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UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF NEVADA

In re SOUTH EDGE, LLC, Debtor.	Case No. 10-32968 (BAM) Chapter 11 **VERIFIED STATEMENT OF THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., THE SUCCESSOR BY MERGER TO THE BANK OF NEW YORK TRUST COMPANY, N.A., AS INDENTURE TRUSTEE, PURSUANT TO RULE 2019 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE**

In accordance with Rule 2019 of the Federal Rules of Bankruptcy Procedure, The Bank of New York Mellon Trust Company, N.A., the successor by merger to The Bank of New York Trust Company, N.A. ("BNYMTC"), as trustee (the "Trustee"), under the Trust Indenture, dated as of April 1, 2006 (the "Indenture")[1], by and between BNYMTC, as Trustee, and the City of Henderson, Nevada, as issuer (the "Issuer"), pursuant to which $102,000,000 aggregate principal amount of City of Henderson, Nevada Local Improvement District No. T-18 (Inspirada) Limited Obligation Improvement Bonds (the "Bonds") were issued, of which $97,665,000 are outstanding (the "Outstanding Amount"), states the following:

1. **Names and Addresses of Creditors Represented by the Indenture Trustee.**

The names and addresses of the holders of the Bonds outstanding under the Indenture are maintained by BNYMTC, as registrar, in accordance with the provisions of the Indenture. The names and addresses of the holders maybe furnished to any party-in-interest who is entitled to such information under the terms of the Indenture and/or applicable law. The identities of the holders of the Bonds may change from time to time during this case as a result of transfers of the Bonds.

2. **Nature, Amount, and Time of Acquisition of Creditors' Claims.**

The nature and amounts of the claims of the holders of Bonds under the Indenture consist of (a) the Outstanding Amount; (b) the Trustee's fees and expenses, which consist of all unpaid compensation for the services of the Trustee, plus all reasonable disbursements, advances and expenses incurred or made by the Trustee, including the reasonable compensation, disbursements, and expenses of the Trustee's agents and counsel, both prior to and after the date this case was filed, as provided by the Indenture (collectively, the "Compensation and Expenses"); and (c) all other amounts due or to become due to holders of the Bonds and/or the Trustee under the Indenture and the Bonds, including, but not limited to, all indemnification rights and the continuing accrual of interest in respect of the Bonds (including interest upon the

[1] A true and correct copy of the Indenture is attached hereto as Exhibit "1."

overdue installments of interest and liquidated damages, if any, at the rates specified in the Bonds pursuant to the provisions of the Indenture), both prior to and after the date this case was filed (collectively, the "Other Amounts").

The Outstanding Amount, Compensation and Expenses, and the Other Amounts arise out of the terms of the Indenture. The Trustee's claim for its Compensation and Expenses, and for all other amounts due or to become due to BNYMTC in its capacity as Trustee, arises under the applicable provisions of the Indenture.

3. Circumstances Regarding Employment of the Indenture Trustee.

The pertinent facts and circumstances in connection with the employment of the Trustee are set forth in Article X of the Indenture.

4. Amount of Claims and Interests Held by the Trustee.

BNYMTC does not own any Bonds. Article X of the Indenture sets forth various rights of the Trustee to assert certain claims described therein.

BNYMTC reserves the right to supplement this Verified Statement at any time in the future.

I, J. Chris Matthews, declare under penalty of perjury that I have read the foregoing statement and that it is true and correct to the best of my knowledge, information and belief.

Dated: August 29, 2011

THE BANK OF NEW YORK
MELLON TRUST COMPANY, N.A.

By: J. Chris Matthews

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