

1065 TAX RETURN COMPARISON
2014 / 2015 / 2016

2016

Name(s) as shown on return
Red Diamond Yoga 3500 LLC

Identifying number
80-0918012

	2014 FEDERAL	2015 FEDERAL	2016 FEDERAL	DIFFERENCE BETWEEN 2015 & 2016
Income				
Net receipts				
Cost of goods sold				
Gross profit				
Ordinary income (loss) from other partnerships, estates, trusts				
Net farm profit (loss)				
Net gain/loss from 4797				
Other income				
Total income				
Deductions				
Salaries and wages				
Guaranteed payments to partners				
Repairs and maintenance				
Bad debts				
Rents				
Taxes and licenses				
Interest				
Depreciation from Form 4562				
Depreciation on capital equipment				
Net depreciation				
Depletion				
Pension, profit-sharing				
Employee benefits				
Other deductions				
Total deductions				
Ordinary business income(loss)				

SCHEDULE K - Partner's Share Items

Income				
Ordinary business income (loss)				
Net rental real estate income (loss)				
Other net rental income (loss)				
Guaranteed Payments				
Interest income				
Ordinary dividends				
Qualified dividends				
Royalties				
Net short-term capital gain (loss)				
Net long-term capital gain (loss)				
Collectibles (28%) gain (loss)				
Unrecaptured section 1250 gain				
Net section 1231 gain (loss)				
Other income (loss)				
Deductions				
Section 179 deduction				
Contributions				
Investment interest expense				
Section 59(e)(2) expenditures				
Other deductions				

2014

2015

2016

DIFFERENCE

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2014/ 2015 / 2016

2016

Page 2

Name(s) as shown on return

Red Diamond Yoga 3500 LLC

Identifying number

80-0918012

	2014 FEDERAL	2015 FEDERAL	2016 FEDERAL	DIFFERENCE BETWEEN 2015 & 2016
Self-Employment				
Net earnings (loss) from self-employment				
Gross farming or fishing income				
Gross nonfarm income				
Credits				
Low-income housing credit (section 42(j)(5))				
Low-income housing credit (other)				
Qualified rehabilitation expenditures (rental real estate)				
Other rental real estate credits				
Other rental credits				
Other credits				
Foreign Transactions				
Gross income from all sources				
Gross income sourced at partner level				
Foreign gross income sourced at partnership				
Passive				
General categories				
Other limitation				
Deductions allocated and apportioned at partner level				
Interest expense				
Other				
Ded allocated / apportioned at ptr level to foreign source inc				
Passive				
General categories				
Other limitation				
Total foreign taxes paid or accrued				
Reduction in taxes available for credit				
Alternative Minimum Tax (AMT) items				
Post-1986 depreciation on adjustment				
Adjusted gain or loss				
Depreciation				
Oil, gas, and geothermal properties - gross income				
Oil, gas, and geothermal properties - deductions				
Other AMT items				
Other information				
Tax-exempt interest income				
Other tax-exempt income				
Nondeductible expenses				
Distribution of cash and marketable securities				
Distributions of other property				
Investment income				
Investment expenses				

RESIDENT STATE

	CA	CA	
Taxable income	639,168		(639,168)
Total tax	3,300	800	(2,500)
Overpayment			
Balance due	1,600		(1,600)

2014

2015

2016

DIFFERENCE

Form 1065 Department of the Treasury Internal Revenue Service	U.S. Return of Partnership Income For calendar year 2016, or tax year beginning _____, 2016, ending _____, 20_____. ► Information about Form 1065 and its separate instructions is at www.irs.gov/form1065 .	OMB No. 1545-0123 2016		
A Principal business activity Management B Principal product or service Management C Business code number 551112	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">Type or Print</td> <td style="width: 95%;"> Name of partnership Red Diamond Yoga 3500 LLC Number, street, and room or suite no. If a P.O. box, see the instructions. 3500 Overland Avenue 210 City or town, state or province, country, and ZIP or foreign postal code Los Angeles, CA 90034 </td> </tr> </table>	Type or Print	Name of partnership Red Diamond Yoga 3500 LLC Number, street, and room or suite no. If a P.O. box, see the instructions. 3500 Overland Avenue 210 City or town, state or province, country, and ZIP or foreign postal code Los Angeles, CA 90034	D Employer identification number 80-0918012 E Date business started 10-07-2013 F Total assets (see the instructions) \$ 0
Type or Print	Name of partnership Red Diamond Yoga 3500 LLC Number, street, and room or suite no. If a P.O. box, see the instructions. 3500 Overland Avenue 210 City or town, state or province, country, and ZIP or foreign postal code Los Angeles, CA 90034			

G Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change (5) ☐ Amended return
 (6) ☐ Technical termination - also check (1) or (2)

H Check accounting method: (1) ☐ Cash (2) ☐ Accrual (3) ☐ Other (specify) ► _____

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ► **1**

J Check if Schedules C and M-3 are attached _____ ☐

Caution. Include *only* trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a			
	b Returns and allowances	1b			
	c Balance. Subtract line 1b from line 1a			1c	
	2 Cost of goods sold (attach Form 1125-A)			2	
	3 Gross profit. Subtract line 2 from line 1c			3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)			4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5	
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)			6	
Deductions <small>(see the instructions for limitations)</small>	7 Other income (loss) (attach statement)			7	
	8 Total income (loss). Combine lines 3 through 7			8	
	9 Salaries and wages (other than to partners) (less employment credits)			9	
	10 Guaranteed payments to partners			10	
	11 Repairs and maintenance			11	
	12 Bad debts			12	
	13 Rent			13	
	14 Taxes and licenses			14	
	15 Interest			15	
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Form 1125-A and elsewhere on return	16b		16c	
	17 Depletion (Do not deduct oil and gas depletion.)			17	
	18 Retirement plans, etc.			18	
	19 Employee benefit programs			19	
20 Other deductions (attach statement)			20		
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20			21		
22 Ordinary business income (loss). Subtract line 21 from line 8			22		

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.			
	► Arlene Utal Signature of general partner or limited liability company member manager	Date	May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Paid Preparer Use Only	Print/Type preparer's name Howard Fox	Preparer's signature _____	Date 02-06-2017	Check <input checked="" type="checkbox"/> if self-employed PTIN XXXXXXXXXX
	Firm's name ► Howard D Fox CPA		Firm's EIN ► 77-0377113	
	Firm's address ► 5835 Kanan Road Agoura Hills, CA 91301		Phone no. (818) 879-0600	

For Paperwork Reduction Act Notice, see separate instructions.

Form 1065 (2016)

Schedule B Other Information

1 What type of entity is filing this return? Check the appropriate box:	Yes	No
a <input type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input checked="" type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶		
2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person?		X
3 At the end of the tax year:		
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership SEE 1065B1	X	
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership		X
4 At the end of the tax year, did the partnership:		
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete () through (v) below		X

(i) Name of Corporation	(ii) Employer identification Number (if any)	(iii) Country of incorporation	(iv) Percentage Owned in Voting Stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete () through (v) below		X
--	--	---

(i) Name of Entity	(ii) Employer identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B) () for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details		
6 Does the partnership satisfy all four of the following conditions?		
a The partnership's total receipts for the tax year were less than \$250,000.		
b The partnership's total assets at the end of the tax year were less than \$1 million.		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
d The partnership is not filing and is not required to file Schedule M-3	X	
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.		
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		X
8 During the tax year, did the partnership have any debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?		
9 Has this partnership filed, or is it required to file, Form 8918, Material Adversely Disclose Statement, to provide information on any reportable transaction?		X
10 At any time during calendar year 2016, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for FNCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country. ▶		X

Schedule B**Other Information** (continued)

	Yes	No
11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions		X
12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.		X
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		
13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly owned by the partnership throughout the tax year) <input type="checkbox"/>		
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions ▶		
16 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. ▶		X
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return. ▶ 0		
18a Did you make any payments in 2016 that would require you to file Form(s) 1099? See instructions		
b If "Yes," did you or will you file required Form(s) 1099?		
19 Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return. ▶		
20 Enter the number of partners that are foreign governments under section 892. ▶		
21 During the partnership's tax year, did the partnership make any payments that would require it to file Form 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474)?		
22 Was the partnership a specified domestic entity required to file Form 8938 for the tax year (See the Instructions for Form 8938)?		

Designation of Tax Matters Partner (see instructions)

Enter below the general partner or member-manager designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP	▶ Utal Yoga Corporation	Identifying number of TMP	▶ 46-2414867
If the TMP is an entity, name of TMP representative	▶	Phone number of TMP	▶
Address of designated TMP	▶ 3500 Overland Avenue 210 Los Angeles, CA 90034		

Schedule K		Partners' Distributive Share Items	Total amount
Income (Loss)	1	Ordinary business income (loss) (page 1, line 22)	1 0
	2	Net rental real estate income (loss) (attach Form 8825)	2
	3a	Other gross rental income (loss)	3a
	b	Expenses from other rental activities (attach statement)	3b
	c	Other net rental income (loss). Subtract line 3b from line 3a	3c
	4	Guaranteed payments	4
	5	Interest income	5
	6	Dividends: a Ordinary dividends b Qualified dividends	6a 6b
	7	Royalties	7
	8	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8
	9a	Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a
b	Collectibles (28%) gain (loss)	9b	
c	Unrecaptured section 1250 gain (attach statement)	9c	
10	Net section 1231 gain (loss) (attach Form 4797)	10	
11	Other income (loss) (see instructions) Type ▶	11	
Deductions	12	Section 179 deduction (attach Form 4562)	12
	13a	Contr but ons	13a
	b	Investment interest expense	13b
	c	Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c(2)
d	Other deductions (see instructions) Type ▶	13d	
Self-Employment	14a	Net earnings (loss) from self-employment	14a
	b	Gross farming or fishing income	14b
	c	Gross nonfarm income	14c
Credits	15a	Low-income housing credit (section 42(j)(5))	15a
	b	Low-income housing credit (other)	15b
	c	Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	15c
	d	Other rental real estate credits (see instructions) Type ▶	15d
	e	Other rental credits (see instructions) Type ▶	15e
	f	Other credits (see instructions) Type ▶	15f
Foreign Transactions	16a	Name of country or U.S. possession ▶	
	b	Gross income from all sources	16b
	c	Gross income sourced at partner level	16c
	d	Foreign gross income sourced at partnership level	
	e	Passive category ▶ General category ▶ f Other ▶	16f
	g	Deductions allocated and apportioned at partner level	
	h	Interest expense ▶ Other ▶	16h
	i	Deductions allocated and apportioned at partnership level to foreign source income	
	j	Passive category ▶ General category ▶ k Other ▶	16k
	l	Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16l
m	Reduction in taxes available for credit (attach statement)	16m	
n	Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) Items	17a	Post-1986 depreciation adjustment	17a
	b	Adjusted gain or loss	17b
	c	Depreciation (other than oil and gas)	17c
	d	Oil, gas, and geothermal properties - gross income	17d
	e	Oil, gas, and geothermal properties - deductions	17e
	f	Other AMT items (attach statement)	17f
Other Information	18a	Tax-exempt interest income	18a
	b	Other tax-exempt income	18b
	c	Nondeductible expenses	18c
	19a	Dispositions of cash and marketable securities	19a
	b	Dispositions of other property	19b
	20a	Investment income	20a
b	Investment expenses	20b	
c	Other items and amounts (attach statement)		

Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l						1	0
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt Organization	(vi) Nominee/Other	
a General partners							
b Limited partners							

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash				
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities				
6	Other current assets (attach statement)				
7a	Loans to partners (or persons related to partners)				
b	Mortgage and real estate loans				
8	Other investments (attach statement)				
9a	Buildings and other depreciable assets				
b	Less accumulated depreciation				
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)				
12a	Intangible assets (amortizable only)				
b	Less accumulated amortization				
13	Other assets (attach statement)				
14	Total assets				
Liabilities and Capital					
15	Accounts payable				
16	Mortgages, notes, bonds payable in less than 1 year				
17	Other current liabilities (attach statement)				
18	All nonrecourse loans				
19a	Loans from partners (or persons related to partners)				
b	Mortgages, notes, bonds payable in 1 year or more				
20	Other liabilities (attach statement)				
21	Partners' capital accounts				
22	Total liabilities and capital				

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. The partnership may be required to file Schedule M-3 (see instructions).

1 Net income (loss) per books	0	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13d, and 16l, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize):		a Depreciation \$	
a Depreciation \$		8 Add lines 6 and 7	
b Travel and entertainment \$		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	0
5 Add lines 1 through 4			

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year		6 Distributions:	a Cash	
2 Capital contributed:		b Property		
a Cash		7 Other decreases (itemize):		
b Property		8 Add lines 6 and 7		
3 Net income (loss) per books	0	9 Balance at end of year. Subtract line 8 from line 5		0
4 Other increases (itemize):				
5 Add lines 1 through 4	0			

SCHEDULE B-1
(Form 1065)(Rev. December 2011)
Department of the Treasury
Internal Revenue Service**Information on Partners Owning 50% or
More of the Partnership**▶ **Attach to Form 1065. See instructions.**

OMB No. 1545-0099

Name of partnership

Red Diamond Yoga 3500 LLC

Employer identification number (EIN)

80-0918012

Part I **Entities Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 3a)

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer identification Number (if any)	(iii) Type of Entity	(iv) Country of Org	(v) Maximum Percentage Owned in Profit, Loss, or Capital
Utal Yoga Corporation	46-2414867	S CORPORATION	US	100

Part II **Individuals or Estates Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 3b)

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

EEA

Schedule B-1 (Form 1065) (Rev. 12-2011)

**Schedule K-1
(Form 1065)****2016**Department of the Treasury
Internal Revenue Service

or calendar year 2016, or tax

year beginning _____, 2016

ending _____, 20

**Partner's Share of Income, Deductions,
Credits, etc.**

▶ See page 2 of form and separate instructions.

Part I Information About the Partnership									
A Partnership's employer identification number 80-0918012									
B Partnership's name, address, city, state, and ZIP code Red Diamond Yoga 3500 LLC 3500 Overland Avenue 210 Los Angeles, CA 90034									
C IRS Center where partnership filed return Ogden									
D <input type="checkbox"/> Check if this is a publicly traded partnership (PTP)									
Part II Information About the Partner									
E Partner's identifying number 46-2414867									
F Partner's name, address, city, state, and ZIP code Utal Yoga Corporation 3500 Overland Avenue 210 Los Angeles, CA 90034									
G <input checked="" type="checkbox"/> General partner or LLC member-manager <input type="checkbox"/> Limited partner or other LLC member									
H <input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner									
I1 What type of entity is this partner? <u>S CORPORATION</u>									
I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here <input type="checkbox"/>									
J Partner's share of profit, loss, and capital (see instructions)									
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Beginning</th> <th style="text-align: left; border-bottom: 1px solid black;">Ending</th> </tr> </thead> <tbody> <tr> <td>Profit 100.0000000 %</td> <td>100.0000000 %</td> </tr> <tr> <td>Loss 100.0000000 %</td> <td>100.0000000 %</td> </tr> <tr> <td>Capital 100.0000000 %</td> <td>100.0000000 %</td> </tr> </tbody> </table>	Beginning	Ending	Profit 100.0000000 %	100.0000000 %	Loss 100.0000000 %	100.0000000 %	Capital 100.0000000 %	100.0000000 %	
Beginning	Ending								
Profit 100.0000000 %	100.0000000 %								
Loss 100.0000000 %	100.0000000 %								
Capital 100.0000000 %	100.0000000 %								
K Partner's share of liabilities at year end									
Nonrecourse \$									
Qualified nonrecourse financing \$									
Recourse \$									
L Partner's capital account analysis									
Beginning capital account \$									
Capital contributed during the year \$									
Current year increase (decrease) \$									
Withdrawals & distributions \$ ()									
Ending capital account \$									
<input checked="" type="checkbox"/> Tax basis <input type="checkbox"/> GAAP <input type="checkbox"/> Section 704(b) book <input type="checkbox"/> Other (explain)									
M Did the partner contribute property with a built-in gain or loss?									
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
"Yes," attach statement (see instructions)									

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items	
1 Ordinary business income (loss)	15 Credits
2 Net rental real estate income (loss)	
3 Other net rental income (loss)	16 Foreign transactions
4 Guaranteed payments	
5 Interest income	
6a Ordinary dividends	
6b Qualified dividends	
7 Royalties	
8 Net short-term capital gain (loss)	
9a Net long-term capital gain (loss)	17 Alternative minimum tax (AMT) items
9b Collectibles (28%) gain (loss)	
9c Unrecaptured section 1250 gain	
10 Net section 1231 gain (loss)	18 Tax-exempt income and nondeductible expenses
11 Other income (loss)	
12 Section 179 deduction	19 Distributions
13 Other deductions	
14 Self-employment earnings (loss)	20 Other information
*See attached statement for additional information.	
<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold; margin-right: 10px;">For IRS Use Only</div> </div>	

Partner's Adjusted Basis Worksheet

2016

Keep for your records.

Partner Number:	TIN: 46-2414867	Tax year ending: 12-31-2016	Ownership %: 100.000000
Name o Partner:	Utal Yoga Corporation		
Name o Partnership:	Red Diamond Yoga 3500 LLC		EIN 80-0918012

A	Partner's share o partnership liabilities (Sch K-1, tem K)	A	_____
B	Partner's share o partnership liabilities rom PR OR year	B	(_____)
C	ncreases (Decrease) in share o Partnership Liabilities during this tax period	C	_____
1	Adjusted Basis rom preceding year	1	_____ 0
2	Capital contributions o property		
a	Gain (i any) recognized this year on contribution o property to partnership	2 a	_____
b	Cash contributed during the year	b	_____
c	Adjusted basis o property contributed during the year	c	_____
d	Partnership interest acquired other than by cash or property	d	_____
	otal additional contributions (otal lines 2a-2d)	2	_____
3	tems o ncome or Gain or this period		
a	Ordinary ncome (Sch K-1, Line 1)	3 a	_____
b	Real Estate Rental ncome (Sch K-1, Line 2)	b	_____
c	Other Rental ncome (Sch K-1, Line 3c)	c	_____
d	nterest, Dividends & Royalties (Sch K-1, Lines 5, 6a & 7)	d	_____
e	Capital Gain (Sch K-1, Lines 8 & 9a)	e	_____
	Other Port olio ncome (Sch K-1, Line 11a)		_____
g	Section 1231 Gain (Sch K-1, Line 10)	g	_____
h	Other ncome (Sch K-1, Line 11)	h	_____
i	ax Exempt ncome (Sch K-1, Lines 18a & b)	i	_____
j	Excess Depletion Adjustment	j	_____
k	ncrease rom Recapture o Business Credits	k	_____
i	Gain rom 179 disposition (See RC 49(a), 50(a), 50(c)(2) & 1371 (d))	i	_____
	otal items o ncome or Gains (otal lines 3a-3l)	3	_____
4	ncrease in Partnership Share o Partnership Liabilities rom line C above	4	_____
5	otal increases in basis (combine lines 1 through 4)	5	_____
6	Distributions to the Partner during the year	6	_____
7	Decrease in Partner's Share o Partnership Liabilities rom line C above	7	_____
8 a	Decrease or Non-Deductible Expenses/Credit Adjustments	8 a	_____
b	Decrease or Depletion	b	_____
	otal other decreases (lines 8a-8b)	8	_____
9	Subtotal - basis a ter all distributions and other decreases (Line 5 minus lines 6-8)	9	_____
10	tems o Losses and Deductions (Allowed or the current year)		
a	Ordinary Loss (Page 2, Col e, Line 10a)	10 a	_____
b	Real Estate Rental Loss (Page 2, Col e, Line 10b)	b	_____
c	Other Rental Loss (Page 2, Col e, Line 10c)	c	_____
d	Capital Loss (Page 2, Col e, Line 10d)	d	_____
e	Other Port olio Loss (Page 2, Col e, Line 10e)	e	_____
	Section 1231 Loss (Page 2, Col e, Line 10)		_____
g	Other Loss (Page 2, Col e, Line 10g)	g	_____
h	Charitable Contributions (Page 2, Col e, Line 10h)	h	_____
i	Section 179 Expense (Page 2, Col e, Line 10i)	i	_____
j	Port olio ncome Expenses (Page 2, Col e, Line 10j)	j	_____
k	Other Deductions (Page 2, Col e, Line 10k)	k	_____
l	nterest Expense on nvestment Debt (Page 2, Col e, Line 10l)	l	_____
m	otal oreign axes Paid/Accrued (Page 2, Col e, Line 10m)	m	_____
n	Section 59(e) Expenditures (Page 2, Col e, Line 10n)	n	_____
o	Other decreases (Page 2, Col e, Line 10o)	o	_____
p	Loss rom 179 disposition (Page 2, Col e, Line 10p)	p	_____
	otal items o Losses and Deductions (otal lines 10a-10p)	10	_____
11	Adjusted Basis o Partnership nterest (Cannot be negative) (Line 9-Line 10) At-Risk Basis	11	_____ 0
12	At-risk adjustment (Amount rom lines 5)	12	_____
13	Enter the amount rom lines 6, 7, 8 and 10	13	(_____)
14	Enter any nonrecourse loans, etc	14	(_____)
15	Enter the MV o partner's personal property not used in the partnership that secures a nonrecourse loan on line 14	15	_____
16	Combine lines 12 through 15 negative, no current year loss can be deducted See orm 6198	16	_____

Allocation of Losses and Deductions

2016

Keep or your records

Partner Number:	TIN: 46-2414867	Year Ended: 12-31-2016	Ownership %: 100.000000
Partner Name: Utal Yoga Corporation			
Partnership Name: Red Diamond Yoga 3500 LLC			EIN 80-0918012

		(a) Beginning of Year Losses and Deductions	(b) Current Year Losses and Deductions	(c) Total Losses and Deductions	(d) %	(e) Allocable Losses and Deductions in Current Year	(f) Disallowed Losses and Deductions (Carryover to Next Year)
10a Ordinary losses from trade or business	(Sch K-1, Line 1)						
b Net losses from rental real estate activities	(Sch K-1, Line 2)						
c Net losses from other rental activities	(Sch K-1, Line 3)						
d Net short-term capital losses	(Sch K-1, Lines 8 & 9a)						
d Net long-term capital losses							
e Other portfolio losses	(Sch K-1, Line 11a)						
Net losses under Section 1231	(Sch K-1, Line 10)						
g Other losses	(Sch K-1, Line 11)						
h Charitable contributions	(Sch K-1, Lines 13a-g)						
i Section 179 expense deduction	(Sch K-1, Line 12)						
j Portfolio income expenses	(Sch K-1, Lines 13k & l)						
k Other deductions	(Sch K-1, Lines 13m-s,w)						
l Interest expense on investment debts	(Sch K-1, Line 13h)						
m Foreign taxes paid or accrued	(Sch K-1, Lines 16i & m)						
n Section 59(e) expenditures	(Sch K-1, Line 13j)						
o Other decreases							
p Loss from 179 asset							
Total deductible losses and deductions							
8a Nondeductible expenses & credit adj							
b Oil and gas depletion							
Total nondeductible losses and deductions							
Totals							

Summary of Estimates**2017**

Name(s) as shown on return

Your SSN/EIN

Red Diamond Yoga 3500 LLC
California

80-0918012

Form: CA 568

Payment Schedule

Due Date	04-17-2017				Tota
Total Installment Amount	800				800
Overpayment Applied	800				800
Net Installment Due					

Taxpayer Records

Amount Actually Paid				
Date Paid				
Check #/Confirmation				

Capital Account Reconciliation

(Keep for your records)

2016 Page 1

Name(s) as shown on return

ax D Number

Red Diamond Yoga 3500 LLC

80-0918012

Partner Name	Beginning Capital Account	Capital Contributed During Year	Partner's Share of Lines 3, 4 and 7 Form 1065, Sch M-2	Withdrawals and Distributions	Ending Capital Account
Utal Yoga Corporation					
TOTALS					

Schedule M-2/Partners' Capital Reconciliation Worksheet

Form 1065

(Keep for your records)

2016

Name(s) as shown on return

Tax ID Number

Red Diamond Yoga 3500 LLC

80-0918012

Analysis of Current-Year Partners' Capital

1	Beginning partners' capital per balance sheet (Schedule L, column b, line 21)	1	
2	Book income (loss) (Schedule M-1, line 1, or Schedule M-3, page 1, line 11)	2	0
3	Capital contributions during the year (Schedule K-1, Item L)	3	
4	Other increases (Schedule M-2, line 4)	4	
5	Distributions (Schedule K, lines 19A and 19B)	5	
6	Withdrawals and other decreases (Schedule M-2, line 7)	6	
7	Subtotal (combine lines 1 through 6)	7	0
8	Ending partners' capital per balance sheet (Schedule L, column d, line 21)	8	
9	Difference (line 7 minus line 8) (should be zero)	9	0

Current-Year Change to Partners' Capital Compared to Current-Year Change to Schedule K, Item L (All Partners)

1	Ending partners' capital (Schedule L, column d, line 21)	1	
2	Beginning partners' capital (Schedule L, column b, line 21)	2	
3	Change in capital (line 1 minus line 2)	3	
4	Ending partners' capital (Schedule K-1, item L)	4	
5	Beginning partners' capital (Schedule K-1, item L)	5	
6	Difference (line 4 minus line 5)	6	

Current-Year Timing Adjustments from Schedule M-1 Screen (K-1 accounting method other than GAAP)

Subtract items from net income per books (Schedule M-1, lines 5 and 6 - not included on Schedule M-2, line 3)

7	Other income recorded on books not included on Schedule K	7	
8	Depreciation on Schedule K not included on books	8	
9	Other Schedule K items not included on books	9	
10	Total subtract items (lines 7 through 9)	10	

Add items to net income per books (Schedule M-1, lines 2 and 3 - not included on Schedule M-2, line 3)

11	Income included on Schedule K not recorded on books	11	
12	Depreciation on books not included on Schedule K	12	
13	Other items on books not included on Schedule K	13	
14	Total add items (lines 11 through 13)	14	

15	Schedule M-1 timing adjustments not included on Schedule M-2, lines 3, 4, and 7 (combine lines 10 and 14)	15	
----	---	----	--

Current-Year Timing Adjustments from Schedule M-3 Screens (K-1 accounting method other than GAAP)

Permanent or temporary book-to-tax difference amounts entered on the M32, M33, 8916A, and SCH3 screens appear on line 16 and line 17 as opposite of the actual entries. For example, an entry of -100 would appear as 100.

16	Permanent differences	16	
17	Temporary differences	17	

18	Schedule M-3 timing adjustments not included on Schedule M-2 (combine lines 16 and 17)	18	
----	--	----	--

19	Capital amount after M-1 timing adjustments (add lines 6 & 15)	19	
----	--	----	--

20	Capital amount after M-3 timing adjustments (add lines 6 & 18)	20	
----	--	----	--

21	Net reconciliation difference (line 3 minus Line 19 or 20)	21	
----	---	----	--

2016

Limited Liability Company

Return of Income

568

201310710332 REDD 80-0918012
 TYB 01-01-2016 TYE 12-31-2016
 RED DIAMOND YOGA 3500 LLC

16 PBA 551112

3500 OVERLAND AVENUE 210
 LOS ANGELES CA 90034

ACCTMETHOD 3 10-07-2013 ASSETS 0.
 INITIAL 0 FINAL 0 AMENDED 0

- J** (1) During this taxable year, did another person or entity acquire control or majority ownership (more than a 50% interest) of this LLC or any entity in which the LLC holds a controlling or majority interest that owned California real property (i.e., and, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☒ No
- (2) During this taxable year, did this LLC acquire control or majority ownership (more than a 50% interest) in another entity that owned California real property (i.e., and, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☒ No
- (3) During this taxable year, has more than 50% of the LLC's ownership interests cumulatively transferred in one or more transactions after an interest in California real property (i.e., and, buildings) was transferred to it that was excluded from property tax reassessment under Revenue and Taxation Code Section 62(a)(2) and it was not reported on a previous year's tax return? ☐ Yes ☒ No
- (Yes requires filing of statement, penalties may apply - see instructions.)**

		Whole dollars only	
Enclose, but do not staple, any payment	Complete Schedule IW, LLC Income Worksheet (on Schedule 7) first to determine Line 1.		
	1 Total income from Schedule IW, Limited Liability Company Income Worksheet. See instructions . . .	1	00
	2 Limited Liability Company fee. See instructions	2	00
	3 2016 annual Limited Liability Company tax. See instructions	3	800 00
	4 Nonconsenting nonresident members' tax liability from Schedule T (Schedule 4)	4	00
	5 Total tax and fee. Add line 2, line 3, and line 4	5	800 00
	6 Amount paid with form FTB 3537 and 2016 form FTB 3522 and form FTB 3536	6	3300 00
	7 Overpayment from prior year allowed as a credit	7	00
	8 Withholding (Form 592-B and/or 593)	8	00
	9 Total payments. Add line 6, line 7, and line 8	9	3300 00
	10 Use Tax. This is not a total line. See instructions	10	0 00
	11 Payments balance. If line 9 is more than line 10, subtract line 10 from line 9	11	3300 00
12 Use Tax balance. If line 10 is more than line 9, subtract line 9 from line 10	12	00	

		Whole dollars only	
13	Tax and fee due. If line 5 is more than line 11, subtract line 11 from line 5	13	00
14	Overpayment. If line 11 is more than line 5, subtract line 5 from line 11	14	2500 00
15	Amount of line 14 to be credited to 2017 tax or fee	15	800 00
16	Refund. If the total of line 15 is less than line 14, subtract the total from line 14.	16	1700 00
17	Penalties and interest. See instructions	17	00
18	Total amount due. Add line 12, line 13, line 15, and line 17, then subtract line 14 from the result.	18	0 00

- K** Enter the maximum number of members in the LLC at any time during the year. For multiple member LLCs, attach a California Schedule K-1 (568) for each of these members
- L** Is this LLC an investment partnership? See General Information 0 ☐ Yes ☒ No
- M** (1) Is this LLC apportioning or allocating income to California using Schedule R? ☐ Yes ☒ No
- (2) If "No," was this LLC registered in California without earning any income sourced in this state during the taxable year? ☒ Yes ☐ No
- N** Was there a distribution of property or a transfer (for example, by sale or death) of an LLC interest during the taxable year? ☐ Yes ☒ No
- P** (1) Does the LLC have any foreign (non-U.S.) nonresident members? ☐ Yes ☒ No
- (2) Does the LLC have any domestic (non-foreign) nonresident members? ☐ Yes ☒ No
- (3) Were Form 592, Form 592-A, Form 592-B, and Form 592-F filed for these members? ☐ Yes ☒ No
- Q** Are any members in this LLC also LLCs or partnerships? ☐ Yes ☒ No
- R** Is this LLC under audit by the IRS or has it been audited in a prior year? ☐ Yes ☒ No
- S** Is this LLC a member or partner in another multiple member LLC or partnership? ☐ Yes ☒ No
If "Yes," complete Schedule EO, Part I.
- T** Is this LLC a publicly traded partnership as defined in IRC Section 469(k)(2)? ☐ Yes ☒ No
- U** (1) Is this LLC a business entity disregarded for tax purposes? ☒ Yes ☐ No
- (2) If "Yes," see instructions and complete Side 1, Side 2, Side 3, Schedule B, Side 5, and Side 7, if applicable. Are there credits or credit carryovers attributable to the disregarded entity? ☐ Yes ☒ No
- (3) If "Yes" to U(1), does the disregarded entity have total income derived from or attributable to California that is less than the LLC's total income from all sources? ☐ Yes ☒ No
- V** Has the LLC included a Reportable Transaction, or Listed Transaction within this return?
(See instructions for definitions). If "Yes," complete and attach federal Form 8886 for each transaction ☐ Yes ☒ No
- W** Did this LLC file the Federal Schedule M-3 (federal Form 1065)? ☐ Yes ☒ No
- X** Is this LLC a direct owner of an entity that filed a federal Schedule M-3? ☐ Yes ☒ No
- Y** Does the LLC have a beneficial interest in a trust or is it a grantor of a Trust? ☐ Yes ☒ No
If "Yes," attach schedule of trusts and federal identification numbers.
- Z** Does this LLC own an interest in a business entity disregarded for tax purposes? ☒ Yes ☐ No
If "Yes," complete Schedule EO, Part II.

(continued on Side 3)

(continued from Side 2)

AA Is any member of the LLC related (as defined in IRC Section 267(c)(4)) to any other member of the LLC? • ☐ Yes ☒ No

BB Is any member of the LLC a trust for the benefit of any person related (as defined in IRC Section 267(c)(4)) to any other member? • ☐ Yes ☒ No

CC (1) Is the LLC deferring any income from the disposition of assets? (see instructions) • ☐ Yes ☒ No
(2) If "Yes," enter the year of asset disposition. •

DD Is the LLC reporting previously deferred Income from:
(see instructions) • ☐ Installment Sale • ☐ IRC §1031 • ☐ IRC §1033 • ☐ Other

EE "Doing business as" name. See instructions: • _____

FF (1) Has this LLC operated as another entity type such as a corporation, S corporation, General Partnership, Limited Partnership, or Sole Proprietorship in the previous five (5) years? • ☐ Yes ☒ No
(2) If "Yes," provide prior FEIN(s) if different, business name(s), and entity type(s) for prior returns filed with the FTB and/or IRS (see instructions): _____

GG (1) Has this LLC previously operated outside California? • ☐ Yes ☒ No
(2) Is this the first year of doing business in California? • ☐ Yes ☒ No

Single Member LLC Information and Consent - Complete only if the LLC is disregarded.		• Federal TIN/SSN
Sole Owner's name (as shown on owner's return) FOR DETAILED INFORMATION - SEE FORM CASMLLC ● Utal Yoga Corporation 3500 Overland Avenue 210; Los Angeles, CA 90034		FEIN/CA Corp no./CA SOS File no. 46-2414867
Street Address, City, State, and ZIP Code		

• What type of entity is the ultimate owner of this SMLLC? See instructions. Check only one box:
☐ (1) Individual ☐ (2) C Corporation ☒ (3) Pass-Through (S corporation, partnership, LLC classified as a partnership)
☐ (4) Estate/Trust ☐ (5) Exempt Organization

Member's Consent Statement: I consent to the jurisdiction of the State of California to tax my LLC income and agree to file returns and pay tax as may be required by the Franchise Tax Board.

Signature ▶		Date 2017-02-15	
Sign Here	To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to ftb.ca.gov and search for privacy notice . To request this notice by mail, call 800.852.5711. Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Signature of authorized member or manager ▶ _____	Date _____	Telephone • 310-468-6828
	Authorized member or manager's email address (optional)		
Paid Preparer's Use Only	Paid preparer's signature ▶ _____	Date 02-06-2017	Check if self-employed <input checked="" type="checkbox"/>
	Firm's name (or yours, if self-employed) and address ▶ HOWARD D FOX CPA 5835 KANAN ROAD AGOURA HILLS, CA 91301		PTIN • XXXXXXXXXX
			FEIN • 77-0377113 Telephone • 818-879-0600
May the FTB discuss this return with the preparer shown above (see instructions)? • <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

Schedule A Cost of Goods Sold

1	Inventory at beginning of year	1		00
2	Purchases less cost of items withdrawn for personal use	2		00
3	Cost of labor	3		00
4	Additional IRC Section 263A costs. Attach schedule	4		00
5	Other costs. Attach schedule	5		00
6	Total. Add line 1 through line 5	6		00
7	Inventory at end of year	7		00
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Schedule B, line 2	8		00

9 a Check all methods used for valuing closing inventory:

(1) ☐ Cost (2) ☐ Lower of cost or market as described in Treas. Reg. Section 1.471-4 (3) ☐ Write down of "subnormal" goods as described in Treas. Reg. Section 1.471-2(c) (4) ☐ Other. Specify method used and attach explanation _____

b Check this box if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970. ☐

c Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the LLC? ☐ Yes ☐ No

d Was there any change (other than for IRC Section 263A purposes) in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☐ No

Schedule B Income and Deductions

Caution: Include **only** trade or business income and expenses on line 1a through line 22 below. See the instructions for more information.

Income	1	a Gross receipts or sales \$ _____ b Less returns and allowances \$ _____ c Balance •	1c		00
	2	Cost of goods sold (Schedule A, line 8) •	2		00
	3	GROSS PROFIT. Subtract line 2 from line 1c •	3		00
	4	Total ordinary income from other LLCs, partnerships, and fiduciaries. Attach schedule •	4		00
	5	Total ordinary loss from other LLCs, partnerships, and fiduciaries. Attach schedule •	5		00
	6	Total farm profit. Attach federal Schedule F (Form 1040) •	6		00
	7	Total farm loss. Attach federal Schedule F (Form 1040) •	7		00
	8	Total gains included on Schedule D-1, Part II, line 17 (gain only) •	8		00
	9	Total losses included on Schedule D-1, Part II, line 17 (loss only) •	9		00
	10	Other income. Attach schedule •	10		00
	11	Other loss. Attach schedule •	11		00
	12	Total income (loss). Combine line 3 through line 11 •	12		00
Deductions	13	Salaries and wages (other than to members) •	13		00
	14	Guaranteed payments to members •	14		00
	15	Bad debts •	15		00
	16	Deductible interest expense not claimed elsewhere on return •	16		00
	17	a Depreciation and amortization. Attach form FTB 3885L \$ _____ b Less depreciation reported on Schedule A and elsewhere on return \$ _____ c Balance •	17c		00
	18	Depletion. Do not deduct oil and gas depletion •	18		00
	19	Retirement plans, etc •	19		00
	20	Employee benefit programs •	20		00
	21	Other deductions. Attach schedule •	21		00
	22	Total deductions. Add line 13 through line 21 •	22		00
	23	Ordinary income (loss) from trade or business activities. Subtract line 22 from line 12 •	23		00

Schedule T Nonconsenting Nonresident Members' Tax Liability. Attach additional sheets if necessary.

(a) Member's name	(b) SSN, ITIN, or FEIN	(c) Distributive share of income	(d) Tax rate	(e) Member's total tax due (see instructions)	(f) Amount withheld by this LLC on this member - reported on Form 592-B	(g) Member's net tax due

Total the amount of tax due. Enter the total here and on Side 1, line 4. If less than zero enter -0-

Schedule K Members' Shares of Income, Deductions, Credits, etc.

(a) Distributive share items		(b) Amounts from federal K (1065)	(c) California adjustments	(d) Total amounts using California law			
Income (Loss)	1 Ordinary income (loss) from trade or business activities	1 • 0	0	⊙ 0			
	2 Net income (loss) from rental real estate activities. Attach federal Form 8825	2		⊙			
	3 a Gross income (loss) from other rental activities	3a		⊙			
	b Less expenses. Attach schedule	3b					
	c Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c		•			
	4 Guaranteed payments to members	4		•			
	5 Interest income	5		•			
	6 Dividends	6		•			
	7 Royalties	7		•			
	8 Net short-term capital gain (loss). Attach Schedule D (568)	8		•			
	9 Net long-term capital gain (loss). Attach Schedule D (568)	9		•			
	10 a Total Gain under IRC Section 1231 (other than due to casualty or theft)	10a		•			
	b Total Loss under IRC Section 1231 (other than due to casualty or theft)	10b		•			
	11 a Other portfolio income (loss). Attach schedule	11a		⊙			
b Total other income. Attach schedule	11b		⊙				
c Total other loss. Attach schedule	11c						
Deductions	12 Expense deduction for recovery property (IRC Section 179). Attach schedule	12					
	13 a Charitable contributions. See instructions. Attach schedule	13a					
	b Investment interest expense	13b		•			
	c 1 Total expenditures to which IRC Section 59(e) election may apply	13c1					
	2 Type of expenditures _____	13c2					
	d Deductions related to portfolio income	13d					
e Other deductions. Attach schedule	13e		⊙				
Credits	15 a Withholding on LLC allocated to all members	15a					
	b Low-income housing credit	15b					
	c Credits other than the credit shown on line 15b related to rental real estate activities. Attach schedule	15c					
	d Credits related to other rental activities. Attach schedule	15d					
	e Nonconsenting nonresident members' tax paid by LLC	15e					
	f Other credits. Attach schedule	15f		•			
Alternative Minimum Tax (AMT) Items	17 a Depreciation adjustment on property placed in service after 1986	17a					
	b Adjusted gain or loss	17b					
	c Depletion (other than oil and gas)	17c					
	d Gross income from oil, gas, and geothermal properties	17d					
	e Deductions allocable to oil, gas, and geothermal properties	17e					
	f Other alternative minimum tax items. Attach schedule	17f					
Other Information	18 a Tax-exempt interest income	18a					
	b Other tax-exempt income	18b		•			
	c Nondeductible expenses	18c					
	19 a Distributions of money (cash and marketable securities)	19a		⊙			
	b Distribution of property other than money	19b		⊙			
	20 a Investment income	20a					
	b Investment expenses	20b					
c Other information. See instructions	20c						
Analysis	21 a Total distributive income/payment items. Combine lines 1, 2, and 3c through 11c. From the result, subtract the sum of lines 12 through 13e	21a		•			
	b Analysis of members: Members	(a) Corporate	(b) Individual i. Active ii. Passive	(c) Partnership	(d) Exempt Organization	(e) Nominee/Other	(f) LLC
	0	0	0	0	0	0	0

Schedule L Balance Sheets. See the instructions for Schedule L, before completing Schedules L, M-1, and M-2.

Assets	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
1 Cash				
2 a Trade notes and accounts receivable				
b Less allowance for bad debts	()		()	
3 Inventories				•
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets. Attach schedule				•
7 Mortgage and real estate loans				
8 Other investments. Attach schedule				•
9 a Buildings and other depreciable assets				
b Less accumulated depreciation	()	⊙	()	•
10 a Depletable assets				
b Less accumulated depletion	()		()	
11 Land (net of any amortization)		⊙		•
12 a Intangible assets (amortizable only)				
b Less accumulated amortization	()		()	
13 Other assets. Attach schedule				•
14 Total assets				
Liabilities and Capital				
15 Accounts payable				•
16 Mortgages, notes, bonds payable in less than 1 year				•
17 Other current liabilities. Attach schedule				
18 All nonrecourse loans		⊙		•
19 Mortgages, notes, bonds payable in 1 year or more		⊙		•
20 Other liabilities. Attach schedule				•
21 Members' capital accounts		⊙		•
22 Total liabilities and capital				

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return. Use total amount under California law. See inst.

1 Net income (loss) per books	(800)	6 Income recorded on books this year not included on Schedule K, line 1 through line 11c. Itemize:	
2 Income included on Schedule K, line 1 through line 11c, not recorded on books this year. Itemize		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		b Other \$	
4 Expenses recorded on books this year not included on Schedule K, line 1 through line 13e. Itemize:		c Total. Add line 6a and line 6b	•
a Depreciation \$		7 Deductions included on Sch K, line 1 through line 13e, not charged against book income this year. Itemize:	
b Travel and entertainment \$		a Depreciation \$	
c Annual LLC tax \$ 800		b Other \$	
d Other \$		c Total. Add line 6c and line 7c	•
e Total. Add line 1 through 4e	800	8 Total. Add line 6c and line 7c	
5 Total of line 1 through line 4e		9 Income (loss) (Schedule K, line 21a). Subtract line 8 from line 5	

Schedule M-2 Analysis of Members' Capital Accounts. Use California amounts.

1 Balance at beginning of year		5 Total of line 1 through line 4	(800)
2 Capital contributed during year		6 Distributions:	
a Cash		a Cash	•
b Property		b Property	•
3 Net income (loss) per books	(800)	7 Other decreases. Itemize	•
4 Other increases. Itemize		8 Total of line 6 and line 7	
		9 Balance at end of year. Subtract line 8 from line 5	(800)

Schedule O Amounts from Liquidation used to Capitalize a Limited Liability Company. (Complete only if initial return box is checked on Side 1, Question H.)

Name of entity liquidated (if more than one, attach a schedule) _____

Type of entity: ☐ (1) C Corporation ☐ (2) S Corporation ☐ (3) Partnership ☐ (4) Limited Partnership ☐ (5) Sole Proprietor ☐ (6) Farmer

Entity identification number(s) FEIN _____ SSN or ITIN _____ Corporation _____ CA SOS _____

Amount of liquidation gains recognized to capitalize the LLC

Schedule IW Limited Liability Company (LLC) Income Worksheet

Enter your California income amounts on the worksheet. All amounts entered must be assigned for California law differences. **Use only amounts that are from sources derived from or attributable to California when completing lines 1-17 of this worksheet.** If your business is both within and outside of California, see Schedule IW instructions to assign the correct amounts to California. If the LLC is wholly within California, the total income amount is assigned to California and is entered beginning with line 1a. If the single member LLC (SMLLC) does not meet the 3 million criteria for filing Schedule B (568) and Schedule K (568), the SMLLC is still required to complete Schedule IW. Disregarded entities that do not meet the filing requirements to complete Schedule B or Schedule K should prepare Schedule IW by entering the California amounts attributable to the disregarded entity from the member's federal Schedule B, C, D, E, F (Form 1040), or additional schedules associated with other activities. **Do not enter amounts on this worksheet that have already been reported by another LLC to determine its fee.**

See instructions on page 14 of the Form 568 Booklet for more information on how to complete Schedule IW.

- 1 a Total California income from Form 568, Schedule B, line 3. See instructions ☒ 1a _____
- b Enter the California cost of goods sold from Form 568, Schedule B, line 2 and from federal Schedule F (Form 1040) (plus California adjustments) associated with the receipts assigned to California on lines 1a and 4 ☒ 1b _____
- 2 a If the answer to Question U(1) on Form 568 Side 2, is "Yes", include the gross income of this disregarded entity that is not included in lines 1 and 8 through 16 ☒ 2a _____
- b Enter the cost of goods sold of disregarded entities associated with the receipts assigned to California on line 2a ☒ 2b _____
- 3 a LLC's distributive share of ordinary income from pass-through entities ☒ 3a _____
- b Enter the LLC's distributive share of cost of goods sold from other pass-through entities associated with the receipt assigned to California on line 3a (see Schedule K-1s (565), Table 3, line 1a) ☒ 3b _____
- c Enter the LLC's distributive share of deductions from other pass-through entities associated with the receipt assigned to California on line 3a (see Schedule K-1s (565), Table 3, line 1b) ☒ 3c _____
- 4 Add gross farm income from federal Schedule F (Form 1040). Use California amounts ☒ 4 _____
- 5 Enter the total of other income (not loss) from Form 568, Schedule B, line 10 ☒ 5 _____
- 6 Enter the total gains (not losses) from Form 568, Schedule B, line 8 ☒ 6 _____
- 7 Add line 1a through line 6 ☒ 7 _____
- 8 California rental real estate
- a Enter the total gross rents from federal Form 8825, line 18a ☒ 8a _____
- b Enter the total gross rents from all Schedule K-1s (565), Table 3, line 2 ☒ 8b _____
- c Add line 8a and line 8b ☒ 8c _____
- 9 Other California rentals.
- a Enter the amount from Schedule K (568), line 3a ☒ 9a _____
- b Enter the amount from all Schedule K-1s (565), Table 3, line 3 ☒ 9b _____
- c Add lines 9a and 9b ☒ 9c _____
- 10 California interest. Enter the amount from Form 568, Schedule K, line 5 ☒ 10 _____
- 11 California dividends. Enter the amount from Form 568, Schedule K, line 6 ☒ 11 _____
- 12 California royalties. Enter the amount from Form 568, Schedule K, line 7 ☒ 12 _____
- 13 California capital gains. Enter the capital gains (not losses) included in the amounts from Form 568, Schedule K, lines 8 and 9 ☒ 13 _____
- 14 California 1231 gains. Enter the amount of total gains (not losses) from Form 568, Schedule K, line 10a ☒ 14 _____
- 15 Other California portfolio income (not loss). Enter the amount from Form 568 Schedule K, line 11a ☒ 15 _____
- 16 Other California income (not loss) not included in line 5. Enter the amount from Form 568, Schedule K, line 11b ☒ 16 _____
- 17 Total California income. Add lines 7, 8c, 9c, 10, 11, 12, 13, 14, 15, and 16. Line 17 may not be a negative number. Enter here and on Form 568, Side 1, Line 1. If less than zero enter -0- ☒ 17 _____

G. Accounting Method Additional Information

Account ng Method {7} cash Allowable values Cash, Accrual, Hybrid

J. K-1s Filed

F ed by Mag Med a {5} false

K1 Mag Med a Count _____

Federal ITIN {9} _____
SSN {9} _____
SOS Number {12} _____
CA Corporation number {7} _____
FEIN {9} XXXXXXXXXX
LLC Temp number {9} _____
Business Name Line 1 {75} Utal Yoga Corporation
Business Name Line 2 {75} _____
US Address Line 1 {35} 3500 Overland Avenue 210
US Address Line 2 {35} _____
US City {22} Los Angeles
US State {2} CA
US Zip Code {16} 90034
Consent Date {10} 2017-02-15
Title {100} Pres-Utal Yoga
Entity Type Pass Through
Expiration {30} _____

Schedule K - Line 21A Calculation Summary

80-0918012

Items to Add		(a) Distributive share items	(b) Amounts from federal K (1065)	(c) California adjustments	(d) Total amounts using California law
1	Ordinary income (loss) from trade or business activities	1			
2	Net income (loss) from rental real estate activities Attach federal form 8825	2			
3 c	Net income (loss) from other rental activities	3c			
4	Guaranteed payments to members	4			
5	Interest income	5			
6	Dividends	6			
7	Royalties	7			
8 a	Net short-term capital gain (loss)	8			
9 a	Net long-term capital gain (loss)	9			
10 a	Total Gain under RC Section 1231	10a			
b	Total Loss under RC Section 1231 (Reminder subtract when adding)	10b			
11 a	Other portfolio income (loss)	11a			
b	Total other income	11b			
c	Total other loss (Reminder subtract when adding)	11c			
Subtotal of Addition Items:					
Items to Subtract					
12	Expense deduction or recovery property (RC Section 179)	12			
13 a	Charitable contributions See instructions	13a			
b	Investment interest expense	13b			
c	Total expenditures to which RC Section 59(e) election may apply	13c			
d	Deductions related to portfolio income	13d			
e	Other deductions	13e			
Subtotal of Subtraction Items:					
Total					
21	Total distributive income/payment items Combine lines 1, 2, and 3c through 11c from the result, subtract the sum of lines 12 through 13e	21			

**Member's Share of Income,
Deductions, Credits, etc.**
K-1 (568)

TYB 01-01-2016 TYE 12-31-2016
46-2414867
UTAL YOGA CORPORATION

3500 OVERLAND AVENUE 210
LOS ANGELES CA 90034

80-0918012 201310710332
RED DIAMOND YOGA 3500 LLC

3500 OVERLAND AVENUE 210
LOS ANGELES CA 90034

A What type of entity is this member? •

- (1) ☐ Individual (4) ☐ C Corporation (7) ☐ LLP (10) ☐ Exempt Organization
 (2) ☒ S Corporation (5) ☐ General Partnership (8) ☐ LLC (11) ☐ Disregarded Entity
 (3) ☐ Estate/Trust (6) ☐ Limited Partnership (9) ☐ IRA/Keogh/SEP

B Is this member a foreign member? • ☐ Yes ☒ No

C Enter member's percentage (without regard to special allocations) of:

 (i) Before decrease
or termination

(ii) End of year

Profit sharing	100.0000	%	•	100.0000	%
Loss sharing	100.0000	%	•	100.0000	%
Ownership of capital	100.0000	%	•	100.0000	%

D Member's share of liabilities:

Nonrecourse	• \$	0	.00
Qualified nonrecourse financing	• \$	0	.00
Other	• \$	0	.00

E Reportable transaction or tax shelter registration number(s)

F (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2) • ☒ ☐

(2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1) • ☒ ☐

G Check here if this is: • (1) ☐ A final Schedule K-1 (568) (2) ☐ An amended Schedule K-1 (568)

H Is this member a resident of California? • ☒ Yes ☐ No



Member's name

Member's identifying number

UTAL YOGA CORPORATION

46-2414867

I Analysis of member's capital account: Check the box •(1) ☒ Tax Basis (2) ☐ GAAP (3) ☐ Section 704(b) Book (4) ☐ Other (explain)

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Member's share of line 3, line 4, and line 7 Form 568, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine col. (a) through col. (d)
• 0	• 0	• (800)	• (0)	• (800)

Caution: Refer to Member's Instructions for Schedule K-1 (568) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c) where applicable	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities	0	0	• 0	▶ 0
	2 Net income (loss) from rental real estate activities			•	▶
	3 Net income (loss) from other rental activities			⊙	⊙
	4 Guaranteed payments to members			•	▶
	5 Interest income			•	▶
	6 Dividends			•	▶
	7 Royalties			•	▶
	8 Net short-term capital gain (loss)			•	▶
	9 Net long-term capital gain (loss)			•	▶
	10 a Total gain under IRC Section 1231 (other than due to casualty or theft) . . .			•	▶
	b Total loss under IRC Section 1231 (other than due to casualty or theft) . . .			•	▶
	11 a Other portfolio income (loss). Attach sch.			•	▶
	b Total other income. Attach schedule . .			•	▶
Deductions	c Total other loss. Attach schedule			•	▶
	12 Expense deduction for recovery property (IRC Section 179)				
	13 a Charitable contributions				
	b Investment interest expense				
	c 1 Total expenditures to which an IRC Section 59(e) election may apply.				
	2 Type of expenditures _____				
	d Deductions related to portfolio income Attach schedule				
	e Other deductions. Attach schedule . . .				



Member's name

Member's identifying number

UTAL YOGA CORPORATION

46-2414867

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
Credits	15 a Total withholding (equals amount on Form 592-B if calendar year LLC)			•	▶
	b Low-income housing credit				
	c Credits other than line 15b related to rental real estate activities. Attach schedule				
	d Credits related to other rental activities. Attach schedule				
	e Nonconsenting nonresident member's tax paid by LLC				
	f Other credits - Attach required schedules or statements				
Alternative Minimum Tax (AMT) Items	17 a Depreciation adjustment on property placed in service after 1986			⊙	⊙
	b Adjusted gain or loss				
	c Depletion (other than oil & gas)				
	d Gross income from oil, gas, and geothermal properties				
	e Deductions allocable to oil, gas, and geothermal properties				
	f Other alternative minimum tax items. Attach schedule				
Tax-exempt Income and Nondeductible Expenses	18 a Tax-exempt interest income				
	b Other tax-exempt income				
	c Nondeductible expenses				
Distributions	19 a Distributions of money (cash and marketable securities)			⊙	
	b Distributions of property other than money . .			⊙	
Other Information	20 a Investment income				
	b Investment expenses				
	c Other information. See instructions				



Member's name

Member's identifying number

UTAL YOGA CORPORATION

46-2414867

Other Member Information

Table 1 - Member's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the member):

Interest	\$		Sec. 1231 Gains/Losses	\$		Capital Gains/Losses	\$	
Dividends	\$		Royalties	\$		Other	\$	

FOR USE BY MEMBERS ONLY - See instructions.

Table 2 - Member's share of distributive items.

A. Member's share of the LLC's business income. See instructions. \$

B. Member's share of nonbusiness income from real and tangible personal property sourced or allocated to California.

Capital Gains/Losses	\$		Rents/Royalties	\$	
Sec. 1231 Gains/Losses	\$		Other	\$	

C. Member's distributive share of the LLC's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	\$	\$
Property: Ending	\$	\$
Property: Annual rent expense	\$	\$
Payroll	\$	\$
Sales	\$	\$

Utal Yoga Corporation

Partner (Individual)

SSN {9} _____ Not App cab e {14} _____
F rst Name {7} _____
M dde lnta {1} _____
Last Name {11} _____
Date of Death (YYYY-MM-DD) {10} _____

Partner (Non-Individual)

FEIN {9} XXXXXXXXXX Not App cab e {14} _____
CA SOS Number {12} _____
Bus ness Name {70} Utal Yoga Corporation
Dong Bus ness As - DBA {70} _____

Partner Address Information

US Address L ne 1 {30} 3500 Overland Avenue 210
US Address L ne 2 {30} _____
US C ty {17} Los Angeles
US State {2} CA
US Z p Code {16} 90034
Fore gn Address L ne 1 {30} _____
Fore gn Address L ne 2 {30} _____
Fore gn C ty {17} _____
Fore gn Prov nce or State {50} _____
Fore gn Country {2} _____
Fore gn Posta Code {50} _____

LLC Information

Enty Type {30} S Corporation
Ana ys s Method Tax Basis

Partnership Address Information

US Address L ne 1 {30} 3500 Overland Avenue 210
US Address L ne 2 {30} _____
US C ty {17} Los Angeles
US State {2} CA
US Z p Code {16} 90034
Fore gn Address L ne 1 {30} _____
Fore gn Address L ne 2 {30} _____
Fore gn C ty {17} _____
Fore gn Prov nce or State {50} _____
Fore gn Country {2} _____
Fore gn Posta Code {50} _____

Miscellaneous Information

Tax Sheter {5} false

CA-MSG	CA ELECTRONIC FILING MESSAGES MUST be corrected before electronic filing is allowed.	PAGE 1
Name(s) as shown on return Red Diamond Yoga 3500 LLC		SSN/FEIN 80-0918012
<p>1200 CA Electronic Filing NOT allowed</p> <p>One or both the following has occurred:</p> <ul style="list-style-type: none">- A Federal messages page was produced; or- A ST-MSG messages page was produced. <p>Therefore, disallowing the state to be transmitted.</p>		