

1993

Annual Portfolio Report  
E. Hampton Neighborhood Home  
May 28, 1993 vs May 29, 1992

Net Asset Value as of  
May 29, 1992 351,459.27

Net Asset Value as of  
May 28, 1993 378,597.06

a gain of 27,137.79  
or +7.7%

after a twelve month draw

down of 31,485.87  
which exceeded total income of 25,599.36  
by 5,886.51

With interest rates coming down, as I believe they will continue to do for at least the next 12 months, our income may decline - If our drawdowns continue outstripping our income and the market should drop, the net asset value of the portfolio will decline at a fast pace -

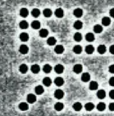
As of May 28, 1993 The portfolio is 60% invested in equities with the remaining 40% invested in corporate bonds + Notes, money funds, mutual funds, and U.S. Government Securities -

We have used convertible bonds and stocks in an effort to maintain our income and also share in any upward movement in the common stocks. Sometimes these securities are called away by the issuing company and finding equivalent income production from other securities of equal grade can be difficult or impossible. This is just one of many challenges we face in this declining interest rate scenario -

I only mention these few negatives because we have had the best of both worlds, high interest rates and a rising market since 1991. Market reversals do happen - Someday we will experience Mr Bear Market again. We will do our best to sidestep trouble, but let's not be too complacent -

Michael Melny

May 1993



PAINWEBBER INC.  
64 MAIN STREET  
SOUTHAMPTON, NY 11968-4834

Net account value on April 30 \$ 377,833.75\*  
Net account value on May 28 \$ 378,597.06\*  
Cash/Money funds in 05/28 value \$ 10,409.84

\* Excludes unpriced assets.

Account Number UQ 06408 13  
Tax Identification Number 11-1797171

PZDL043950-X136

PZDL043950-X136 -0593 - UQ - 1

Your Investment Executive  
JOHN DANA SMITH 516 287-1300

MICHAEL HELM  
98 SQUAW RD  
EAST HAMPTON NY 11937-4512



Duplicate statement for the account of  
EAST HAMPTON NEIGHBORHOOD  
HOUSE ASSOC INC  
C/O STEVE GRAHAM  
70 HILDRETH PL  
EAST HAMPTON NY 11937-1410

**Account instructions**  
Statement copies are sent to 1 interested party.

**Bulletin Board**  
ON MAY 1, ASSET GUARANTY REINSURANCE CO.  
BEGAN TO PARTICIPATE AS A PROVIDER IN  
THE RMA ACCOUNT PROTECTION. SEE  
DETAILS IN THE ENCLOSED RMARKS.  
RESOURCELINE 1-800-RMA-2000: ACCOUNT #446006408  
FOR AN RMA REPRESENTATIVE CALL 1-800-RMA-1000.

**Activity summary**

Account value on April 30 \$ 377,833.75

**Cash flow**

Earnings / capital return + 1,673.91  
Accrued interest paid -1,023.75  
Money fund checks paid -5,000.00  
Proceeds from security transactions + 36,826.85  
Funds used for security transactions -35,502.55

**Security transactions** (Excludes Money fund transactions.)

Securities purchased + 35,502.55  
Securities sold -36,826.85  
Change in value of investments + 5,113.15

Account value on May 28 \$ 378,597.06

**Earnings and capital return summary**

Earnings/capital return categories are for the current calendar year. All prior year entries are summarized separately.  
This information should not be used for tax purposes. See back for details.

|  | Current period   | Year-to-date       |
|--|------------------|--------------------|
| PaineWebber Money fund dividends         | 39.65            | 239.73             |
| Other dividends                          | 1,178.01         | 6,402.88           |
| Interest                                 | 456.25           | 1,881.25           |
| Other                                    | .00              | 20.92              |
| Prior year(s) entries and adjustments    | .00              | 215.33             |
| <b>Total earnings / capital return</b>   | <b>1,673.91</b>  | <b>8,760.11</b>    |
| Less non-municipal accrued interest paid | -1,023.75        | -1,023.75          |
| <b>Net earnings / capital return</b>     | <b>\$ 650.16</b> | <b>\$ 7,736.36</b> |

May 1993

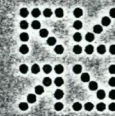
Account Number UQ 06408 13

Page 2 of 6

Your Investment Executive

JOHN DANA SMITH

516 287-1300



**PaineWebber**  
Resource Management Account Statement

PZDL043951-X136

**Asset summary**

See reverse side for information on assets excluded from this summary.

|                              | % of portfolio | Value                |
|------------------------------|----------------|----------------------|
| Corporate bonds and notes    | 18.07          | 68,400.00            |
| Equities                     | 59.33          | 224,520.37           |
| Money funds                  | 2.69           | 10,186.04            |
| Mutual funds                 | 16.71          | 63,229.45            |
| U.S. Government securities   | 3.20           | 12,037.40            |
| <b>Total invested assets</b> | <b>100.00</b>  | <b>\$ 378,373.26</b> |
| Plus cash balance            |                | 223.80               |
| <b>Net account value</b>     |                | <b>\$ 378,597.06</b> |

**Asset portfolio**

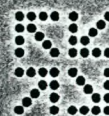
When available, prices, income and current values may be approximate and thus gains/losses may not be accurately reflected. Details on back. An asterisk (\*) indicates a change in the original transaction data from the prior month or the display of new data input at your branch office. Gains/losses are not calculated for zero coupon investments.

**Corporate bonds and notes**

Prices are obtained from independent quotation bureaus that use computerized valuation formulas to calculate current values. Actual market values may vary and thus gains/losses may not be accurately reflected.

**Coupon corporates**

| Total face value at maturity | Description  | Price     | Current value    | Est. annual income | Trade date           | Face value purchased | Purchase price                             | Cost basis       | Unrealized gain/loss |
|------------------------------|--|-----------|------------------|--------------------|----------------------|----------------------|--|------------------|----------------------|
| 5,000                        | PHILA ELEC CO<br>RATE 09.000% MATURES 02/01/95<br>CALLABLE                         | 103.000   | 5,150.00         | 450                |                      | 5,000                | -----This information was unavailable----- |                  |                      |
| 30,000                       | INTERFACE INC<br>SUB DEB CONV<br>RATE 08.000% MATURES 09/15/13<br>MAY BE CALLABLE  | 96.500    | 28,950.00        | 2,400              | 03/21/91<br>10/13/92 | 15,000<br>15,000     | 91.000<br>98.000                           | 13,652<br>14,703 | 823<br>-228          |
| 35,000                       | ALLEGHANY CORP DELA<br>SUB DEB<br>RATE 06.500% MATURES 06/15/14<br>MAY BE CALLABLE | 98.000    | 34,300.00        | 2,275              | 05/20/93             | 35,000               | 98.500                                     | 34,478           | -178 *               |
| <b>70,000</b>                | <b>Total</b>   | <b>\$</b> | <b>68,400.00</b> | <b>5,125</b>       |                      |                      |  |                  |                      |



**Equities**

**Common stock**

| Total shares | Description            | Price  | Current value       | Est. annual income | Trade date   | Shares purchased | Purchase price | Cost basis | Unrealized gain/loss |
|--------------|------------------------|--------|---------------------|--------------------|--------------|------------------|----------------|------------|----------------------|
| 525          | AMER EXPRESS CO        | 28.750 | 15,093.75           | 525                | 03/26/93     | 525              | 28.000         | 14,994     | 99                   |
| 300          | DU PONT DE NEMOURS     | 52.750 | 15,825.00           | 528                | 03/26/93     | 300              | 49.000         | 14,974     | 851                  |
| 100          | INTL BUSINESS MACH     | 52.750 | 5,275.00            | 216                | 01/06/92     | 100              | 93.125         | 9,420      | -4,145               |
| 1,000        | UNION CARBIDE CORP     | 18.875 | 18,875.00           | 750                | 08/13/92     | 1,000            | 16.153         | 16,155     | 2,720                |
| 310          | UNTD TECHNOLOGIES CORP | 52.875 | 16,391.25           | 558                | 03/26/93     | 310              | 47.750         | 15,078     | 1,313                |
| 460          | WOOLWORTH CORP         | 29.375 | 13,512.50           | 534                | 03/26/93     | 460              | 31.875         | 14,947     | -1,434               |
|              | <b>Total</b>           |        | <b>\$ 84,972.50</b> |                    | <b>3,111</b> |                  |                |            |                      |

**Preferred stock**

| Total shares | Description  | Price  | Current value       | Est. annual income | Trade date           | Shares purchased | Purchase price   | Cost basis      | Unrealized gain/loss |
|--------------|--|--------|---------------------|--------------------|----------------------|------------------|------------------|-----------------|----------------------|
| 500          | ECHO BAY FINANCE CORP<br>1.75 PFD SER A CONV                                   | 40.500 | 20,250.00           | 875                | 08/10/92             | 500              | 25.500           | 13,019          | 7,231                |
| 500          | GREAT WSTN FINL CORP DEP<br>SH REPSTG 1/5 SH PFD CV                            | 56.500 | 28,250.00           | 2,188              | 01/27/92<br>07/20/92 | 400<br>100       | 58.000<br>53.250 | 23,591<br>5,432 | -991<br>218          |
| 700          | NATL SEMICONDUCTOR CORP<br>DEP CV EXCH PR EACH SHR<br>REPSTG 1/10 SH PR CV EXC | 55.375 | 38,762.50           | 2,800              | 03/15/91             | 700              | 37.250           | 26,461          | 12,301               |
|              | <b>Total</b>   |        | <b>\$ 87,262.50</b> |                    | <b>5,863</b>         |                  |                  |                 |                      |

**Other equity investments**

Cost basis and gains/losses have not been adjusted automatically for return of capital payments. Restricted security values are not included in your net account value.

| Total shares | Description                           | Price  | Current value | Est. annual income | Trade date                       | Shares purchased | Purchase price                             | Cost basis             | Unrealized gain/loss |
|--------------|---------------------------------------|--------|---------------|--------------------|----------------------------------|------------------|--|------------------------|----------------------|
| 300          | HANCOCK JOHN INCOME SECS<br>TRUST SBI | 17.000 | 5,100.00      | 402                |                                  | 300              | -----This information was unavailable----- |                        |                      |
| 200          | HANCOCK JOHN INVS TR SBI              | 22.875 | 4,575.00      | 360                | 04/02/90                         | 100              | 19.625                                     | 2,031                  | 256                  |
| 3,730        | MFS INTERMEDIATE INCOME<br>TR SBI     | 7.375  | 27,508.75     | 2,686              | 03/10/93                         | 3,730            | 7.875                                      | 30,067                 | -2,558               |
| 523          | PETROLEUM & RESOURCES CP              | 28.875 | 15,101.62     | 418                | 01/06/92<br>04/06/92<br>12/27/92 | 400<br>100<br>23 | 26.125<br>25.625<br>25.187                 | 10,680<br>2,644<br>579 | 869<br>243<br>85     |