk's Record to each of the attorneys of record in this cause as follows:

Ms. Molly Huskey
State Appellate Public Defender
3647 Lake Harbor Ln
Boise , ID 83703

Attorney for Appellant

Mr. Lawrence Wasden
Attorney General
State of Idaho
700 W. Jefferson # 210
Boise ID 83720-0010

Attorney for Respondent

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Court this 2nd Day of August, 2011

Clifford T. Hayes
Clerk of District Court

By Rita J Brown
Rita J. Brown, Deputy Clerk

CERTIFICATE OF SERVICE