A Message from the Chairman

Dear People of the Commonwealth,

In compliance with Article XI, Section 6(e), of the Commonwealth Constitution, the Board of Trustees of the Marianas Public Land Trust makes this report on its investments and related activities for the year 2009.

The Trust has continued to deal with the 2007 default of the loan made to NMHC for mortgage financing. Since MPLT commenced managing the loan portfolio, the Trustees have adopted policies to mitigate the loan delinquencies and potential foreclosures. This loan modification program has allowed the borrowers to have their delinquent accrued interest forgiven, their interest rate reduced to 2% and the monthly payment reduced accordingly. The Trustees are continuing to work with the borrowers in order that they may remain in their homes but this has resulted in a significant reduction to the interest earnings for this investment. The Trustees' focus is to protect the principal for this investment and obtain repayment of the original investment over the remaining term of the associated individual loans. This is an inherent limitation on local investments, which do not allow for liquidity to divest of a bad investment. Policy amendments and trustees' diligence in developing a workable payment plan for the home borrowers enabled the Trust to decrease from NMHC's managed 57% delinquency rate to MPLT's managed 26% delinquency rate. This allowed MPLT to prevent the potential loss of $2.9M in property.

The 2008 $3.5 million loan to CUC resulted from a historical distribution of the same amount from the Department of Public Lands. While this loan may have been seen as a controversial at the time, it has performed well, earning an annual rate of interest of 7%. Due to the appropriation from the Legislature to allow for an offset to the Trust's distribution to the General Fund to be withheld for payment on this loan, $1.7 million was applied in 2009 leaving a balance due of $1.8 million. This remaining balance will be substantially paid off in 2010 by the same method. Overall, the Trust made $245K of interest income on this investment while permanently increasing its principal fund by $3.5 million.

The overall return for the Trust for 2009 was significantly improved over the performance for 2008. Commencing in March 2009, the publically-trades markets began to improve from the devastating loss of value that occurred in 2008 from the unprecedented crash of the U.S. economy. The Trust's total return was 9.9% or 2.8% more than our expected rate of return of 7.1% as opposed to the loss of -6.2 in 2008. But the markets are still very volatile and many uncertainties still exist, namely the high unemployment in the U.S. The performance in 2010 will not be as good due to the shaky U.S. economy, which may be a prelude to another downturn.

We hope this report provides an insight into the operations of the Trust and provides useful information to all our beneficiaries. The Trustees take their fiduciary duty very seriously and welcomes any question or suggestions regarding the operation of the Marianas Public Land Trust.

Respectfully submitted,

Phillip Mendiola-Long
Chairman, Board of Trustees

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OVERVIEW

The Marianas Public Land Trust (MPLT) was established to preserve and enhance the net revenues received from the lease of public lands for the benefit of future generations. MPLT functions, therefore, as the money or financial manager for the net revenues distributed to it by the Marianas Public Land Corporation (MPLC) or its successor organization, the Marianas Public Land Authority (MPLA) or the Department of Public Lands (DPL).

The following are the distributions from MPLC & Successor Entities to MPLT and recorded as principal in the General & Park Trust Funds:

July 19, 1983	$ 5,000,000
January 20, 1984	100,000
February 17, 1984	14,080,046
April 13, 1984	5,958,700
August 27, 1984	803,856
May 22, 1991	500,000
December 20, 1991	500,000
September 19, 2007	1,250,000
August 4, 2008	3,500,000
Total	$ 31,692,602

DPL's primary duty is to manage the public lands for the benefit of the people of the Commonwealth. In this regard, they function as the Commonwealth's public land managers. In addition, they also have the responsibility to facilitate and manage a homestead development program. The revenues from the lease of public lands, less DPL's reasonable expenses of administration, are distributable to the Trust on an annual basis.

MPLT invests the funds it receives from DPL within clearly established guidelines. The net distributable income received from its investments is distributed to the Commonwealth Government's General Fund and to the American Memorial Park. Monies distributed to the General

Fund are general revenues subject to appropriation by the CNMI Legislature. Funds distributed to the American Memorial Park are dedicated to the maintenance and development of the Park.

It should be noted that most of the historical principal contributions made to the Trust were derived from the Tinian land lease as provided for in Article VIII, Section 803, of the Covenant. This portion of the single-payment rent has been preserved in the Trust's general fund and constitutes the payment from the United States for up to one hundred years usage of the prescribed land area.

IMPLEMENTING AUTHORITY

The origins of the Trust are found both in the ***Constitution of the Northern Mariana Islands*** and Public Law 94-241, ***Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America***. Both of these documents came into full force and effect on January 9, 1978.

Article XI, Section 6 of the ***Constitution*** provides for the establishment of the Trust upon the effective date of the ***Constitution.*** Some excerpts pertaining to the operating requirements for the Trust are:

- "... The number of trustees appointed by the Governor with the advice and consent of the Senate shall be ...[five]. Three shall be from Saipan, one from Rota and one from Tinian. At least one trustee shall be a woman and at least one trustee shall be of Carolinian descent. The trustees shall serve for a term of six years ... [shall] be staggered."
- "... The trustees shall make reasonable, careful and prudent investments."
- "... The trustees shall ...[use] the interest on the amount received for the lease of property at Tanapag Harbor for the development and maintenance of a memorial park. The trustees shall transfer to the general revenues of the Commonwealth the remaining interest accrued ... [except] that the trustees may retain the amount necessary to meet reasonable expenses of administration."
- "... The trustees shall make an annual written report to the people of the Commonwealth accounting for the revenues received and expenses incurred by the Trust and describing the investments and other transactions authorized by the trustees."
- "... The trustees shall be held to strict standards of fiduciary care. Each trustee shall annually submit to the Governor and the presiding officers of the Legislature a report disclosing their financial affairs, as provided by law."

A lease agreement was signed on January 6, 1983 between the Commonwealth and the United States, for the designated premises, for an initial lease term of fifty (50) years.

The CPI adjustment yielded a total price of $33 million for the entire term of the lease, including the fifty (50) year additional option period. From this total amount $6,565,800 was withheld and placed in a joint escrow account pending the Commonwealth's acquisition of private land holdings within the leasehold area. This escrow fund was later transferred to the Commonwealth Superior Court (named the Tinian Land Acquisition Fund) to be used for funding of the condemnation and land acquisition costs. The final balance of this fund was ordered by the Superior Court to be distributed to MPLC on November 25, 1994.

The ***Covenant*** contains key provisions which are fundamental to the Trust's development. Article VIII, Section 802 requires that certain lands be made available to the United States Government by lease in order for it to carry out its defense responsibilities. These lands consist of 7,203 hectares on Tinian, 72 hectares at Tanapag Harbor in Saipan, and the entire island of Farallon de Medinilla.

Article VIII, Section 803 of the ***Covenant*** describes the lease terms for the above properties. The Commonwealth will lease the property to the United States for 50 years with the United States having the option of renewing the lease for all or part of the property for an additional term of 50 years. The United States will pay the Commonwealth, in full settlement of the two 50 year lease terms, the total sum of $19,520,600 determined as follows:

- Tinian Island property - $17.5 million;
- Saipan Island property located at Tanapag Harbor - $2 million;
- Farallon de Medinilla Island - $20,600.

The above sum will be adjusted by a percentage, which will be the same as the percentage change in the United States Department of Commerce composite price index from the date of signing the ***Covenant***. Additional terms and conditions of this lease are found in the ***Technical Agreement Regarding Use of Land To Be Leased by the United States,*** which was executed simultaneously with the ***Covenant.***

Furthermore, Section 803 provides for 54 hectares of the leased property at Tanapag Harbor to be made available by the United States, at no cost to the Commonwealth, to establish an American Memorial Park to honor the American and Marianas dead in the World War II Marianas Campaign. The $2 million received from the United States for the lease of this property would be placed into a trust fund with the "income" to be used for the development and maintenance of the park.

PERFORMANCE ANALYSIS

The performance of 9.9% for FY 2009 illustrates a dramatic increase over the -6.2% loss in 2008. An all time high in the stock market was achieved in October 2007 but these values were not sustained as the full weight of the collapsing credit markets ensued throughout 2008. These losses were unprecedented as the World financial markets reeled from its effects. Commencing in March 2009, the market began a shaky recovery but did not fully recover from the losses of 2008. Currently, the 2010 Trust performance is showing very little growth as there are many uncertainties relating to a sustained recovery. Fortunately, the Trust has in investment policy of maximizing its distribution to the Commonwealth General Fund, which favors fixed income as opposed to equity thus cushioning the Trust's losses.

While this 2009 recovery enabled the Trust to recover $3,580,354 of its net assets, $4,503,780 was lost during 2008. In addition, a claim was made to MPLT to "recover" interest earned on the NMHC loan that was withheld in accordance with P.L. 10-29. This interest amounted to $4,100,000 and was subsequently distributed to the Commonwealth General Fund in December 2009. This has resulted in an overall reduction to the net assets by $519,646.

MPLT's principal fund is currently $69.7, this balance is 2.2 times more than the original principal contributions received from MPLC, etc. This principal growth has occurred while making cumulative distributions of $50.8 million since inception.

While the volatility of the past two years have been extreme, it does illustrate why the Trust invests in fixed income. It is to cushion or offset the volatility of the equity markets and provide a safety net of guaranteed earnings.

With this backdrop in place, why does MPLT invest in equities? The reason is long-term equities outperform all other types or classes of investments. MPLT is a long-term investor who does not allow

MPLT Trustees invest for the long term by analyzing income needs, acceptable risk levels and investment time horizons. This forms the basis for asset allocations.

Market cycle timing is more important than trying to peg annual market fluctuations caused by changing interest rates.

short-term market declines to influence its long-term time horizon. MPLT has grown its principal through the investment in equities. To do otherwise, would be irresponsible and in contradiction to ***modern portfolio theory***.

A review of the Trust's annual returns for the last five years (see Table 1) indicates a five year annualized average rate of return of 5.94% on the total portfolio. This five-year average includes a substantial write-down or loss from the NMHC loan in 2006 plus the 2008 economic crises. By comparison the five-year average for managed portfolio is 7.13% and when compared to the Weighted Average of Target Allocation of 5.96% for the same period, it indicates the Trust has been meeting our targeted return for the asset allocation per the Investment Policy Statement. By being able to meet our target, it demonstrates a sound asset allocation strategy.

Annual rates of return taken alone do not present an accurate picture of investment performance. Investment performance must be analyzed consecutively for a range of three to five years. This is because money managers do not try to time market fluctuations caused by short-term interest rate changes and other economic factors. Their goal is to analyze market cycles in order to be fully invested when markets are in an up-swing pattern. Trying to outguess the market in the short term will not yield continuous portfolio growth over the years. Instead added risk and volatility will mark performance negatively resulting in average yields below the historical trends.

The investment revenue (interest & dividends) for 2009 was $3,106,523 as compared to $3,422,126 for 2008, but the capital gains for the year resulted in a gain of $3,537,382.

In summary, MPLT showed that it can maintain its principal even when the stock market has big losses. This defensive or conservative nature of investment style has been able to provide reliable distributions to its beneficiaries for this year as well as for the preceding years. We anticipate being able to continue adding value to the portfolio in accordance with our long-term investment strategy as well as meet the needs of our income beneficiaries.

MARIANAS PUBLIC LAND TRUST

ANALYSIS OF INVESTMENT RETURNS - Table 1

	2009	2008	2007	2006	2005	Five Year Average
Investment Returns:						
Interest	$ 2,781,911	$ 3,041,931	$ 2,729,975	$ 2,018,976	$ 1,801,232	$ 2,474,805
Dividends	324,612	380,195	415,333	459,581	466,919	409,328
Realized Capital Gains	-834,785	-1,832,256	3,644,123	2,035,408	980,519	798.602
Unrealized Capital Gains (Losses)	4,372,166	-6,226,269	1,612,852	-3,012,154	3,583,868	66,093
Totals	$ 6,643,904	$ -4,636,399	$ 8,402,283	$ 1,501,811	$ 6,832,538	$ 3,748,828
Average Cost of Investments	$ 70,459,762	$ 69.483,856	$ 64,360,902	$ 60,417,320	$ 58,910,592	$ 64,726,486
MPLT Return on Total Investment	9.88%	-6.19%	12.42%	2.23%	11.36%	5.94%
MPLT Return on Managed Investments	11.10%	-8.69%	12.60%	8.28%	12.37%	7.13%
Performance Benchmarks:						
S&P 500	-6.91%	-21.98%	16.44%	5.66%	12.25%	1.09%
S&P Barra Growth	-2.62%	-19.44%	16.78%	3.95%	10.66%	1.87%
S&P Barra Value	-11.43%	-24.50%	16.11%	15.44%	13.82%	1.89%

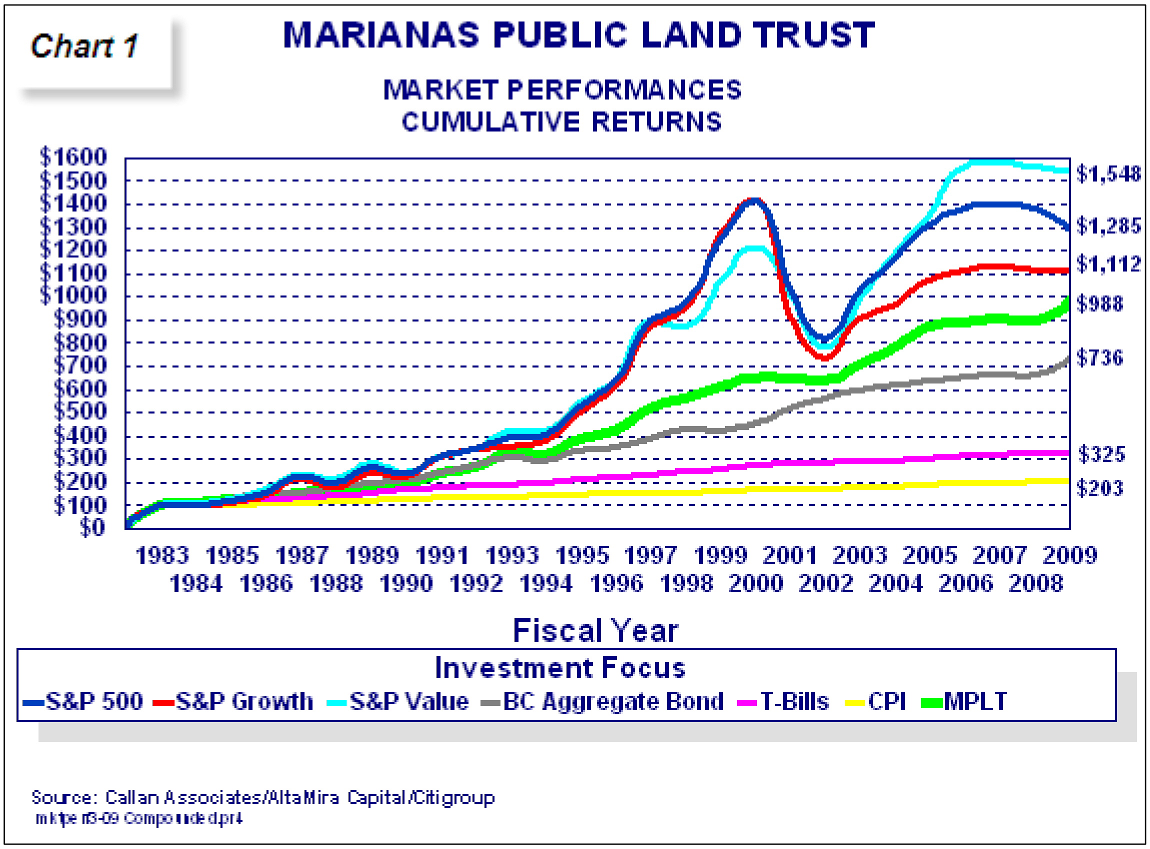
MARIANAS PUBLIC LAND TRUST

ANALYSIS OF INVESTMENT RETURNS - Table 1

	2009	**2008**	**2007**	**2006**	**2005**	**Five Year Average**
Barclays Agg Bond	10.55%	3.66%	5.10%	3.32%	2.56%	5.04%
91 Day T-Bills	.19%	2.05%	5.02%	4.41%	2.81%	2.90%
Consumer Price Index	1.35%	5.26%	2.76%	2.10%	4.69%	3.23%
Weighted Average per Target Allocation	7.45%	-6.85%	9.83%	9.03%	10.32%	5.96%

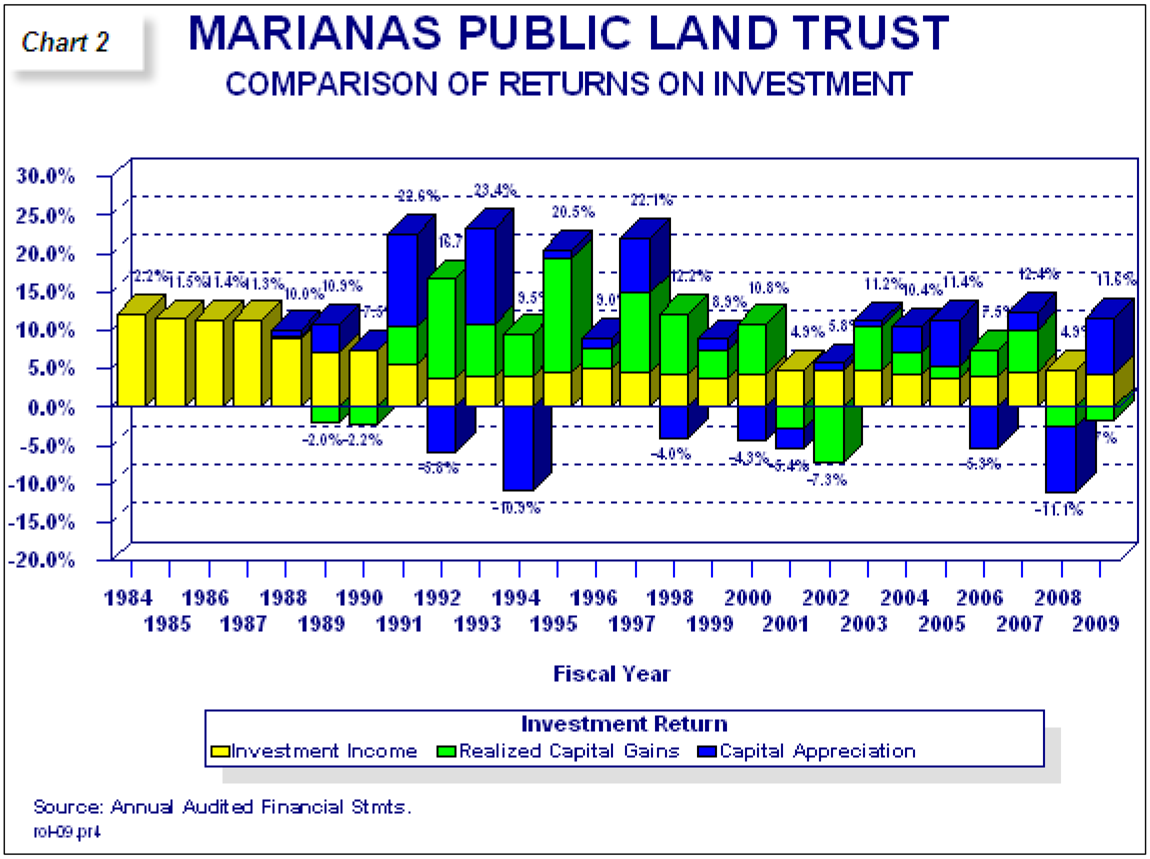
Another means to review MPLT's historical return performance is to chart the Trust's annual rate of return since inception as compared to various indices. Chart 1 is an example of this type of analysis. It assumes an original investment of $100 made in 1983 with annual investment returns reinvested. MPLT's annual rate of return is charted along with the annual returns for the following indices:

1. S&P 500 Index
2. S&P BARRA Growth Index
3. S&P BARRA Value Index
4. Barclays Aggregate Bond Index
5. 91-Day T-Bills Index
6. Consumers Price Index



This chart reveals that MPLT has performed very well since inception, earning a cumulative return to grow our original investment of $100 to $988 as compared to the S&P 500, S&P 500 Growth and S&P 500 Value all of which grew to a range of $1,112 to $1,548 (note the chart reveals the downward trend of equities for the 2001 and 2002). The fixed income benchmark, Barclays Aggregate Bond index, cumulatively grew to $736. Based upon our targeted asset allocation of approximately 65% to equities and 35% to fixed-income (effective July 2006), we compare very favorably to the market performances. We can never perform up to the level of the S&P 500 as this index is based upon 100% investment in equities. Our income distribution target to the Commonwealth General Fund and American Memorial Park do not permit us to invest solely in equities.

The accompanying Chart 2 provides an overview of the Trust's historical returns on investment since its inception. For each year, the positive and negative rates of annual rate of return are shown. For years 1984 through 1987 (and portion of 1988), the returns were for interest only as we were not permitted to invest in anything other than U. S. Treasury obligations. The average annual rate of return for these years was 11.6%; the average annual return rate for the years 1988 through 2009 was 9.3%; a rate which is slightly above the average of the Weighted



Average of Target Allocation return for the same period. This is indicative of our money managers performing to the level expected in our Investment Policy Statement that states our expected nominal return shall be 7.1%.

While our money managers have been successful in meeting the returns of the Weighted Average of Target Allocation, they have also been able through the equity portfolio to add value and increase the principal fund since 1988. During the intervening years, we have added $38.0 million to the principal contributions received from MPLC for a 220% gain. This is more than doubling of the principal fund has been accomplished during the last twenty-two years. This net gain of principal occurred even with the sharp loss of investment value occurring in years 2001, 2002 and 2008.

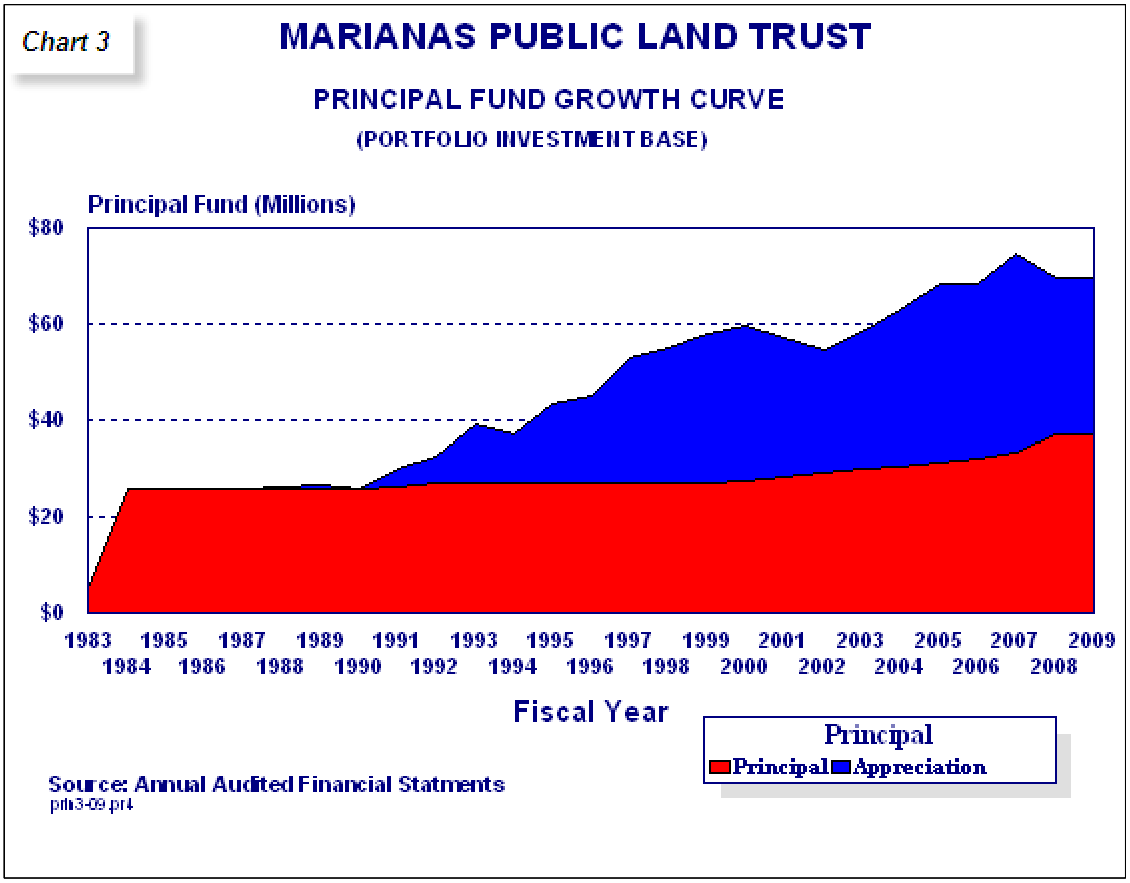
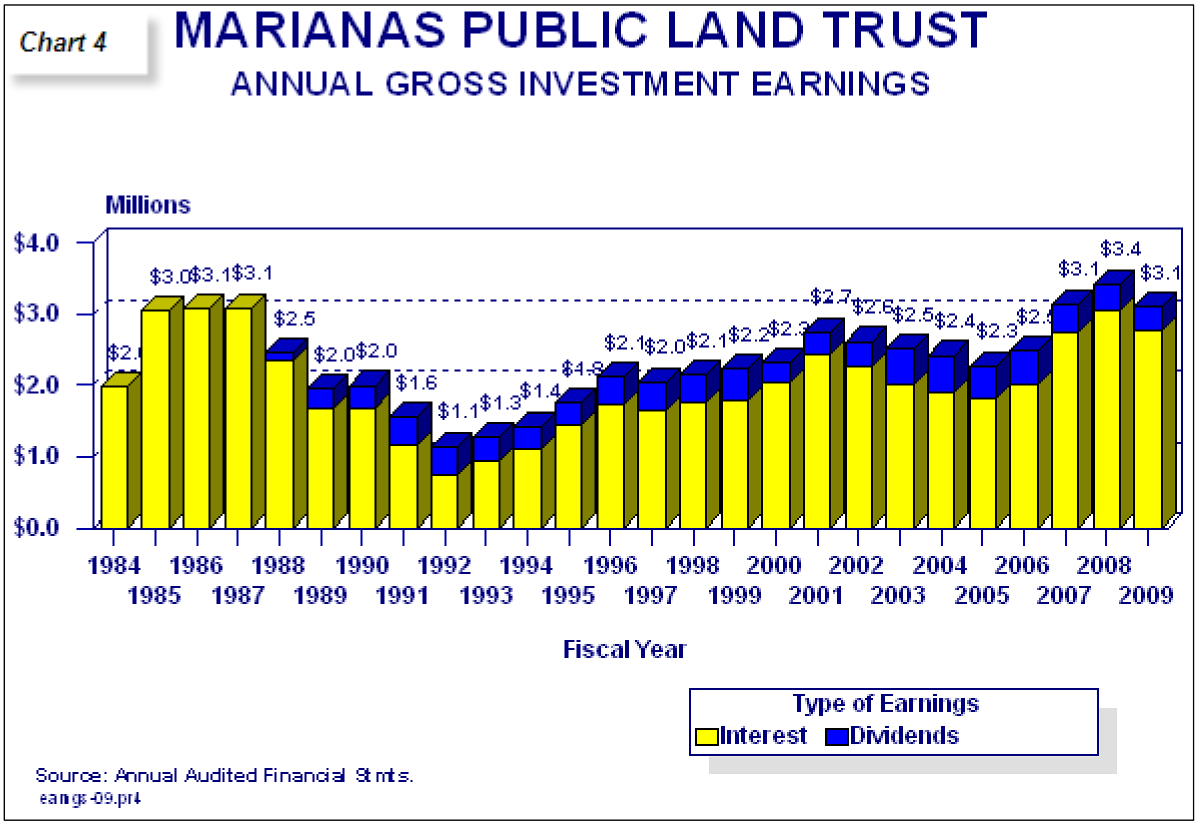
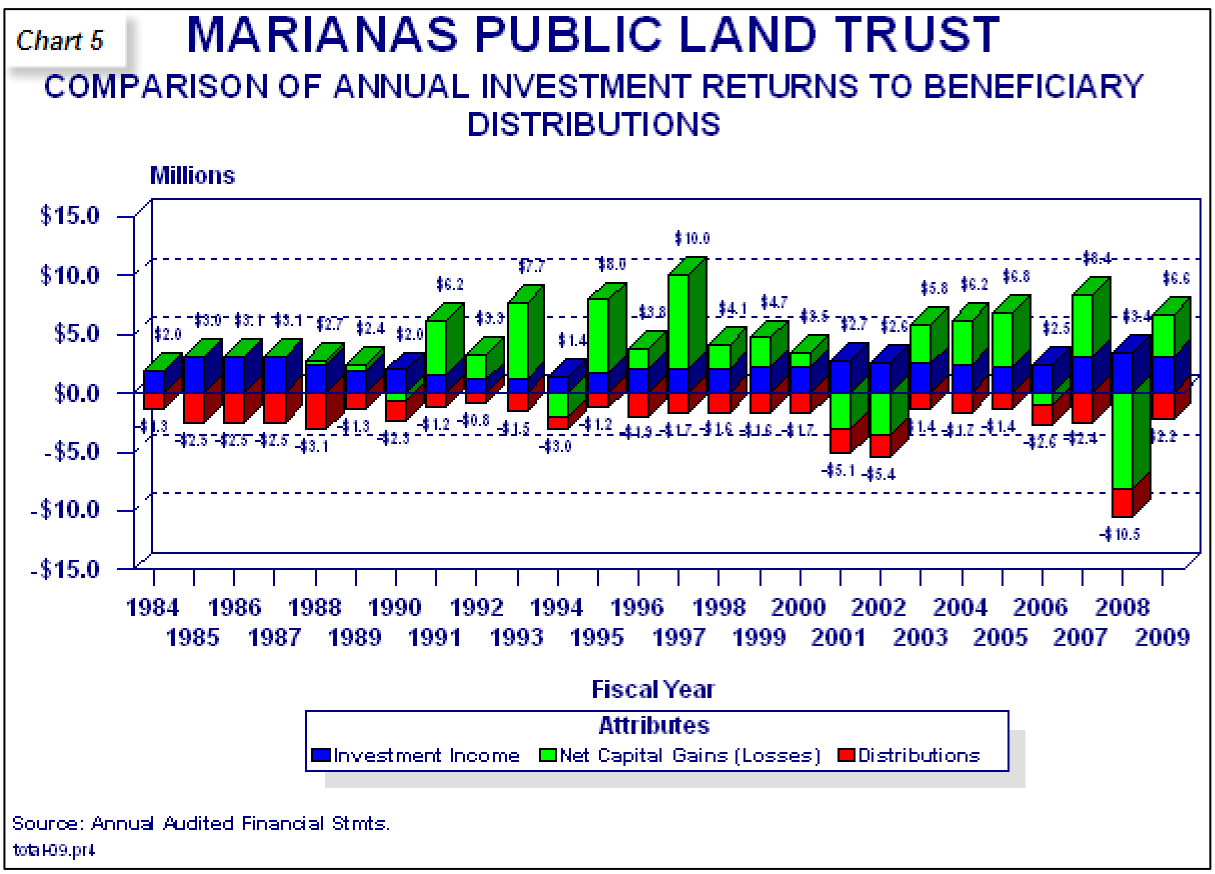


Chart 3 illustrates the increasing investment base derived from capital gains which are allocable to principal and are not subject to distribution. The red portion of the chart represents the original principal contributions received from MPLC while the blue portion is the value added (appreciation) to the portfolio as a result of the investment policy instituted in 1988 and the active money management. A further review of this chart reveals the dramatic loss of value occurring in years 2001, 2002 and 2008. It also demonstrates the recovery occurring in years 2003 through 2005 and 2009. This is a testament to our investment policy and asset allocation to equities. Without an equity allocation, the Trust would not have been able to achieve this growth. It also shows that by reducing the equity allocation in favor of current income we will not be able to sustain this rate of growth.

There are trade-offs between capital appreciation and investment earnings. As Chart 4 indicates when we started to enjoy larger annual rates of return and increased capital growth, our investment earnings declined. This is to be expected and to properly analyze performance all the components of annual return must be considered (investment earnings, i.e., interest and dividends, as well as realized capital gains (losses) and investment appreciation).



Accordingly, Chart 5 illustrates the total annual investment receipts as compared to the annual distributions to beneficiaries (includes the capital losses for years 1990, 1994, 2001, 2002,

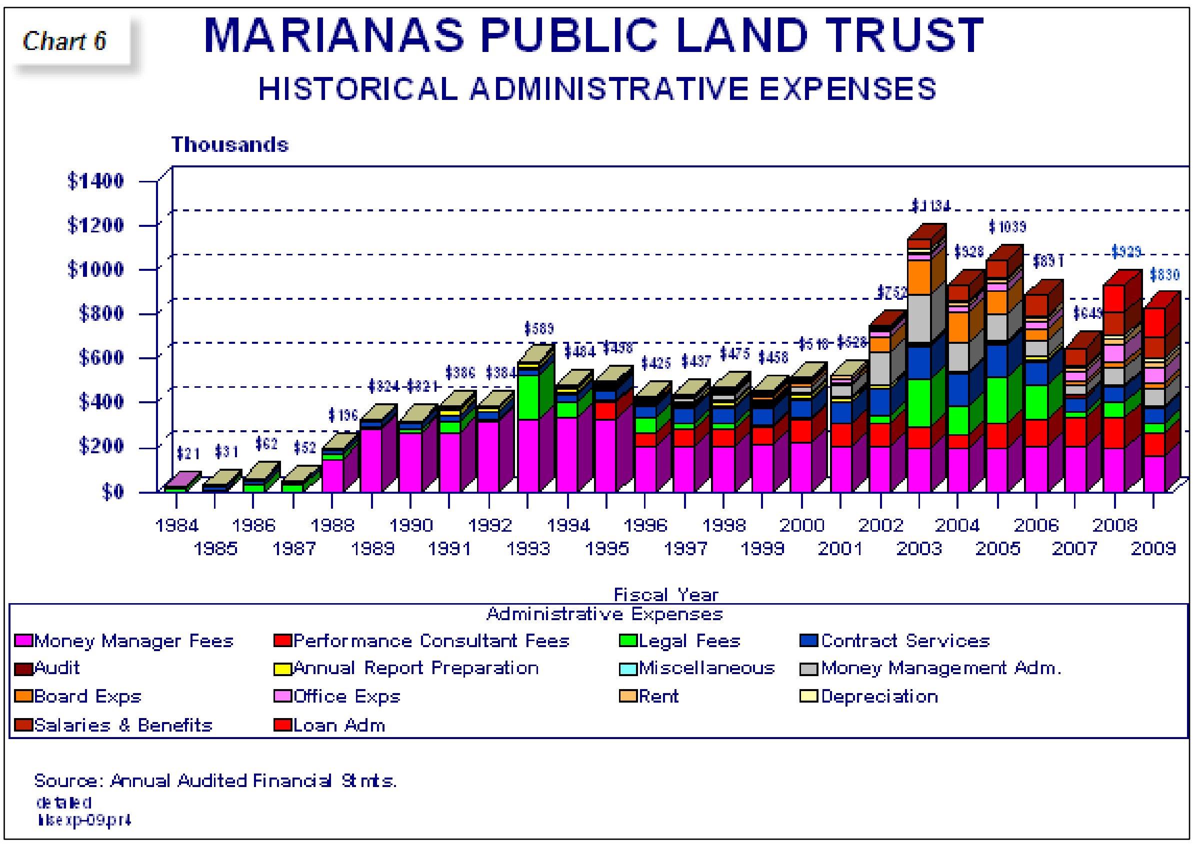


2006, and 2008). Overall, investment returns for the period of active money management has performed at substantial multiples more than the annual average earnings for the years when the portfolio was not actively managed. This illustrates the value of professional active money management over the twenty-six years the Trust has been in existence. Even in down years such as years 1990, 1994, 2001, 2002, 2006 and 2008, the active management approach, given a long time horizon, will provide more income and capital growth than an investment of solely U.S. obligations.

In order to achieve high rates of return and meet the ***"uniform prudent investor"*** standards, the Trust employs money managers who are experts in their fields of investment focus. Money managers are typically specialists in equities (core, growth, value, small cap., international, etc.) or fixed income. Currently, we have seven money managers for the following asset allocations:

- Large Cap Core
- International ADR
- Emerging Markets
- High Yield Fixed Income
- International Fixed Income
- Core Fixed Income

An analysis of Chart 6 reveals our historical administrative expenses since inception. The increase in expenses in 1988 corresponds to the hiring of professional money managers. FY 1993 administrative expenses were unusually high due to very complicated legal expenses which spilled-over into FY 1994. The money management expenses for the years 1992 through 1995 were at the same approximate level, but commencing in 1995 we hired a professional investment performance consultant to study, among other matters, how we could reduce money management expenses. Starting in 1996 his efforts began to be realized as money management expenses were reduced significantly even when including his fees. Overall, the money management fees have been relatively stable since 1996 and are not expected to

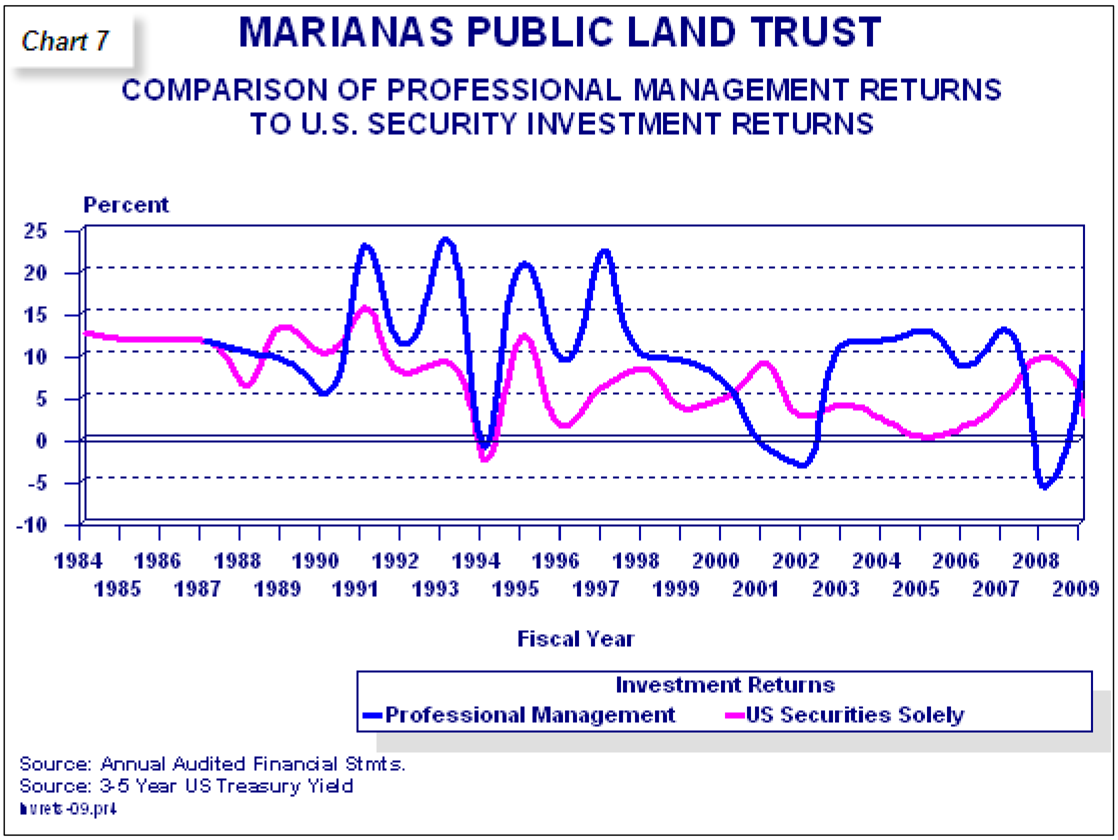


decrease in future years however, may increase proportionately as the value of our investments rise. Our expenses for legal and board consultant's contract have also remained fairly stable since 1994, except for 2003, 2004 and 2005 when our legal fees rose due to litigation issues with MPLA. Since many legal issues have been resolved and the consultant's contract amount fixed, the legal and contract fees declined in 2006 by 26% from the amount in 2005. This trend continued for 2007 as there were no major legal issues. Performance consultant fee increased in 2007 as the value of the portfolio increased. This fee is also based upon a percentage of the value of the managed portfolio and will increase as the value of the portfolio increases. The remaining expenses of board expenses, salaries, office, and rent decreased in 2007 and remained about the same for 2008. The major increase to administration expenses for 2008 was due to additional costs of managing the NMHC loan portfolio. The administration costs for 2009 represent the annual costs of operating the Trust.

Due to the technical nature of professional investing, the Board of Trustees' and staff must maintain a level of proficiency in the technical concepts of investing and money management. The following are the money management activities and seminars attended in 2009:

Dates	Conference	Attendees	Location
October 9-10, 2008	APAFS Annual Investment Conference	Alvaro Santos, Trustee John E. Untalan, Trustee Norman T. Tenorio, Trustee Gregoria Fitial-Omar, Trustee Vianney B. Hocog, Trustee	Makati, PI
November 16-19, 2008	54th Annual Employee Benefits Conference	Alvaro Santos, Trustee, John E. Untalan, Trustee, Vianney B. Hocog,Trustee	San Antonio, TX
January 12-14, 2009	Laserfiche Institute Conference	Redie Aldan, OfficeManager Dayna Reyes, Administrative Assistant	Los Angeles, CA
April 6-8, 2009	U.S. Dept. of Interior Business Conference	Vianney Hocog, Trustee Alvaro Santos, Trustee John E. Untalan, Trustee Redie Aldan, Office Manager	Honolulu, HI
May 14-17, 2009	2nd Annual Mayors' Conference	Vianney Hocog, Trustee Alvaro Santos, Trustee Gregoria Fitial-Omar, Trustee	Saipan, MP
June 15-17, 2009	Trustee & Administrator Institute	Phillip Mendiola-Long,Trustee	San Francisco, CA
July 20, 2009	AIF Capstone Program	Pedro Deleon Guerrero,Trustee	San Francisco, CA

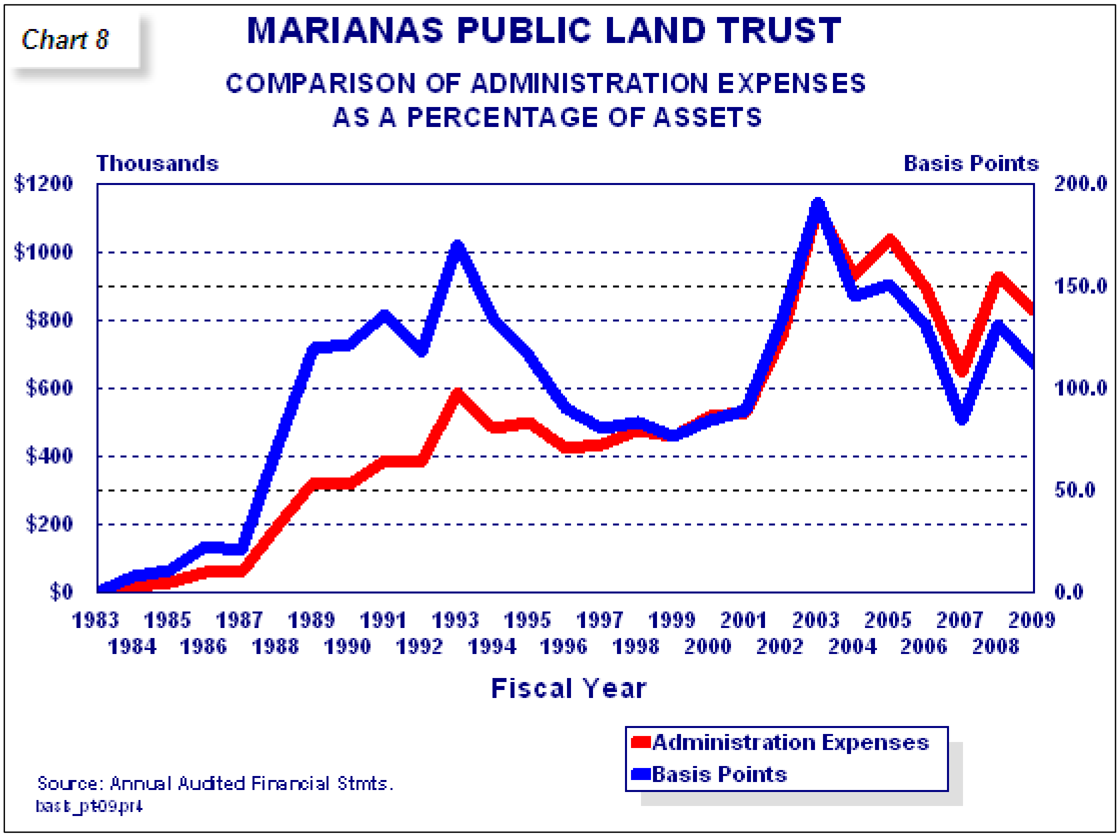
The administrative expenses for the Trust decreased by 10.6% over the amount spent in 2008. It is expected that the administrative expenses in 2010 will decrease further due to austerity measures. It is estimated that administrative expenses for 2010 will be in the range of $779,000. The Board of Trustees is cognizant of these costs and will continue to be vigilant in controlling administrative expenses in order to maximize the annual distribution to the Commonwealth General Fund.



To further illustrate the value and necessity of professional money management as compared to managing the money ourselves, as we did from 1983 until 1988, a graph of the rates of return has been prepared showing the returns of investing solely in U. S. Securities (3 to 5 year U. S. Treasury bonds) compared to MPLT's actual returns during the period of professional management (1988 through 2008). Chart 7 reveals that, except for 1989, 1990, 2001, 2002 and 2008, the yields returned by professional money managers have consistently outperformed those of our prior investment policy when we were limited to investing solely in U. S. Obligations. An average of the annual returns for each of these two options or approaches reveals that the professional money managers yielded 2.2 times more than an investment plan limited to U. S. Obligations solely. Since we pay our money managers annually from 25 to 50 basis points (100 basis points equals 1%) of the value of the monies they manage, the incremental annual gain is more than justified. To do otherwise would be a breach of our fiduciary duty and would be contradictory to **modern portfolio theory.**

Another way of looking at the effectiveness of our investment policies is to compare our administrative expenses each year since inception to the total Trustees assets (using fair market valuation). Chart 8 illustrates the progression and growth of our administrative expenses (red line) over the years, which reached its highest level in 2003. Since this time, administrative expenses have been trending down. The blue line of the chart depicts the annual administrative expenses as a percentage of the Trustees total assets. This percentage is expressed in basis points (100 bp equals 1%). This line shows the cost of running the Trust as compared to the growth of our investment program. Currently, this relationship of asset growth and administrative expenses shows that the Trust's total administrative expenses continue to decline at a faster rate than the dollar amounts expended. This is due to the investments performing well and adding value to the portfolio.

It is the goal of the Trust to continue this trend to lower the ***rate of administrative expenses*** over the coming years. Over the past twenty years, the Trust has spent $12,973,295 for administrative expenses to create $38,031,652 new assets.



INVESTMENT POLICY

The MPLT trustees are collectively referred to as ***fiduciaries***, but what does this mean and what is their role in the investment process? The answer is as follows:

To provide the essential management of the investment process, without which the other components of the investment plan cannot be defined, implemented or evaluated.

The emphasis is on the fiduciary as the ***manager*** of the investment process - a role that does not require discretionary money management expertise. They are responsible for the ***general management*** of the assets.

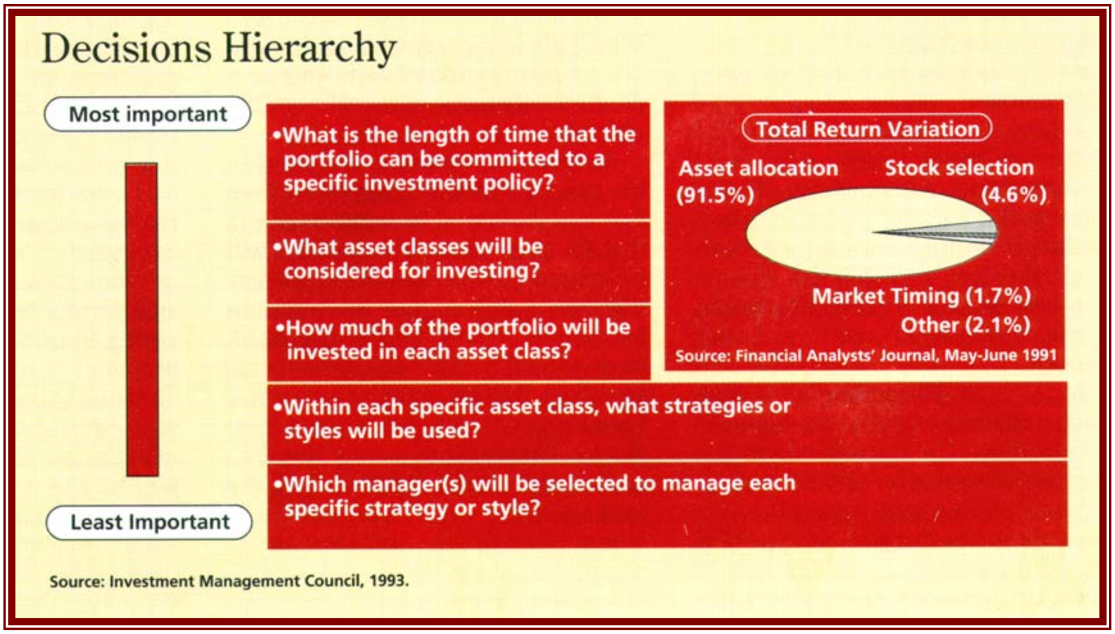
To accomplish these key tasks, the Trustees have worked with their staff and consultants to prepare an Investment Policy Statement (IPS); the purpose for which is to assist the Trustees in effectively supervising, monitoring and evaluating the Trust's investment assets. The investment program is defined in the various sections of the IPS by:

- Stating in a written document the Trustees' attitudes, expectations, objectives and guidelines for the investment of all Trust's assets.
- Setting forth an investment structure for managing all Trust assets. This structure includes various asset classes, investment management styles, asset allocation and acceptable ranges that, in total, are expected to produce a sufficient level of overall diversification and total investment return over the long-term.
- Providing guidelines for each investment portfolio that control the level of overall risk and liquidity assumed in that portfolio, so that all Trust assets are managed in accordance with stated objectives.
- Encouraging effective communications between the Trustees, the investment consultant and the money managers.
- Establishing formalization criteria to monitor, evaluate, and compare the performance results achieved by the money managers on a regular basis.
- Complying with all applicable fiduciary, prudence and due diligence requirements that experienced investment professionals would utilize, and with all applicable laws, rules and regulations from various local, state, federal and international political entities that may impact trust assets.

FIDUCIARIES' KEY TASKS

- **Determining the portfolio's mission and objectives;**
- **Choosing an appropriate asset allocation strategy;**
- **Establishing explicit written investment policies consistent with the objectives;**
- **Selecting investment managers to implement the investment policy; and**
- **Monitoring investment results.**

The IPS was prepared based upon considerations by the Trustees of the financial implications of a wide range of policies and describes the



prudent investment process which the Trustees deem appropriate.

Studies have been made of the factors or elements of the investment process which affect total return variation. Of these elements, the investment portfolio time horizon and the asset allocation are the most important and have the greatest affect on portfolio returns. The selection of money managers and their stock selections typically have the least impact on return variations. The following graphic illustrates this reality very well.

INDUSTRY BEST PRACTICE

One of the most important decisions the fiduciary has to manage is the determination of the time horizon. Based on the time horizon, the fiduciary then can determine which asset classes can be appropriately considered; what the allocation should be between the selected asset classes; whether there should be an allocation made among sub-asset classes; and, finally, which money managers or mutual funds should be retained to manage each asset class.

Since 1988, the asset allocation strategy has changed slightly, but can best be described as a "balanced" investment focus.

During 2006 the asset allocation was amended slightly to shift from equities to fixed income. This was done by eliminating the 10% small/mid cap "core" allocation and decreasing the lg/cap domestic equities by 10%. Also changed was the elimination of the lg/cap "value" and "growth" specialty managers, which were replaced with a single lg/cap "core" manager. This reduced the percentage allocation for this portion to 25% while the international equities remained at 10%. This made the overall equity allocation to be 35%. This overall 20% reduction in equities was added to fixed income allocation for a total of 65%, which is divided between "core" marketable securities of 50% and ETI's or local investments of 15%.

Commencing September 30, 2009, a modification was made to the asset allocation in order to increase the yield on the fixed income. The lg/cap core was reduced from 25% to 20%, non-U.S. equities or developed international remained at 10%, while a 5% emerging markets portion was added, the domestic fixed income (core and local loans) remained at 45%, and a 10% domestic high yield was added plus 10% for international bond. The plan is to assume more risk to increase yield.

The asset allocation for both the General Fund and Park Fund are the same. The General Fund is currently under-weighted by .1% in non-U.S. equities with domestic fixed income being over-weighted by the same amount. Basically, the General Fund is imbalance as of the end of 2009. The Park Fund is similarly weighted in the same fashion.

The following Chart 9 illustrates the asset allocation as reflected in the IPS. It also shows how the value of the investments has improved since 2002. This trend of increasing values was short-circuited in 2008 as a result of the credit failures and resulting loss of security values. However recovering of partial values occurred in 2009.

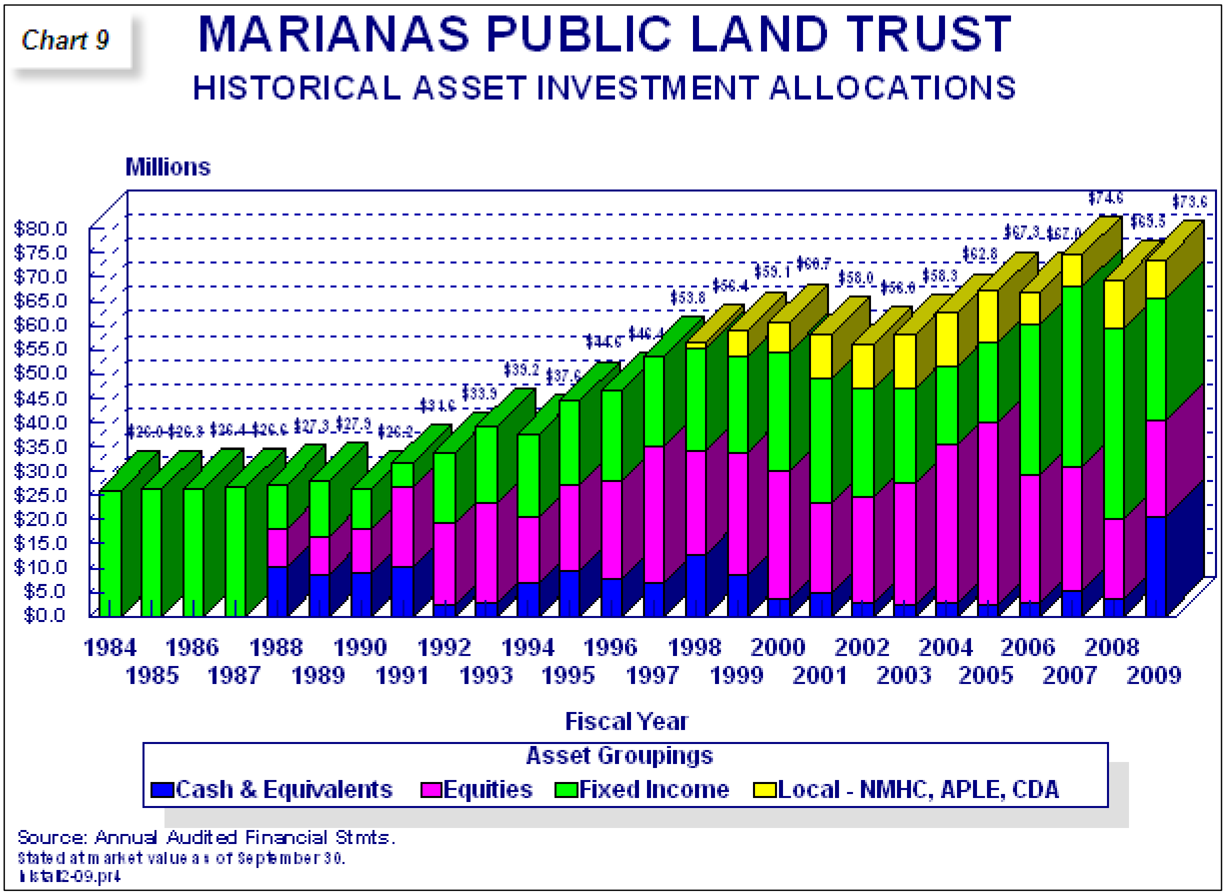


Chart 9
MARIANAS PUBLIC LAND TRUST
HISTORICAL ASSET INVESTMENT ALLOCATIONS
Millions
$80.0
$75.0
$70.0
$65.0
$60.0
$55.0
$50.0
$45.0
$40.0
$35.0
$30.0
$25.0
$20.0
$15.0
$10.0
$5.0
$0.0
$26.0 $26.3 $26.4 $26.6 $27.3 $27.9 $26.2 $31.6 $33.9 $39.2 $37.6 $44.6 $46.4 $53.8 $56.4 $59.1 $60.7 $58.0 $56.6 $58.3 $62.8 $67.3 $67.0 $74.6 $69.5 $73.6
1984 1986 1988 1990 1992 1994 1996 1998 2000 2002 2004 2006 2008
1985 1987 1989 1991 1993 1995 1997 1999 2001 2003 2005 2007 2009
Fiscal Year
Asset Groupings
Cash & Equivalents
Equities
Fixed Income
Local - NMHC, APLE, CDA
Source: Annual Audited Financial Stmts.
Stated at market value as of September 30.
histall2-09.pr4

As part of the above discretionary money manager allocations, the Trust has set-aside $10,000,000 as Local Investments. This investment program commenced in 1998 wherein $5,000,000 was loaned to the Northern Marianas Housing Corporation (NMHC) to provide short-term construction housing loans to persons of Northern Marianas descent. Upon completion of the homes, permanent mortgage financing would be obtained from local banks to finance and payoff the construction loan. In this manner, the loan fund could be revolving to provide new financing to applicants wishing to build homes. As an additional incentive to the Trust, P.L. 10-29 was enacted, which allowed MPLT to keep the interest earned on the loan. Unfortunately, NMHC did not obtain the necessary loan commitments from local banks and as a result NMHC had to make the long-term mortgage loans themselves. This resulted in MPLT

CHANGES IN PRINCIPAL FUND BALANCES

TRUST PRINCIPAL	GENERAL FUND	PARK FUND
MPLC distributions to MPLT	$26,192,602	$2,000,000
NMHC interest appropriated to principal	5,209,055	
Net increase (decrease) in the fair value of investments:		
FY 1988	145,026	(30,599)
FY 1989	(791,186)	256,014
FY 1990	(659,379)	66,172
FY 1991	1,099,866	193,433
FY 1992	3,323,619	564,709
FY 1993	2,036,236	245,330
FY 1994	1,422,710	427,715
FY 1995	4,729,962	1,040,133
FY 1996	3,583,364	514,162
FY 1997	7,008,118	996,123
FY 1998	1,764,253	219,979
FY 1999	2,155,083	339,314
FY 2000	1,054,744	143,615
FY 2001	(2,677,203)	(387,025)
FY 2002	(3,055,198)	(405,301)
FY 2003	2,955,539	357,106
FY 2004	3,396,385	347,774
FY 2005	4,156,017	408,370
FY 2006	(1,221,013)	244,267
FY 2007	4,742,997	513,978
FY 2008	(3,682,248)	(876,280)
FY 2008 NMHC restatement	(4,100,000)	-
FY 2009	3,220,184	317,198
Totals	$62,009,533	$7,496,187

having to amend the short-term loan to a term loan of fifteen years at an annual interest rate of 82%.

Subsequently on October 19, 2000, P. L. 12-27 was enacted which gave to NMHC a ten year moratorium for repayment of this loan and appropriated the annual net income distribution, which MPLT makes to the Commonwealth General Fund, back to MPLT to pay-off this NMHC obligation. This legislation effectively transfers NMHC's debt obligation to the Commonwealth General Fund. As a part of this legislation, MPLT agreed to loan an additional $3.9 million to NMHC bringing the total loan to $10 million. These additional loan proceeds were aimed at benefiting "low-income" applicants. On March 13, 2007, the Governor signed into law the repeal of the provision relating to the NMHC moratorium. This resulted in NMHC being required to resume the loan payments per the original loan agreement commencing on April 1, 2007. NMHC defaulted on making such payments and MPLT negotiated a settlement of the note and obtained the collateralized NMHC loan portfolio plus enough cash to pay-off the accrued interest due. It is anticipated that MPLT will have a loss of an estimated $4.172 million due to the NMHC default. As such, a write-down of the value of this investment for this amount has been made resulting in a net value of $4,962,022. The actual future loss from this investment is unknown at this time.

Additionally, the Trust has implemented a pilot program to test the concept of investing in a parent-student scholarship loan program. The initial program commenced on Rota with a loan being made to a local non-profit corporation, APLE 501, Inc. Under this program, APLE would receive a loan from MPLT to be secured by their loan portfolio. It is APLE's responsibility to establish the lending criteria, award the loans and prepare the appropriate loan documentation, e.g., loan agreement, promissory note, guaranty first mortgage, etc., copies of which were to be provided to MPLT. MPLT's loan agreement with APLE requires them to only make loans that are secured by a first mortgage on real estate having at least two times the appraised value of the loan amount. The terms of the loan to APLE require them to repay MPLT over a term of fifteen years at an interest rate of five percent (5%). The first advance on this loan arrangement was made on October 18, 2002 in the amount of $154,924. This loan is currently in default resulting in MPLT receiving a default judgment. Some of the borrowers are making payments, which are being applied to the original principal loaned to APLE. This is a non-performing investment. The final loss from this loan is not known at this time.

The following is an overview of the Trust's current investment policies and the respective money managers assigned to carry out the investment activity. There are no limitations on the amount of "*cash & equivalents*" which may be held.

MONEY MANAGER	ASSET ALLOCATION (of principal resources)	
	GENERAL FUND	**PARK FUND**
Atalanta Sosnoff – large cap equity "core" money manager; objective is to manage domestic equity assets consistent with the Standard & Poors 500 Index and **Domestic Large Cap Manager Core Equity** peer group.	10% to 30%	10% to 30%
J.P. Morgan Asset Management – international equity (ADR) money manager; objective is to manage international equity assets consistent with the MSCI EAFE Index and **Foreign Large Cap Core Equity Manager** peer group.	5% to 15%	5% to 15%
Lazard – *emerging markets money manager; objective is to manage emerging international equity assets consistent with the MSCI EM (net) Index.*	0% to 10%	0% to 10%
Newgate – *emerging markets money manager; objective is to manage emerging international equity assets consistent with the MSCI EM (net) Index.*	0% to 10%	0% to 10%
Richmond Capital Management, Inc. – domestic fixed income "core" money manager; objective is to manage fixed income assets consistent with the Barclays Aggregate Bond Index.	30% to 60%	30% to 60%
Seix Investment Advisors – *high yield bond;* objective is to manage high yield bonds consistent with the Barclays HY Bond Index.	0% to 10%	5% to 15%
PIMCO – *foreign bond fund unhedged;* objective is to manage foreign bonds consistent with the CitigrpNon USWGovUnHd Index.	0% to 20%	0% to 20%
Local Investments.	30% to 60%	30% to 60%

FIDUCIARY DUTY and PRUDENT PROCESS

In recent years the question of what is ***fiduciary duty*** has become a topic of discussion; especially in regard to the Trust's responsibilities for investment of their assets. While the Constitution expressly requires the Trustees to ***"...make reasonable, careful and prudent investments"*** **and holds them to** ***"...strict standards of fiduciary care"***, it does not state how the they will be measured in meeting these legal concepts. Accordingly, the Trustees rely on their attorneys, professional consultants and fiduciary training to provide guidance in such matters. As a fiduciary the Trustees have personal liability for their acts if they do not meet the concepts of the ***Prudent Process***. Fiduciary liability is not determined by investment performance, but rather by the failure to apply ***"prudent investment practices"***.

Safe Harbor Rules

1. Use prudent experts to make the investment decisions.
2. Demonstrate that the prudent expert was selected by following a due diligence process.
3. Give the prudent expert discretion over the assets.
4. Have the prudent expert acknowledge their co-fiduciary status.
5. Monitor the activities of the prudent expert to ensure that the expert is performing the agreed upon tasks.

Uniform Fiduciary Standards of Care

1. Know standards, laws, and trust provisions.
2. Diversify assets to specific risk/return profile.
3. Prepare investment policy statement.
4. Use "prudent experts" (money managers) and document due diligence.
5. Control and account for investment expenses.
6. Monitor the activities of "prudent experts".
7. Avoid conflicts of interest and prohibited transactions.

PRIMARY DUTY of the FIDUCIARY

To *manage* a prudent investment process, without which the components of an investment plan cannot be defined, implemented, or evaluated. Statutes, case law, and regulatory opinion letters dealing with investment fiduciary responsibility further reinforce this important concept.

Understanding and applying prudent investment practices will establish a disciplined process for making and managing investment decisions. It is through the study and application of these ***Practices*** that the MPLT Board of Trustees manages the investment decision-making for the Trust. Many of these ***"industry best practices"*** as identified in the ***Practices*** are also included in legislation dealing with the fiduciary aspects of investing. The following are the important legislative authorities, which overlap the ***"prudent investment practices"***:

INDUSTRY BEST PRACTICE

If a fiduciary even thinks he or she may have a conflict of interest – they probably do. The best advice is end it, or avoid it. It's that simple. An excellent question every fiduciary should ask before deciding or voting on an investment issue is: ***Who benefits from this decision?*** If the answer is any party other than the client, participant, and/or the beneficiary, the likelihood is the fiduciary is about to breach his or her duties.

- **ERISA** – Employee Retirement Income Security Act (impacts qualified retirement plans).
- **UPIA** – Uniform Prudent Investor Act (impacts private trusts, and may impact foundations and endowments).
- **MPERS** – Uniform Management of Public Employee Retirement Systems Act (impacts state, county, and municipal retirement plans).

INDUSTRY BEST PRACTICE

Simply stated, an investment strategy can fail by being too conservative or too aggressive. A fiduciary could adopt a very safe investment strategy by keeping a portfolio in cash, but then see the portfolio's purchasing power whither under inflation. Or, a fiduciary could implement a long-term growth strategy that overexposes a portfolio to equities, when a more conservative fixed-income strategy would have been sufficient to cover the identified goals and objectives.

What essentially is the ***Prudent Process***? This process can best be described through the ***Five Step Investment Management Process*** as shown in Chart 10. The ***Uniform Fiduciary Standards of Care*** are legislated standards (see preceding text box) that when applied with the Five Step Investment Management Process frames the ***Prudent Investment Process***.

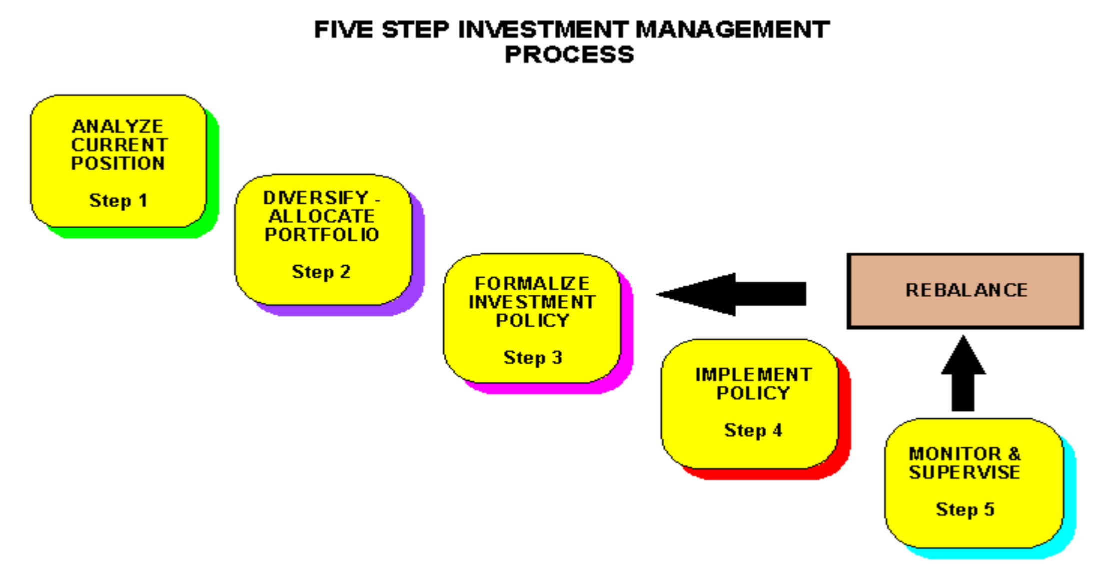


Chart 10

INDUSTRY BEST PRACTICE

The fiduciary is required to manage investment decisions with a reasonable level of detail. By reducing that detail to writing, preparing a written IPS, the fiduciary can: (1) avoid unnecessary differences of opinion and the resulting conflicts; (2) minimize the possibility of missteps due to a lack of clear guidelines; (3) establish a reasoned basis for measuring their compliance; and, (4) establish and communicate reasonable and clear expectations with participants, beneficiaries, and investors.

A further discussion of the ***Practices*** is as follows:

Step 1 - Analyze Current Position

- Investments are managed in accordance with applicable laws, trust documents, and written policy statements.
- Fiduciaries are aware of their duties and responsibilities.
- Fiduciaries and parties in interest are not involved in self-dealing.
- Service agreements and contracts are in writing, and do not contain provisions that conflict with fiduciary standards of care.
- There is documentation to show timing and distribution of cash flows and the payment of liabilities.
- Assets are within the jurisdiction of U.S. courts, and are protected from theft and embezzlement.

INDUSTRY BEST PRACTICE

The following documents, at a minimum, should be collected, reviewed, and analyzed:

- A copy of the Investment Policy Statement (IPS), written minutes, and/or files from investment committee meetings.
- Applicable trust documents.
- Custodial and brokerage agreements.
- Service agreements with investment management vendors.
- Information on retained money managers; specifically the ADV for each separate account manager and prospectus for each mutual fund.
- Investment performance reports from money managers, custodian, and/or consultant.

Step 2 – Diversity - Allocate Portfolio

- A risk level has been identified.
- An expected, modeled return to meet investment objectives has been identified.
- An investment time horizon has been identified.
- Selected asset classes are consistent with the identified risk, return, and time horizon.
- The number of asset classes is consistent with portfolio size.

Step 3 - Formalize Investment Policy

- There is detail to implement a specific investment strategy.
- The investment policy statement defines the duties and responsibilities of all parties involved.
- The investment policy statement defines diversification and rebalancing guidelines.
- The investment policy statement defines due diligence criteria for selecting investment options.
- The investment policy statement defines monitoring criteria for investment options and service vendors.
- The investment policy statement defines procedures for controlling and accounting for investment expenses.
- The investment policy statement defines appropriately structured, socially responsible investment strategies (when applicable).

INDUSTRY BEST PRACTICE

The acronym **TREAT** helps define the key fiduciary inputs to the asset allocation strategy.

T Tax Status

R Risk Level

E Expected Return

A Asset Class Preference

T Time Horizon

Step 4 - Implement Policy

- The investment strategy is implemented in compliance with the required level of prudence.
- The fiduciary is following applicable “Safe Harbor” provisions (when elected).
- Investment vehicles are appropriate for the portfolio size.
- A due diligence process is followed in selecting service providers, including the custodian.

Step 5 - Monitor and Supervise

- Periodic reports compare investment performance against an appropriate index, peer group, and IPS objectives.
- Periodic reviews are made of qualitative and/or organizational changes of investment decision-makers.
- Control procedures are in place to periodically review policies for best execution, soft dollars, and proxy voting.
- Fees for investment management are consistent with agreements and with the law.
- “Finder’s fees,” 12b-1 fees, or other forms of compensation that have been paid for asset placements are appropriately applied, utilized, and documented.

INDUSTRY BEST PRACTICES

Rebalancing is inherent to the element of diversification, where the goal is to create a portfolio that balances appropriate levels of risk and return. That balance, once achieved, only can be maintained by periodically rebalancing the portfolio to maintain the appropriate diversification.

The rebalancing limits define the points when a portfolio should be reallocated to bring it back in line with the established asset allocation target. The discipline of rebalancing, in essence, controls risk and forces the portfolio to move along a predetermined course. It takes gains from stellar performers or favored asset classes, and reallocates them to lagging styles, without attempting to time the market.

We are currently performing step 5 of the investment process, in particular, performing rebalancing. The process of rebalancing of the portfolio realigns it back to the strategic asset allocation formalized in the IPS. The asset mix will change as a result of rising values in the portfolio. Rebalancing controls risk and force the portfolio to move along a predetermined course. It is through this overall procedural process that the Trust maintains its financial integrity.

INDUSTRY BEST PRACTICE

The fiduciary should establish performance objectives for each investment decision-maker, and/or money manager, and record the same in the investment policy statement. Investment performance should be evaluated in terms of an appropriate market index, and the relevant peer group.

The investment policy statement also should describe the actions to be taken when an investment decision-maker fails to meet the established criteria. The fiduciary should acknowledge that fluctuating rates of return characterize the securities markets, and may cause variations in performance. The fiduciary should evaluate performance from a long-term perspective, ordinarily defined as two-to-three years.

There often will be times when a money manager is beginning to exhibit shortfalls in the defined performance objectives but, in the opinion of the fiduciary, does not warrant termination. In such situations, the fiduciary should establish in the investment policy statement specific ***Watch List*** procedures. The decision to retain or terminate a manager cannot be made by a formula. It is the fiduciary's confidence in the money manager's ability to perform in the future that ultimately determines the retention of a money manager.

Footnote

The References used in this section of the 2009 Annual Report were taken from Prudent Investment Practices, A Handbook for Investment Fiduciaries, written and published by the Foundation for Fiduciary

FINANCIAL BENEFITS

The financial benefits provided to the Commonwealth by the Trust generally consist of direct distributions of income and capital growth to its investment portfolio. The equity market for 2009 did add value to the portfolio to partially recover some of the losses from 2008. Accordingly, the Trust gained $3,537,381 of its principal as a result.

MPLT's 2009 General Fund distribution was in the amount of $2,013,563, which yields a total of $46,098,737 being given over to the Commonwealth General Fund since inception. Additionally, the Park Fund made distributions of $219,768 for the debt service on the CDA/AMP loan. This makes a total of $4,715,099, which has been distributed to fund projects.

American Memorial Park Development Projects	
1. Tennis Courts	**$242,770**
2. 400 Meter Track	**15,000**
3. Grandstand	**2,200**
4. Bike Path	**47,750**
5. American Memorial Pavilion	**603,362**
6. Park Maintenance	**1,289,154**
7. AMP World War II Memorial	**493,248**
8. Parking Lot and Paving	**165,601**
9. Concession Room and Other Facilities	**76,741**
10. AMP Underground Utilities	**142,927**
11. AMP Mall Landscaping	**139,068**
12. Engineering, Survey & Mapping Svcs.	**15,000**
13. Schematic Master Plan	**13,435**
14. Lighting Bike/Jogging Trail	**62,800**
15. A&E for the Cultural/Visitors Center & Memorial Gardens	**65,000**
16. Debt service on CDA/AMP loan for Cultural/Visitors Center & Memorial Gardens	**1,341,043**
Total	**$ 4,715,099**

Studies, www.cfstudies.com, © 2003 Foundation for Fiduciary Studies.

GROSS PUBLIC LAND LEASE REVENUES FLOWCHART

LEASE REVENUES
(Received by MPLA; formerly MPLC)

LESS EXPENSES of AMINISTRATION
(general and administration, homestead program, and comprehensive master planning)

EQUALS NET DISTRIBUTIONS to MPLT from MPLC

$ 31,692,602

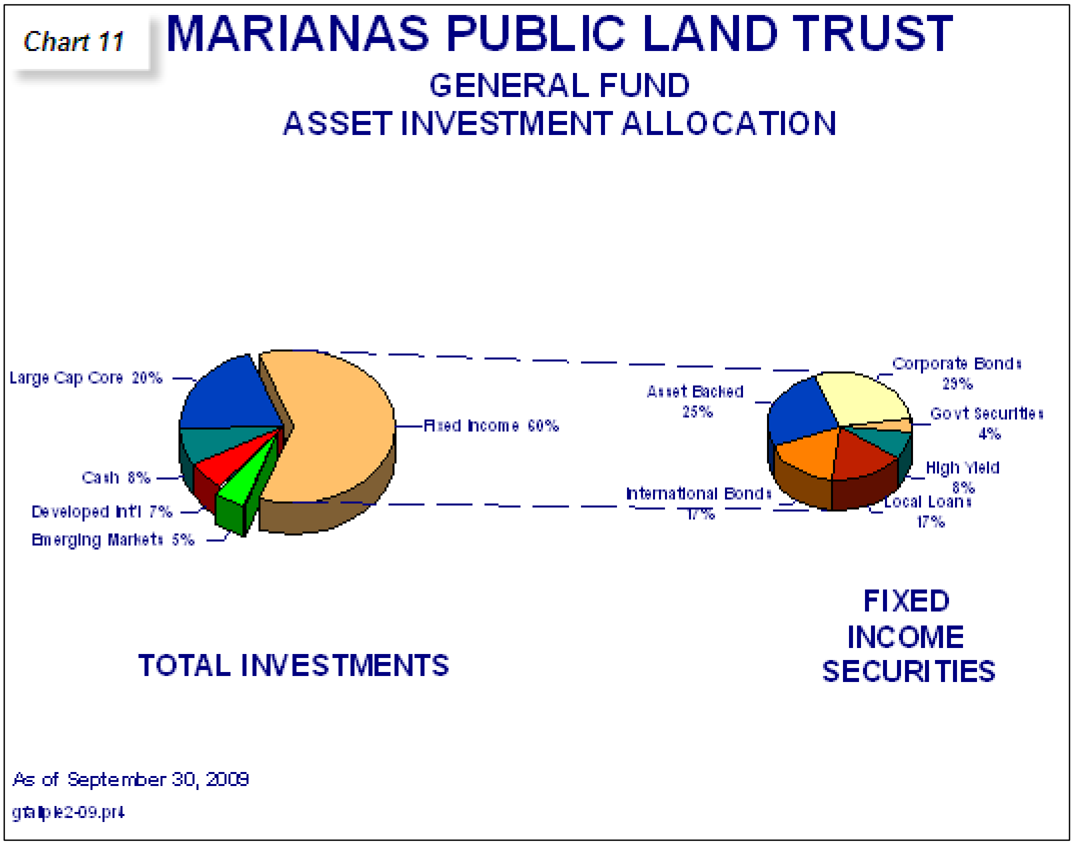
GENERAL FUND PRINCIPAL INVESTED	***PARK FUND PRINCIPAL INVESTED***
$29,692,602	***$2,000,000***

INVESTMENT INCOME

LESS EXPENSES OF ADMINISTRATION
(money management fees, professional fees, contractual services, etc.)

Income Distributed to CNMI General Fund		***Distributable Net Income***	
		$4,670,893	
FY 1984	$ 1,348,293		
FY 1985	2,495,638		
FY 1986	2,507,825		
FY 1987	2,543,529		
FY 1988	3,098,924		
FY 1989	1,349,138		
FY 1990	1,721,670		
FY 1991	1,032,690	FY 1991	$ 171,248
FY 1992	707,863	FY 1992	140,160
FY 1993	534,953	FY 1993	973,825
FY 1994	763,298	FY 1994	294,410
FY 1995	1,191,602	FY 1995	28,853
FY 1996	1,560,522	FY 1996	376,219
FY 1997	1,461,200	FY 1997	201,437
FY 1998	1,420,000	FY 1998	164,868
FY 1999	1,566,931	FY 1999	82,110
FY 2000	1,600,594	FY 2000	148,335
FY 2001	1,982,714	FY 2001	95,321
FY 2002	1,690,569	FY 2002	269,855
FY 2003	1,206,139	FY 2003	165,294
FY 2004	1,308,788	FY 2004	387,119
FY 2005	1,064,661	FY 2005	294,713
FY 2006	1,379,989	FY 2006	274,075
FY 2007	2,228,048	FY 2007	208,917
FY 2008	2,219,596	FY 2008	218,572
FY 2008 restatement	4,100,000		
FY 2009	2,013,563	FY 2009	219,768
TOTAL	$ 46,098,737		$ 4,715,099
		Total Income Available for Future Distributions	$ 218,536

The Investment Policy Statement asset allocation was effectively changed on September 30, 2009. The shift at this time was directed to add more risk in order to provide more current income as opposed to growing the principal investment base. The current asset allocation is reflected in the following Chart 11 and reflects the move to add new allocations for non-U.S. emerging market equities and international bonds plus domestic fixed income high yield. While the chart shows allocations to emerging markets and international bonds, these positions were in cash as these asset classes were just funded.



The overall asset investment base for 2009 was $65,657,528, increasing by $3,678,984 over the amount from 2008. It is anticipated that there will be no significant change to the investment base in 2010.

The following is an overview of the current asset allocation:

Asset Allocation	Strategic Allocation	Total Fund	Percentage Difference
Domestic Equity – Large Cap Core	**20%**	**20.0%**	**0%**
Non-U.S. Equities:			
Developed International	**10%**	**9.9%**	**-0.1%**
Emerging Markets	**5%**	**5%**	**0%**
Domestic Fixed Income			
Core & Local Loans	**45%**	**50.1%**	**5.1%**
High Yield	**5%**	**5%**	**0%**
Local High Yield	**5%**	**0%**	**-5%**
International Bonds	**10%**	**10%**	**0%**
Total Allocation	**100%**	**100%**	**0%**

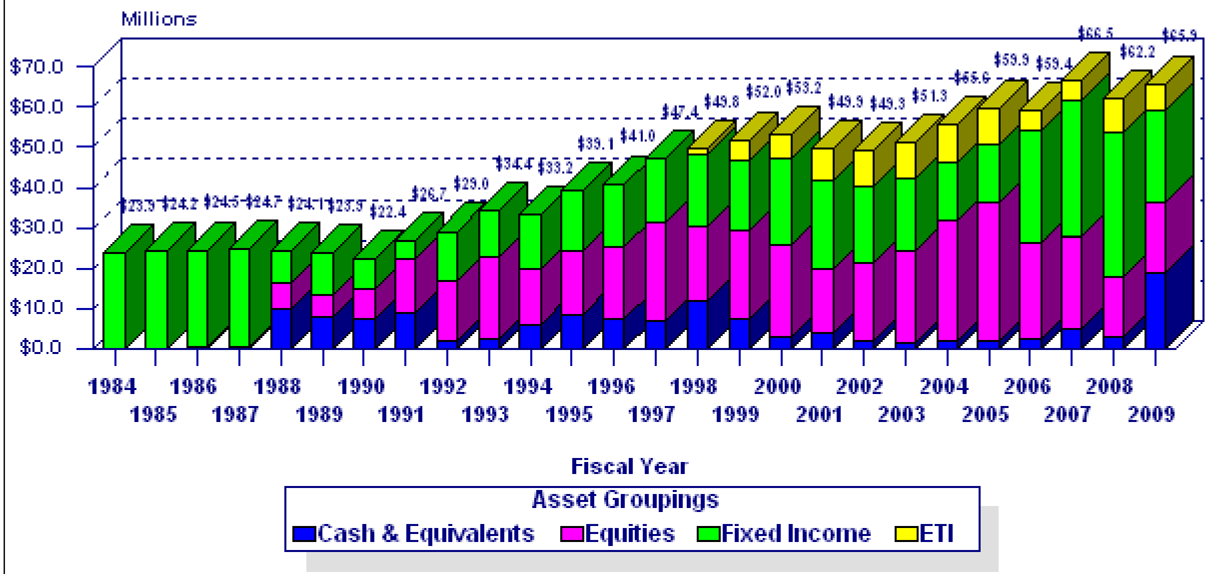
An overview of the General Fund's investment return is as follows:

Investment earnings	$ 2,777,718
Realized capital gains	(729,049)
Unrealized capital gains	3,949,233
Total return	$ 5,997,902
Return on investment	10.00%

Chart 12

MARIANAS PUBLIC LAND TRUST

GENERAL FUND
HISTORICAL ASSET INVESTMENT ALLOCATIONS



Source: Annual Audited Financial Stmts.
Stated at market value as of September 30.
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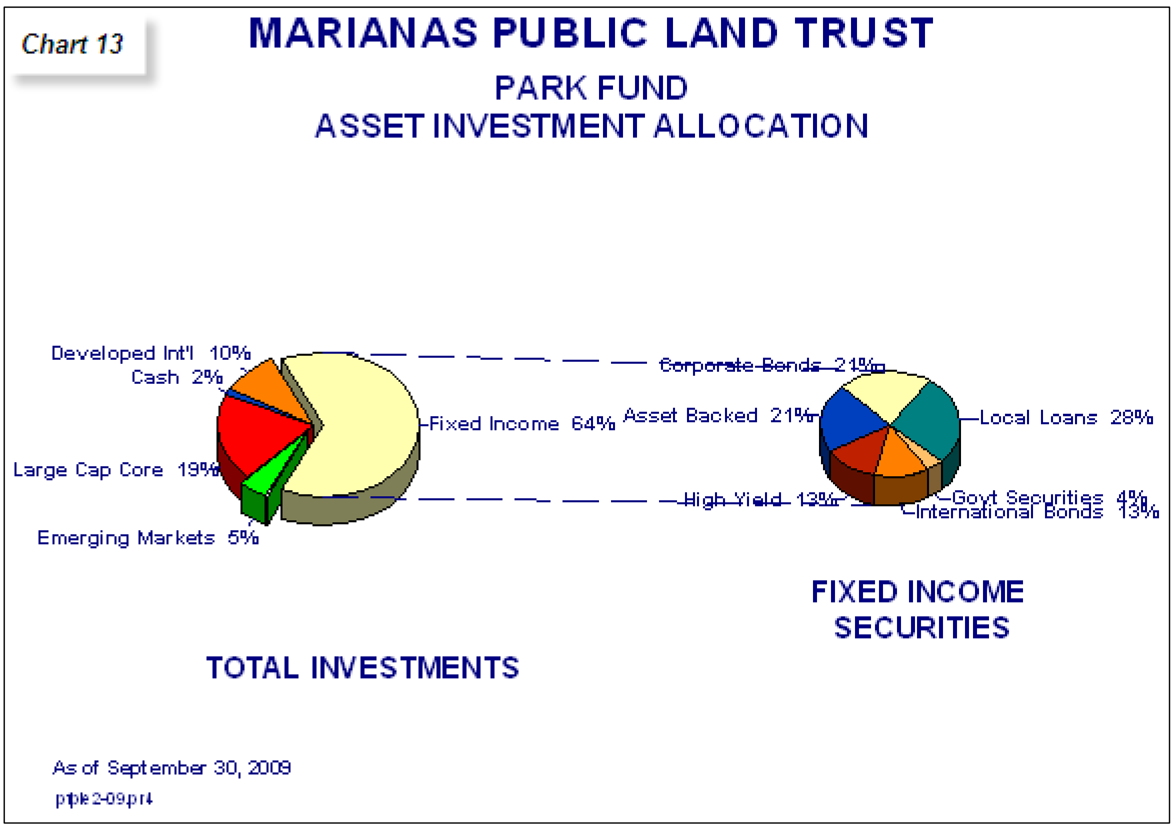
The Investment Policy Statement asset allocation was also effectively changed on September 30, 2009. This change was made to maintain the same asset allocation as in the General Fund. It was also justified in order to provide more annual distributable income to support the increased debt service on the CDA/AMP loan. The current asset allocation is reflected in the following Chart 13 and reflects the move to add new allocations for non-U.S. emerging market equities and international bonds plus domestic fixed income high yield. While the chart shows allocations to emerging markets and international bonds, these positions were in cash as these asset classes were just funded.



The overall asset investment base for 2009 was $7,715,346, increasing by $399,685 over the amount from 2008. It is anticipated that there will be no significant change to the investment base in 2010.

The following is an overview of the current asset allocation:

Asset Allocation	Strategic Allocation	Total Fund	Percentage Difference
Domestic Equity – Large Cap Core	**20%**	**20.0%**	**0%**
Non-U.S. Equities:			
Developed International	**10%**	**10.1%**	**0.1%**
Emerging Markets	**5%**	**5%**	**0%**
Domestic Fixed Income			
Core & Local Loans	**45%**	**48.7%**	**3.7%**
High Yield	**10%**	**8.1%**	**-1.9%**
International Bonds	**10%**	**8.1%**	**-1.9%**
Total Allocation	**100%**	**100%**	**0%**

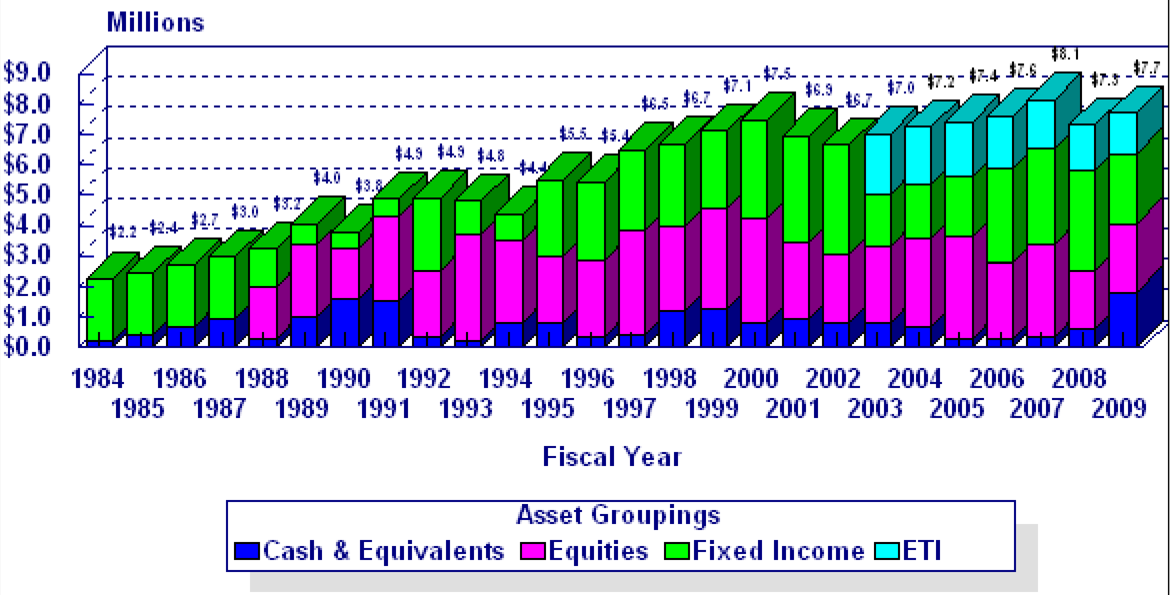
An overview of the General Fund's investment return is as follows:

Investment earnings	$ 328,805
Realized capital gains	(105,736)
Unrealized capital gains	422,933
Total return	$ 646,002
Return on investment	8.83%

Chart 14

MARIANAS PUBLIC LAND TRUST

PARK FUND
HISTORICAL ASSET INVESTMENT ALLOCATIONS



Source: Annual Audited Financial Stmts.
Stated at market value as of September 30.
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BOARD OF TRUSTEES

The following are the current trustees and their respective terms of office:

Phillip Mendiola-Long
Chairman
Tinian
Confirmed: 3/6/2006 Expires: 1/9/2010

Alvaro A. Santos
Vice Chairman
Saipan
Confirmed: 3/6/2006 Expires: 1/9/2012

Pedro R. Deleon Guerrero
Treasurer
Saipan
Confirmed: 4/4/2006 Expires: 1/9/2016

Gregoria Fitial-Omar
Carolinian/Women Representative
Saipan
Confirmed: 3/6/2006 Expired: 1/9/2012

Vianney B. Hocog
Trustee
Rota
Confirmed: 3/3/2004 Expires: 1/9/2010

STAFF

The following are the current staff of the Trust:

Dayna C. Reyes
Administrative Assistant

Redie P. Aldan
Office Manager

Lillian Leon Guerrero
Records Assistant

Consultant and Legal Services

Bruce M. MacMillan
Board Consultant

Robert T. Torres
Legal Counsel

The law stipulates that MPLT must maintain a five member board, which comprises of three people from Saipan, one from Tinian and one from Rota, and of the five, one must be of Carolinian descent and one must be a woman. The current board of trustees consists of the required five members who are, according to the Constitution, appointed by the Governor and confirmed by the Senate.

In addition to the Board of Trustees, MPLT retains the services of Bruce M. MacMillan, C.P.A., on an independent contract basis, as the Board Consultant.

MPLT also employs Redie Aldan,Office Manager , Dayna Reyes, Administrative Assistant and Lillian Guerrero, Records Assistant.

PROFESSIONAL ASSISTANCE

The Trustees solicit professional services for the management of its assets, the development and maintenance of a dynamic investment policy, the supervision and evaluation of investment managers, as well as auditing and asset custodial services.

The Money Managers, selected by the Trustees, have sole responsibility for purchase and sale decisions for all investments under their control. Should any manager fail to meet the goals or stay within the guidelines of the Trust's investment policy, the trustees may initiate proceedings to determine the desirability of retaining the manager.

The Consultant is responsible for providing ongoing assistance to the Trustees in the supervision, retention and termination of the investment managers, the maintenance and updating of the investment policy, asset allocation decisions and other matters involving the investment of assets. From 1988 through 1994, Merrill Lynch acted as the Trust's investment consultant. Commencing March 1, 1995, Altamira Capital Corporation was retained to replace Merrill Lynch as investment consultant. On February 18, 2004 the Trust hired MorganStanley SmithBarney to replace Altamira Capital. MSSB is the current portfolio consultant.

The Custodian of the funds is responsible for safekeeping all securities and cash, accounting for all cash flow and providing monthly statements. Effective with the hiring of MorganStanley SmithBarney in February 2004, Smith Barney Citigroup became the custodian. Prior to this time, BNY Western Trust Company (a subsidiary of the Bank of New York) had been serving as custodian for all of the Trust's funds. The Board of Trustees has

MONEY MANAGER	AMOUNT OF ASSETS UNDER MANAGEMENT	
	GENERAL FUND	PARK FUND
Atalanta Sosnoff – large cap equity “core” money manager; objective is to manage domestic equity assets consistent with the Standard & Poors 500 Index and **Domestic Large Cap Manager Core Equity** peer group.	$13,560,103	$1,553,920
J.P. Morgan Asset Management – international equity (ADR) money manager; objective is to manage international equity assets consistent with the MSCI EAFE Index and **Foreign Large Cap Core Equity Manager** peer group.	$6,716,221	$789,957
Lazard – *emerging markets money manager; objective is to manage emerging international equity assets consistent with the MSCI EM (net) Index.*	$1,686,000	$195,000
Newgate – *emerging markets money manager; objective is to manage emerging international equity assets consistent with the MSCI EM (net) Index.*	$1,686,000	$195,000
Richmond Capital Management, Inc. – domestic fixed income “core” money manager; objective is to manage fixed income assets consistent with the Lehman Aggregate Bond Index.	$24,795,905	$2,294,212
Seix Investment Advisors – *high yield bond;* objective is to manage high yield bonds consistent with the Barclays HY Bond Index.	$3,372,000	$638,000
PIMCO – *foreign bond fund unhedged;* objective is to manage foreign bonds consistent with the CitigrpNon USWGovUnHd Index.	$6,744,000	$638,000
Local Investments.	$6,590,022	$1,374,243
GRAND TOTALS	*$ 65,150,251*	*$ 7,678,332*

also retained seven discretionary money management firms to manage the Trust’s investment portfolios – see above (stated at fair market value).

**Marianas
Public
Land
Trust**

**FINANCIAL
STATEMENTS
AND
INDEPENDENT
AUDITORS'
REPORT**

**Year Ended
September 30, 2009**

MARIANAS PUBLIC LAND TRUST
(A COMPONENT UNIT OF THE COMMONWEALTH
OF THE NORTHERN MARIANA ISLANDS)

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

YEARS ENDED SEPTEMBER 30, 2009 AND 2008

Deloitte

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Marianas Public Land Trust:

We have audited the accompanying statements of net assets of the Marianas Public Land Trust (MPLT), a component unit of the Commonwealth of the Northern Mariana Islands (CNMI), as of September 30, 2009 and 2008, and the related statements of revenues, expenses and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of MPLT's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MPLT's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Marianas Public Land Trust as of September 30, 2009 and 2008, and its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 11 to the financial statements, due to CNMI Government and net contribution to the CNMI General Fund/American Memorial Park as of and for the year ended September 30, 2008 have been restated.

The Management's Discussion and Analysis on pages 3 through 10 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of the Marianas Public Land Trust's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit such information and we do not express an opinion on it.

Our audits were conducted for the purpose of forming an opinion on the Marianas Public Land Trust's basic financial statements. The accompanying combining information presented on pages 32 through 34 and schedules of investments and administrative expenses compared to budget presented on pages 35 through 45 are presented for purposes of additional analysis and are not a required part of the basic financial statements. This combining information and schedules are the responsibility of the Marianas Public Land Trust's management. The combining information and schedules have been subjected to the auditing procedures applied by us in the audit of the 2009 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2010, on our consideration of internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Deloitte & Touche LLC

June 30, 2010

Management's Discussion and Analysis
Year Ended September 30, 2009

As management of the Marianas Public Land Trust (MPLT), we offer readers of MPLT's financial statements this narrative overview and analysis of the financial activities of MPLT for the year ended September 30, 2009. This Management's Discussion and Analysis should be read in conjunction with the audited financial statements.

Implementing Authority

The origins of MPLT are found in both the Constitution of the Commonwealth of the Northern Mariana Islands and Public Law (P.L.) 94-241, Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America. Both of these documents came into full force and effect on January 9, 1978.

Article XI, Section 6 of the Constitution provides for the establishment of MPLT upon the effective date of the Constitution. Some excerpts pertaining to the operating requirements of MPLT are:

- "... The number of trustees appointed by the Governor with the advice and consent of the Senate shall be ...[five]. Three shall be from Saipan, one from Rota and one from Tinian. At least one trustee shall be a woman and at least one trustee shall be of Carolinian descent. The trustees shall serve for a term of six years ... [shall] be staggered."
- "... The trustees shall make reasonable, careful and prudent investments."
- "... The trustees shall ...[use] the interest on the amount received for the lease of property at Tanapag Harbor for the development and maintenance of a memorial park. The trustees shall transfer to the general revenues of the Commonwealth the remaining interest accrued ...[except] that the trustees may retain the amount necessary to meet reasonable expenses of administration."
- "... The trustees shall make an annual written report to the people of the Commonwealth accounting for the revenues received and expenses incurred by the Trust and describing the investments and other transactions authorized by the trustees."
- "... The trustees shall be held to strict standards of fiduciary care. Each trustee shall annually submit to the Governor and the presiding officers of the Legislature a report disclosing their financial affairs, as provided by law."

The Covenant contains key provisions, which are fundamental to MPLT's development. Article VIII, Section 802 requires that certain lands be made available to the Untied States Government by lease in order for it to carry out its defense responsibilities. These lands consist of 7,203 hectares on Tinian, 72 hectares at Tanapag Harbor in Saipan, and the entire island of Farallon de Medinilla.

Article VIII, Section 803 of the Covenant describes the lease terms for the above properties. The Commonwealth will lease the property to the United States for 50 years with the United States having the option of renewing the lease for all or part of the property for an additional term of 50 years. The United States will pay the Commonwealth, in full settlement of the two 50 year lease terms, the total sum of $19,520,600 determined as follows:

- Tinian Island property - $17.5 million;
- Saipan Island property located at Tanapag Harbor - $2 million;
- Farallon de Medinilla Island - $20,600.

The above sum will be adjusted by a percentage, which will be the same as the percentage change in the United States Department of Commerce composite price index from the date of signing the Covenant. Additional terms and conditions of this lease are found in the Technical Agreement Regarding Use of Land to Be Leased by the United States, which was executed simultaneously with the Covenant.

Furthermore, Section 803 provides for over 53 hectares of the leased property at Tanapag Harbor to be made available to the United States, at no cost to the Commonwealth, to establish an American Memorial Park to honor the American and Marianas dead in the World War II Marianas Campaign. The $2 million received from the United States for the lease of this property would be placed into a trust fund with the "income" to be used for the development and maintenance of the park.

This was the initial source of the funding for MPLT, i.e., $23,942,602 allocated to the MPLT General Fund and $2,000,000 allocated to the MPLT Park Fund. In 1991, 2007 and 2008, additional distributions were received of $1,000,000, $1,250,000 and $3,500,000, respectively, from the Marianas Public Land Corporation and its successor, the Department of Public Lands. These amounts were treated as General Fund principal contributions.

Financial Highlights

The following financial highlights are taken from the audited financial statements for the years ended September 30, 2009, 2008 and 2007.

- The assets of MPLT increased in 2009 by $3,566,633 over the amount at 2008. This increase in assets was due primarily to the increase in fair value of investments beginning in March 2009. But the partial recovery did allow the Trust to regain a substantial portion of the loss occurring in 2008.

  The assets of MPLT decreased in 2008 by $6,157,585 over the amount at 2007. This decrease in assets was due primarily to the decrease in fair value of investments. Commencing in 2008, the World went into a severe recession causing valuations to suffer. Even so, the rate of return on investments for 2008 showed a minimal loss due to asset allocation.

  The assets of MPLT increased in 2007 by $8,387,167 over the amount at 2006. This increase in assets was due primarily to the increase in fair value of investments. The rate of return on investment for 2007 showed a very good performance.

- Total liabilities for 2009 decreased by $13,721 from 2008 due to a decrease of accounts payable and accrued expenses of $30,544, a decrease of $103,131 in due to CNMI General Fund, and an increase of $119,954 in due to brokers.

Total liabilities for 2008 increased by $2,446,195 over the amount from 2007 attributable to a restatement of the financial statements from a recognition of an additional amount due to the CNMI General Fund of $4,100,000 resulting from a reclassification of principal to income; less the previous net change in distribution payable to the CNMI General Fund of $1,807,977. There was a net increase in accounts payable and accrued expenses of $39,992. Payable to brokers increased by $114,180.

Total liabilities for 2007 increased by $1,821,658 over the amount from 2006 due to increased distribution payable to the CNMI General Fund of $1,957,446. There was a net decrease in accounts payable and accrued expenses of $26,874. Payable to brokers decreased by $108,914.

- The above changes resulted in an increase in net assets of $3,580,354 for 2009, a decrease in net assets of $8,603,780 for 2008 and an increase in net assets of $6,565,509 for 2007.

- Total revenues of MPLT are a combination of (1) gains (losses) attributable to the valuation of investments plus (2) income earned on such investments. Total operating revenues for 2009, 2008 and 2007 were $6,643,905, $(4,636,399) and $8,402,283, respectively.

- The total performance of MPLT for 2009 was 10% due to the partial recovery from the recession, 2008 was -6.2% due to the global recession and 2007 was 12.4% illustrating the market growth leading up to the "bubble" collapse in 2008.

- The overall administrative costs decreased in 2009 by 11% or $98,993. This was due primarily to the decline in money management fees, consultancy fees, salaries and benefits, offices expenses and professional fees.

  The overall administrative costs increased in 2008 by 43% or $279,772. This was due primarily to the new costs associated with the administration of the NMHC loans and increases in salaries, office supplies, legal fees and travel.

  The overall administrative costs decreased in 2007 by 27% or $241,076. This was due primarily to the Board of Trustees' continuing effort to focus on MPLT's primary mission to maximize distribution to beneficiaries and minimize expenses.

MPLT General Fund Operations

The Board of Trustees has not changed its Investment Policy Statement since 2006 when the asset allocation was amended in order to increase the portion to fixed income and correspondingly reduce the equity allocation. This was done for the purpose of benefiting its income beneficiary, the CNMI General Fund. Due to falling governmental revenues, the CNMI General Fund is suffering a severe cash flow problem and is experiencing difficulty meeting its financial obligations. In recognition of this situation, the MPLT Board made this reallocation decision in order to allow more investment income to be realized and thereby increase its annual distribution to the CNMI General Fund. As part of this plan, P.L.s 10-29 and 12-27 were repealed through the enactment of P.L. 15-48 on March 13, 2007, and more fully discussed in the review of the local investments program. The investment income for 2009, 2008 and 2007 was $2,777,718, $3,073,216 and $2,813,758, respectively.

The distributions to the CNMI General Fund paid for 2009, 2008 and 2007 was $2,013,563, $6,319,596 and $2,228,048, respectively. The cumulative amount distributed to the CNMI General Fund since inception in 1983 has been $46,098,737. This has occurred while growing the principal fund by $30,316,931 for the same time-period. The General Fund's annual return for 2009 was 10%, 2008 was -6.15% and 2007 was 12.6%.

The Board of Trustees made one local investment in 2008 as a loan to the Commonwealth Utilities Corporation (CUC) in the amount of $3,500,000 for three years at an interest rate of 7%. CUC is paying the interest on a monthly basis. In 2009, $1,700,000 was paid on the principal as an offset to the annual CNMI distribution. The balance will be paid in 2010 and 2011 from the annual distributions to the General Fund.

The remaining ETI is a loan made to the Northern Marianas Housing Corporation (NMHC). NMHC defaulted on this loan in 2007 when P. L. 10-29 and 12-27 was repealed per P.L. 15-48. MPLT negotiated a settlement agreement wherein $2,025,000 was paid and the related loan portfolio was transferred to MPLT. MPLT is currently managing these loans and attempting to recover its $8.9 million principal. Due to collection uncertainty for this investment, a write-down of value amounting to $4,172,000 was recognized by MPLT as of September 30, 2009. Interest on this investment is being recognized based upon collections.

General Fund Condensed Financial Statements Summaries:

STATEMENTS OF NET ASSETS

	2009	2008	2007
Assets			
Current assets	$ 19,474,121	$ 3,993,000	$ 7,081,311
Other assets, restricted	40,548,730	50,652,080	56,736,154
Notes receivable - noncurrent portion	6,353,679	8,486,883	4,996,623
Capital assets	333,931	350,571	26,135
Total	$ 66,710,461	$ 63,482,534	$ 68,840,223
Liabilities and Net Assets			
Current liabilities	$ 4,700,928	$ 4,693,184	$ 2,268,627
Invested in capital assets	333,931	350,571	26,135
Restricted	61,675,602	58,438,779	66,545,461
Net assets	62,009,533	58,789,350	66,571,596
Total	$ 66,710,461	$ 63,482,534	$ 68,840,223

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	2009	2008	2007
Operating revenues, net	$ 5,997,902	$ (4,109,029)	$ 7,556,755
Operating expenses	(764,156)	(853,621)	(585,342)
Nonoperating income (expenses), net	(2,013,563)	(2,819,596)	(978,416)
Change in assets	3,220,183	(7,782,246)	5,992,997
Beginning net assets	58,789,350	66,571,596	60,578,599
Ending net assets	$ 62,009,533	$ 58,789,350	$ 66,571,596

STATEMENTS OF CASH FLOWS

	2009	2008	2007
Cash flows from operating activities	$ 2,489,569	$ 1,550,879	$ 1,102,742
Cash flows from noncapital financing activities	(313,563)	1,700,000	1,250,000
Cash flows from capital and related financing activities	(1,622)	(339,089)	(8,583)
Cash flows from investing activities	13,637,499	(4,705,535)	207,350
Net increase (decrease) in cash and cash equivalents	15,811,883	(1,793,745)	2,551,509
Cash and cash equivalents at beginning of year	2,945,926	4,739,671	2,188,162
Cash and cash equivalents at end of year	$ 18,757,809	$ 2,945,926	$ 4,739,671

Capital Assets:

At September 30, 2009, 2008 and 2007, MPLT had $333,931, $350,571, and $26,135, respectively, in capital assets, net of accumulated depreciation where applicable, including furniture, fixtures and equipment, vehicles and land, which represent a net decrease in 2009 of $16,640, increase in 2008 of $324,436, decrease in 2007 of $760. See note 4 to the financial statements for more information on MPLT's capital assets.

Goals and Objectives:

It is the intent of MPLT to continue to monitor its investment portfolio to ensure an adequate risk-adjusted rate of return is achieved. This is the phase of the Five-Step Investment Management Process that MPLT is currently performing. This involves periodic rebalancing of the portfolio to comply with its asset allocation investment policy. Occasionally, the Board may find it necessary or desirable to add additional asset classes, which require amendment of its Investment Policy Statement. It is MPLT's fiduciary duty to continue to follow the well-established prudent investment management practices.

MPLT Park Fund Operations

The MPLT Park Fund is part of the overall trust fund but is separately managed and accounted for due to its funding source and a different beneficiary as compared to the MPLT General Fund. The Park Fund's annual return for 2009 was 8.8%, 2008 was -6.49%, and 2007 was 11.2%. The Park Fund has not suffered local investment losses as it only invests to benefit the American Memorial Park. As stated previously, the Park Fund received its principal funding from the lease proceeds of a portion of the Tinian - Tanapag Harbor - Farallon de Medinilla land lease revenues. The $2,000,000 for the Tanapag Harbor in Saipan was dedicated to the formation of the American Memorial Park. The income on this principal contribution can only be used for the maintenance and development of the American Memorial Park (AMP). Accordingly, this initial principal contribution has been prudently managed since 1983 and has grown to $7,496,186. This has been accomplished while distributing $4,715,099 for AMP maintenance and development.

As part of a plan to make some of the principal available for development of the AMP, MPLT entered into a loan arrangement with the Commonwealth Development Authority on November 30, 2001 to lend them $2,000,000 to be used with CIP funding grants in order to make the following additions and upgrades to the Park:

1.	American Memorial Park Visitor/Cultural Center	$ 1,305,200
2.	American Memorial Park Marianas Memorial Garden	514,000
3.	Remodel and Upgrade Amphitheater	1,310,800
4.	Exhibit Design and Construction of Visitor Center	870,000
	Total	$ 4,000,000

This loan is to be repaid from future income realized on the Park Fund investments. As income is received, the principal portion of the payment will be taken from the income stream and transferred to principal and re-invested. The term of the loan is fifteen years at an annual rate of 6.5%. The monthly principal and interest payment will be $17,422. It is through this mechanism that MPLT has been able to benefit the Park and sustain new development.

During 2006, the Board of Trustees also amended the Investment Policy Statement for the Park Fund in a manner similar to the General Fund by increasing the allocation to fixed income and reducing the allocation to equities. The reason for this change was also to grant more investment income and increase the annual available funds for maintenance and development of the American Memorial Park. Additional investment revenues were deemed necessary to support the debt service on the CDA/AMP loan as the income fund balance was getting low and MPLT is limited to distributing income only. No changes have been made to the Investment Policy Statement in 2009.

Park Fund Condensed Financial Statements Summaries:

STATEMENTS OF NET ASSETS

Assets	2009	2008	2007
Current assets	$ 1,938,718	$ 843,165	$ 507,624
Other assets, restricted	4,557,372	5,201,873	6,170,871
Notes receivable - noncurrent portion	1,254,243	1,379,643	1,504,443
Total	$ 7,750,333	$ 7,424,681	$ 8,182,938

STATEMENTS OF NET ASSETS, CONTINUED

Liabilities and Net Assets	2009	2008	2007
Current liabilities	$ 35,612	$ 70,131	$ 6,854
Restricted principal	7,496,185	7,178,988	8,055,268
Restricted income	218,536	175,562	120,816
Net assets	7,714,721	7,354,550	8,176,084
Total	$ 7,750,333	$ 7,424,681	$ 8,182,938

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	2009	2008	2007
Operating revenues	$ 646,003	$ (527,370)	$ 845,528
Operating expenses	(66,064)	(75,592)	(64,099)
Nonoperating income (expenses), net	(219,768)	(218,572)	(208,917)
Change in assets	360,171	(821,534)	572,512
Beginning net assets	7,354,550	8,176,084	7,603,572
Ending net assets	$ 7,714,721	$ 7,354,550	$ 8,176,084

STATEMENTS OF CASH FLOWS

	2009	2008	2007
Cash flows from operating activities	$ 302,255	$ 271,886	$ 216,765
Cash flows from noncapital financing activities	(219,768)	(218,572)	(208,917)
Cash flows from investing activities	1,081,699	210,318	60,042
Net increase in cash and cash equivalents	1,164,186	263,632	67,890
Cash and cash equivalents at beginning of year	619,545	355,913	288,023
Cash and cash equivalents at end of year	$ 1,783,731	$ 619,545	$ 355,913

Goals and Objectives:

It is the intention of the Board of Trustees to continue to provide financial assistance to the American Memorial Park in accordance with the terms of the Constitution and Covenant. It has been through MPLT's stewardship of the Park Fund assets that the developments in the AMP have occurred. The Trustees plan to continue this past record of achievement and use it as a basis for further enhancements of a facility, which benefits the Commonwealth as a whole.

Economic Outlook

MPLT has suffered in 2008 its largest loss of principal since 2002. This has been due to the World-wide credit collapse and resulting recession. Partial recovery has occurred in 2009 but the outlook for valuation growth is uncertain. There are fears that a double-dip recession may occur. It will likely take five years or more to recover this loss. The Trust has a long term time horizon. Accordingly, the Trust is committed to its current investment allocation. Whereas, the Trust may add additional asset classes, the basic investment approach will remain the same

Contacting the MPLT's Financial Management

This report is designed to provide the branches of the Commonwealth Government and the public at large with a general overview of MPLT's finances and to show MPLT's accountability for the money it receives. The Management's Discussion and Analysis for the year ended September 30, 2008 is set forth in the report on the audit of MPLT's financial statements, which is dated June 15, 2009. The Discussion and Analysis explains the major factors impacting the 2008 financial statements. If you have questions about this report or the 2008 or 2007 reports or need additional financial information, contact the MPLT office, P.O. Box 501089, Saipan, MP 96950 or phone at (670) 322-4401 or email mplt@pticom.com.

MARIANAS PUBLIC LAND TRUST

Statements of Net Assets
September 30, 2009 and 2008

ASSETS	2009	2008 (As Restated)
Current assets:		
Cash and cash equivalents	$ 20,541,540	$ 3,565,471
Receivables:		
Notes, current portion	356,343	231,704
Accrued income	250,135	429,533
Other	6,877	2,011
Due from CNMI Government	-	6,868
Due from brokers	199,570	546,931
Prepaid expense	24,593	6,812
Total current assets	21,379,058	4,789,330
Other assets:		
Investments	45,106,102	55,853,953
Total other assets	45,106,102	55,853,953
Noncurrent assets:		
Notes receivable, net of current portion and allowance for loan losses	7,607,922	9,866,526
Capital assets (net of accumulated depreciation)	333,931	350,571
Total noncurrent assets	7,941,853	10,217,097
	$ 74,427,013	$ 70,860,380
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	$ 33,173	$ 60,825
Due to CNMI Government	4,430,390	4,533,521
Due to brokers	234,134	114,180
Accrued expenses	5,062	7,954
Total liabilities	4,702,759	4,716,480
Commitment and contingency		
Net assets:		
Invested in capital assets	333,931	350,571
Restricted	69,390,323	65,793,329
Total net assets	69,724,254	66,143,900
	$ 74,427,013	$ 70,860,380

See accompanying notes to financial statements.

MARIANAS PUBLIC LAND TRUST

Statements of Revenues, Expenses and Changes in Net Assets
Years Ended September 30, 2009 and 2008

	2009	2008 (As Restated)
Operating revenues:		
Net increase (decrease) in the fair value of investments	$ 3,709,382	$ (8,058,525)
Interest income:		
Investments	2,260,415	2,376,001
Notes receivable	520,821	664,291
Other	675	1,639
Dividend income	324,612	380,195
	6,815,905	(4,636,399)
Less provision for Home Loan Program	(172,000)	-
Operating revenues, net	6,643,905	(4,636,399)
Operating expenses:		
Money manager fees	163,991	192,943
Loan administration fee	135,246	121,645
Consultancy fees	103,880	142,205
Salaries and benefits	91,410	100,212
Money management administration	75,100	76,609
Office supplies	72,519	80,824
Contract services	66,950	67,000
Professional fees	38,515	66,774
Rent and utilities	25,759	29,000
Trustees' expenses	25,300	25,348
Depreciation	18,262	14,653
Audit	13,288	12,000
Total operating expenses	830,220	929,213
Operating income (loss)	5,813,685	(5,565,612)
Other nonoperating income (expenses):		
Transfer in from DPL	-	3,500,000
Net contribution to the CNMI General Fund/ American Memorial Park	(2,233,331)	(6,538,168)
Total nonoperating income (expenses), net	(2,233,331)	(3,038,168)
Change in net assets	3,580,354	(8,603,780)
Net assets at beginning of year	66,143,900	74,747,680
Net assets at end of year	$ 69,724,254	$ 66,143,900

See accompanying notes to financial statements.

MARIANAS PUBLIC LAND TRUST

Statements of Cash Flows
Years Ended September 30, 2009 and 2008

	2009	2008
Cash flows from operating activities:		
Cash received from operations	$ 3,641,470	$ 4,771,465
Cash payments to suppliers for goods and services	(849,646)	(2,948,700)
Net cash provided by operating activities	2,791,824	1,822,765
Cash flows from noncapital financing activities:		
Cash received from DPL	-	3,500,000
Net contributions	(533,331)	(2,018,572)
Net cash (used for) provided by noncapital financing activities	(533,331)	1,481,428
Cash flows from capital and related financing activities:		
Acquisition of property and equipment	(1,622)	(339,089)
Net cash used for capital and related financing activities	(1,622)	(339,089)
Cash flows from investing activities:		
Net decrease (incease) in notes receivable	261,965	(3,489,764)
Net decrease (increase) in restricted assets	14,457,233	(1,005,453)
Net cash provided by (used for) investing activities	14,719,198	(4,495,217)
Net increase (decrease) in cash and cash equivalents	16,976,069	(1,530,113)
Cash and cash equivalents at beginning of year	3,565,471	5,095,584
Cash and cash equivalents at end of year	$ 20,541,540	$ 3,565,471
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	$ 5,813,685	$ (5,565,612)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Net (increase) decrease in fair value of investments	(3,709,382)	8,058,525
Depreciation	18,262	14,653
Provision for Home Loan Program	172,000	-
(Increase) decrease in assets:		
Receivable - accrued income	179,398	1,939,370
Other receivable	(4,866)	(1,462)
Due from CNMI Government	6,868	-
Due from brokers	347,361	(546,931)
Prepaid expense	(17,781)	(2,377)
Increase (decrease) in liabilities:		
Accounts payable	(27,652)	36,754
Due to CNMI Government	(103,131)	(2,227,573)
Payable to brokers	119,954	114,180
Accrued expenses	(2,892)	3,238
Net cash provided by operating activities	$ 2,791,824	$ 1,822,765

Supplemental schedule of noncash operating, financing and investing activities:

During the years ended September 30, 2009 and 2008, MPLT recorded contributions to the CNMI General Fund resulting in an increase in net contribution to the General Fund and due to CNMI Government of $-0- and $4,100,000, respectively.

Pursuant to Public Law 16-7, MPLT applied the $1,700,000 required income distribution to the CNMI General Fund for the year ended September 30, 2009 as repayment of CUC's note receivable.

Decrease in notes receivable	$ (1,700,000)	$ -
Increase in net contribution	1,700,000	-
	$ -	$ -

See accompanying notes to financial statements.

(1) Organization and Purpose

The Marianas Public Land Trust (MPLT), a component unit of the Commonwealth of the Northern Mariana Islands (CNMI), was formed on January 9, 1978, pursuant to the ratification and adoption of the Constitution of the CNMI, Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (the Covenant), and Technical Agreement Regarding Use of Land to be Leased by the United States in the Northern Mariana Islands.

MPLT did not become operational until May 17, 1983, when its Trustees were appointed by the Governor with confirmation by the Senate.

The purpose of MPLT is to manage all monies received by it from the CNMI Department of Public Lands (DPL) for the use of public lands. DPL has the responsibility to manage the public lands and distribute to MPLT all revenues net of reasonable expenses of administration.

MPLT's responsibility, with respect to monies received by it from DPL, requires it to make reasonable, careful and prudent investments. The Trustees have taken the position that their duty to the beneficiaries is not only to provide income to the general fund of the CNMI but also to preserve the principal of MPLT. As such, MPLT is currently allocating capital gains and losses on equity investments to principal fund balance. These capital gains and losses are not considered to be available for distribution to the general fund of the CNMI. Other forms of income on investments, after deduction of amounts necessary to meet reasonable administrative expenses, are distributed to the general fund of the CNMI.

Additionally, MPLT is responsible for carrying out the intention of Article VIII, Section 803(e) of the Covenant, by establishing a separate trust fund for the development and maintenance of an American Memorial Park. The Trustees are allocating capital gains and losses on equity investments of this trust fund to the principal of the trust fund. Other forms of income on investments, after deduction of amounts necessary to meet reasonable administrative expenses, are to be used for the development and maintenance of the American Memorial Park.

(2) Summary of Significant Accounting Policies

The accounting policies of MPLT conform to accounting principles generally accepted in the United States of America, as applicable to governmental entities, specifically proprietary funds. Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, requires that proprietary activities apply all applicable GASB pronouncements as well as Statements and Interpretations issued by the Financial Accounting Standards Board (FASB), Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989. MPLT has implemented GASB 20 and elected not to apply FASB Statements and Interpretations issued after November 30, 1989.

(2) Summary of Significant Accounting Policies, Continued

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the statements of net assets. Proprietary fund operating statements present increases (e.g. revenues) and decreases (e.g. expenses) in net assets. The accrual basis of accounting is utilized for proprietary funds. Under this method, revenues are recorded when earned and expenses recorded at the time liabilities are incurred.

Concentrations of Credit Risk

Financial instruments which potentially subject MPLT to concentrations of credit risk consist principally of cash demand deposits and investments.

At September 30, 2009 and 2008, MPLT has cash deposits and investments in bank accounts that exceed federal depository insurance limits. MPLT has not experienced any losses in such accounts.

Cash and Cash Equivalents

GASB Statement No. 3 previously required government entities to present deposit risks in terms of whether the deposits fell into the following categories:

Category 1 Deposits that are federally insured or collateralized with securities held by MPLT or its agent in MPLT's name;

Category 2 Deposits that are uninsured but fully collateralized with securities held by the pledging financial institution's trust department or agent in MPLT's name; or

Category 3 Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent but not in MPLT's name and non-collateralized deposits.

GASB Statement No. 40 amended GASB Statement No. 3 to in effect eliminate disclosure for deposits falling into categories 1 and 2 but retained disclosures for deposits falling under category 3. Category 3 deposits are those deposits that have exposure to custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, MPLT's deposits may not be returned to it. Such deposits are not covered by depository insurance and are either uncollateralized, or collateralized with securities held by the pledging financial institution or held by the pledging financial institution but not in the depositor-government's name. MPLT does not have a deposit policy for custodial credit risk.

(2) Summary of Significant Accounting Policies, Continued

Cash and Cash Equivalents, Continued

For purposes of the statements of net assets and cash flows, MPLT considers all cash held in demand accounts with initial maturities of ninety days or less, to be cash and cash equivalents. At September 30, 2009 and 2008, total cash and cash equivalents were $20,541,540 and $3,565,471, respectively, and the corresponding bank balances were $276,718 and $223,656, respectively. Of the bank balance amount, $276,718 and $223,656 are maintained in financial institutions subject to Federal Deposit Insurance Corporation (FDIC) insurance as of September 30, 2009 and 2008, respectively. Bank deposits in the amount of $239,034 were FDIC insured as of September 30, 2009 and 2008. As of September 30, 2009 and 2008, custodian money market sweep deposits of $20,302,506 and $3,342,020, respectively, are held and administered by an investment manager subject to Securities Investor Protection Corporation insurance.

CNMI law does not require component unit funds to be collateralized and thus MPLT's funds are uncollateralized. Accordingly, the deposits are exposed to custodial credit risk.

Investments

GASB Statement No. 3 previously required government entities to present investment risks in terms of whether the investments fell into the following categories:

Category 1 Investments that are insured or registered, or securities held by MPLT or its agent in MPLT's name;

Category 2 Investments that are uninsured or unregistered for which the securities are held by the counterparty's trust department or agent in MPLT's name; or

Category 3 Investments that are uninsured and unregistered with securities held by the counterparty, or by its trust department or agent but not in MPLT's name.

GASB Statement No. 40 amended GASB Statement No. 3 to eliminate disclosure for investments falling into categories 1 and 2, and provided for disclosure requirements addressing other common risks for investments such as credit risk, interest rate risk, concentration of credit risk, and foreign currency risk. GASB Statement No. 40 did retain and expand the element of custodial risk in GASB Statement No. 3.

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to the transaction, MPLT will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. MPLT's investments are held and administered by trustees in accordance with negotiated trust and custody agreements. Based on these agreements, all of these investments were held by the broker or dealer, or by its trust department or agent, but not in MPLT's name at September 30, 2009 and 2008. The investment held and administered by the investment manager is subject to supplemental insurance on eligible assets over $500 million through certain underwriters, subject to an aggregate loss limit of $600 million.

(2) Summary of Significant Accounting Policies, Continued

Investments, Continued

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of debt instruments.

Concentration of credit risk for investments is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. GASB Statement No. 40 requires disclosure by issuer and amount of investments in any one issuer that represents five percent (5%) or more of total investments for MPLT. As of September 30, 2009, MPLT's investment in U.S. agency obligations of the Freddie Mac Federal Home Loan Mortgage Corporation and Fannie Mae Federal National Mortgage Association constituted 8% and 10%, respectively, of its total investments. As of September 30, 2008, MPLT's investment in U.S. agency obligations of the Freddie Mac Federal Home Loan Mortgage Corporation and Fannie Mae Federal National Mortgage Association constituted 7% and 17%, respectively, of its total investments.

MPLT has selected a custodian for both funds who shall maintain custody of all cash, securities and other assets of MPLT and shall credit interest and dividends on said securities and credit principal paid on called or matured securities of MPLT. The custodian shall provide, on a timely basis, a monthly statement of all assets, to include an accounting of all activity during that month.

The Trustees may engage the services of an investment consultant after a competitive search process. The investment consultant chosen shall demonstrate professional experience of at least ten (10) years with exclusive focus on Institutional Management Consulting.

When evaluating potential Investment Management Consulting Firms, the Trustees will consider at a minimum the following criteria:

- Must be a Registered Investment Advisor with exclusive focus on providing objective investment management consulting at an institutional level, having the support of a staff and/or organization, focused and experienced in consulting only.
- The candidate should be objective, free of conflict of interest and free to secure services from leading third party providers that will best suit the interest of MPLT.
- Firms must demonstrate experience in the breadth and depth of its professional staff.
- Ability to provide unbiased fiduciary and financial advice to public trusts.
- Knowledge of legislative, operational and legal aspects of the local public trusts.
- Ownership or ready access to relevant and comprehensive performance databases with proven and verifiable process for the institutional client.
- Ability to provide quantitative analysis of manager and total fund performance. In particular, attribution analysis to maintain the interests of the management styles and strategic asset allocation.
- Ability to provide on-going training.

(2) Summary of Significant Accounting Policies, Continued

Investments, Continued

- Firms must be recognized as having substantial experience in the institutional level investment management consulting field. Firms offering consulting as incidental to their securities business shall not be considered.

- Shall not be an investment manager with discretion over MPLT assets.

The Trustees have determined that the following investment policy will govern the investment of assets of MPLT.

(i) The Trustees, with the assistance of the investment consultant, will select appropriate investment managers to manage MPLT assets. Investment managers must meet the following minimum criteria:

1. Be a bank, insurance company, investment management company, or investment adviser as defined by the Registered Investment Advisers Act of 1940, and not providing any other services, normally provided by separate vendors, to MPLT.

2. Provide historical quarterly performance numbers calculated on a time-weighted basis, based on a composite of all fully discretionary accounts of similar investment style, reported gross of fees.

3. Provide performance evaluation reports prepared by an objective third party that illustrate the risk/return profile of the manager relative to other managers of comparable investment style.

4. Provide detailed information on the history of the firm, key personnel, key clients, fee schedule, and support personnel.

5. Clearly articulate the investment strategy that will be followed and document that the strategy has been successfully adhered to over time.

6. Selected firms shall have no outstanding legal judgments or past judgments which may reflect negatively upon the firm.

(ii) Every money manager selected to manage MPLT assets must adhere to the following guidelines.

1. The following securities and transactions are not authorized unless receiving prior Trustees approval:

   - Letter stock and other unregistered securities; commodities or other commodity contracts; and short sales or margin transactions.

   - Securities lending; pledging or hypothecating securities.

   - Investments in the equity securities of any company with a record of less than three years of continuous operation (including the operation of any predecessor) and investments for the purpose of exercising control of management are all restricted.

(2) Summary of Significant Accounting Policies, Continued

Investments, Continued

2. Domestic Equities:

    - Equity holdings in any one company should not exceed more than 10% of the market value of MPLT's equity portfolio.

    - Investments in any one sector should not be excessive.

    - The manager shall emphasize quality in security selection and shall avoid risk of large loss through diversification.

    - The manager shall emphasize quality in security selection of the specific style hired to manage and shall avoid risk of large loss through diversification within its mandated style.

    - The managers shall have the discretion to invest a portion of the assets in cash reserves when they deem appropriate. However, the managers will be evaluated against their peers on the performance of the total funds under their direct management.

    - Holdings of individual securities shall be large enough (round lots) for easy liquidation.

3. Domestic Fixed Income:

    - All fixed-income securities held in the portfolio shall have a nationally recognized credit quality rating of no less than "BBB" from Moody's, Standard & Poor's and/or Fitch's. U.S. Treasury and U.S. government agencies, which are unrated securities, are qualified for inclusion in the portfolio.

    - No more than 20% of the market value of the fixed income portfolio shall be rated less than single "A" quality, unless the manager has specific written authorization.

    - The exposure of the portfolio to any other issuer, other than securities of the U.S. government or agencies, shall not exceed 10% of the market value of the fixed income portfolio.

4. International Equities:

    - Equity holdings in any one company shall not exceed more than 10% of the International Equity portfolio.

    - Investments in any one industry category should not be excessive.

    - Allocations to any specific country shall not be excessive relative to a broadly diversified international equity manager peer group. It is expected that the non-U.S. equity portfolio will have no more than 40% of its mandated style in any one country.

(2) Summary of Significant Accounting Policies, Continued

Investments, Continued

4. International Equities, Continued:

   - The manager may enter into foreign exchange contracts on currency, provided that use of such contracts is limited to hedging currency exposure existing within the manager's portfolio. There shall be no direct foreign currency speculation or any related investment activity.

5. Cash/Cash Equivalents:

   - Cash equivalent reserves shall consist of cash instruments having a quality rating of A-1, P-1 or higher. Eurodollar Certificates of Deposits, time deposits, and repurchase agreements are also acceptable investment vehicles.

   - Idle cash not invested by the investment managers shall be invested daily through an automatic interest-bearing sweep vehicle selected by the manager available and/or managed by the custodian.

6. Economically Targeted Investments (ETIs):

   ETIs refer to investment vehicles that are structured to produce corollary benefits, e.g. job creation or affordable housing, in addition to the main objective of a competitive risk-adjusted rate of return. Although MPLT's main beneficiaries are CNMI descendants and future Marianas descendants, ETIs are a controversial area for the Trustees. Detractors may argue that seeking corollary benefits may violate fiduciary duty. The Board of Trustees is charged with the responsibility of fulfilling MPLT's mission, yet ETIs may be an area of great exposure for MPLT Trustees from a fiduciary liability standpoint. Therefore, full and proper due diligence in both program development and on an investment-by-investment basis is necessary. The following guidelines are recommended:

   - An opinion of legal counsel knowledgeable in standards of fiduciary care should be secured.

   - Trustees should guarantee that they are acting on economic grounds, rather than being influenced by political or emotional factors, as well as the purpose for which MPLT was established.

   - Written investment guidelines are necessary and should specifically address the characteristics an ETI should have, including the parameters on how the program will be administered, as well as the social and economic impact the intended beneficiaries will have on the CNMI as a whole while implementing programs for which MPLT was established.

   - A thorough, written analysis of each proposed ETI should be undertaken, examining all economic, political and other factors, including potential conflicts of interest.

(2) Summary of Significant Accounting Policies, Continued

Investments, Continued

6. Economically Targeted Investments (ETIs), Continued:

- Risk-adjusted, market rates of return should be the primary consideration; with special attention paid to whether the ETI involves significantly greater financial risk.

- Specific ETI proposals should be evaluated against investments of a similar asset class.

- An ETI should be an attractive investment on its own merits, and not be considered simply because MPLT has "available capital".

- A viable ETI should be able to attract external financing: a proposed ETI funded entirely by MPLT should be limited in size and scope and subjected to close scrutiny.

- One way to ensure that investment opportunities are viewed objectively and selection is based upon viable economic criteria is to have Oversight Managers acting in a fiduciary capacity for particular ETI asset classes or strategies.

- Consideration should be given as to whether future Trustees will find the ETIs being considered and/or enacted acceptable.

The Trustees recognize the importance of establishing a competitive risk-adjusted rate of return policy as part of their due diligence in identifying and documenting ETI projects. Having a clear policy is fundamental in documenting and completing the preceding recommended guidelines. Accordingly, as part of the investment analysis, the identification of the source of repayment of a fixed-income security, e.g., promissory note, municipal bond, etc., is of primary consideration. Evaluation of the credit rating for such repayment source is fundamental to establishment of the risk-adjusted rate of return. Once the credit rating has been determined, then an appropriate pricing index, using a comparable maturity schedule, can be identified to establish a base interest rate to be charged. Additionally, since such investments are not marketable, than an "illiquidity premium" should be recognized and added to the base risk-adjusted rate. Also, to be considered, given that such ETIs are long-term in nature, is whether or not to have a fixed or floating rate. It is the Trustees' opinion that the risk-adjusted rate should be floating to the appropriate pricing index and adjusted on at least a quarterly basis. Due to the fact that administration of an ETI program is much more time-consuming and costly than a managed portfolio, the assessment of a loan origination fee should be considered and applied in most situations. This would allow for the reimbursement of ongoing servicing costs, legal fees, consultancy, and travel costs.

(2) Summary of Significant Accounting Policies, Continued

Investments, Continued

6. Economically Targeted Investments (ETIs), Continued:

This ETI policy applies only to the MPLT General Fund and does not relate to the American Memorial Park Fund. In the case of the American Memorial Park Fund, any ETIs are limited to directly benefiting the beneficiary, the American Memorial Park, by funding development projects.

(iii) Asset allocation of the two funds is as follows:

	General Fund			Park Fund		
	Lower Limit	Strategic Allocation	Upper Limit	Lower Limit	Strategic Allocation	Upper Limit
Domestic Equities:						
Large Cap Core	15%	25%	35%	15%	25%	35%
Non U.S. Equities:						
Large Cap Core	5%	10%	15%	5%	10%	15%
Domestic Fixed Income:	50%	65%	80%	40%	65%	85%
Core	40%	50%	60%	40%	50%	60%
ETI - Local Loans	10%	15%	20%	0%	15%	25%

MPLT subsequently updated and adopted its investment policies and guidelines; however, the revised asset allocation of its two funds was implemented in September 2009.

Rebalancing of Strategic Allocation

The percentage allocation to each asset class may vary as much as approximately 10% depending upon the market conditions.

When necessary and/or available, cash flows will be distributed following the strategic asset allocation of MPLT. If there are no cash flows, the allocation of MPLT will be reviewed quarterly.

If the Trustees judge cash flows to be insufficient to bring MPLT within the strategic allocation ranges, the Trustees shall decide whether to effect transactions so that MPLT would fall within the allocated threshold ranges.

Frequency

In two instances, portfolio rebalancing will be necessary to remain within the target asset allocation ranges:

1. Cash Flow Requirements
2. Significant Market Action

Positive cash flows should be directed to the under-weighted asset class, while negative cash flows (disbursements) should be directed away from the over-weighted asset class. This procedure is likely to be fairly routine and predictable.

Significant Market Action requires immediate action to restore asset allocation. This is neither predictable nor routine.

(2) Summary of Significant Accounting Policies, Continued

Investments, Continued

Liquidity

The MPLT Executive Director shall prepare anticipated expenditure requirements for each disbursement period and communicate these disbursement requirements to all affected managers with as much advance notice as possible. It is anticipated that MPLT's fixed income manager will be the initial and main conduit for contributions and disbursements. It is further anticipated that most of all such disbursements will be made from "income" generated from each account.

MPLT values its investments at fair value in accordance with GASB Statement 31. MPLT's investments as of September 30, 2009 and 2008 (with combining information as of September 30, 2009) are as follows:

	General Fund	Park Fund	2009	2008
Equities:				
Common stock	$ 17,556,804	$ 2,268,682	$ 19,825,486	$ 16,614,416
Fixed Income Securities:				
Mortgage and asset backed securities	10,072,160	1,037,495	11,109,655	18,260,980
Corporate bonds	11,386,606	1,061,847	12,448,453	19,279,961
Government obligations	881,274	71,770	953,044	1,244,629
Government agencies	651,886	117,578	769,464	453,967
	$ 40,548,730	$ 4,557,372	$ 45,106,102	$ 55,853,953

GASB Statement No. 40 requires entities to provide information about the credit risk associated with their investments by disclosing the credit quality ratings. The following is a listing of MPLT's fixed income securities at September 30, 2009 and 2008:

		2009 Investment Maturities (In Years)				
Investment Type	Fair Value	Less Than 1	1 - 5	6 - 10	More Than 10	Credit Rating
Mortgage and asset backed securities	$ 2,579,341	$ -	$ 1,344,575	$ -	$ 1,234,766	AAA
Mortgaged and asset backed securities	8,530,314	-	2,705	668,023	7,859,586	No rating
Government and Government Sponsored Entity (GSE) Bonds	1,722,508	-	213,498	1,016,903	492,107	AAA
Corporate bonds	123,985	-	-	123,985	-	AAA
Corporate bonds	410,467	-	5,801	27,299	377,367	AA
Corporate bonds	457,779	-	457,779	-	-	AA+
Corporate bonds	284,672	-	-	10,810	273,862	AA-
Corporate bonds	4,326,421	-	2,010,349	1,576,990	739,082	A
Corporate bonds	1,793,433	-	978,783	340,744	473,906	A+
Corporate bonds	3,323,085	-	1,559,729	1,501,437	261,919	A-
Corporate bonds	524,387	-	323,657	86,788	113,942	BBB
Corporate bonds	927,852	-	344,512	280,312	303,028	BBB+
Corporate bonds	276,372	-	276,372	-	-	BBB-
	$ 25,280,616	$ -	$ 7,517,760	$ 5,633,291	$ 12,129,565	

(2) Summary of Significant Accounting Policies, Continued

Investments, Continued

		2008				
		Investment Maturities (In Years)				
Investment Type	Fair Value	Less Than 1	1 - 5	6 - 10	More Than 10	Credit Rating
Mortgage and asset backed securities	$ 4,027,755	$ -	$ 1,910,454	$ -	$ 2,117,301	AAA
Mortgaged and asset backed securities	14,233,225	-	5,525	1,296,115	12,931,585	No rating
Government obligations	1,244,629	-	361,461	26,346	856,822	AAA
Government agencies	453,967	-	239,345	30,872	183,750	AAA
Corporate bonds	452,047	-	58,088	275,386	118,573	AAA
Corporate bonds	2,123,763	220,719	702,897	747,756	452,391	AA-
Corporate bonds	1,040,878	-	219,415	821,463	-	AA
Corporate bonds	3,065,863	-	1,151,118	1,125,094	789,651	A+
Corporate bonds	3,895,218	1,659,856	1,375,507	688,006	171,849	A-
Corporate bonds	6,856,433	544,439	1,740,279	3,454,907	1,116,808	A
Corporate bonds	856,804	-	212,609	385,842	258,353	BBB+
Corporate bonds	288,760	-	229,860	58,900	-	BBB-
Corporate bonds	700,195	-	595,261	-	104,934	BBB
	$ 39,239,537	$ 2,425,014	$ 8,801,819	$ 8,910,687	$ 19,102,017	

Notes Receivable and Allowance for Loan Losses

Notes receivable are stated at the amount of unpaid principal, reduced by an allowance for loan losses. The allowance for loan losses is established through a provision for doubtful accounts charged to principal fund. Loans are charged against the allowance for loan losses when management believes that the collection of the principal is unlikely. The allowance is an amount that management believes will be adequate to absorb possible losses on existing loans that may be uncollectible, based on evaluations of the collectability of loans and prior loan loss experience. The evaluations take into consideration such factors as changes in the nature and volume of the loan portfolio, overall portfolio quality, review of specific problem loans and current economic conditions that may affect the borrowers' ability to pay.

Management cannot currently determine the effects of the potential foreclosure of collateralized properties associated with the loans. Accordingly, the allowance for loan losses included in the accompanying financial statements excludes the value of the possible recovery of certain loans through foreclosure.

Capital Assets

Capital assets are stated at cost. Depreciation is provided over the estimated useful lives of the assets through use of the straight-line method and is charged as a reduction in the investment. Current policy is to capitalize items in excess of $250.

(2) Summary of Significant Accounting Policies, Continued

Defined Contribution Plan (DC Plan)

On June 16, 2006, Public Law No. 15-13 was enacted which created the DC Plan, a multi-employer pension plan and is the single retirement program for all employees whose first time CNMI government employment commences on or after January 1, 2007. Each member of the DC Plan is required to contribute to the member's individual account an amount equal to 10% of the member's compensation. MPLT is required to contribute to each member's individual account an amount equal to 4% of the member's compensation. The DC Plan by its nature is fully funded on a current basis from employer and member contributions.

The contribution requirements of plan members and MPLT are established and may be amended by the Fund's Board of Trustees. MPLT's total personnel expense for fiscal year 2009 was $91,410.

GASB Statement No. 45 requires employers to record other postemployment benefits (OPEB) expense for their contractually required contributions to the OPEB plan. MPLT has complied with GASB Statement No. 45 by recording OPEB expense based on the statutorial determined contribution rate of the Fund. It is the understanding of the management of MPLT that the statutorial determined contribution rate of the Fund incorporates both the pension liability and OPEB liability. GASB Statement No. 45 also requires detailed disclosure of information related to the OPEB plan and MPLT management was unable to obtain this information from the Fund financial report. MPLT management is unable to obtain the required disclosures and is of the opinion that such information must be obtained from the Fund. It is the position of the management of MPLT that the Fund is solely responsible for disclosure of OPEB information.

Net Assets

GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, has required MPLT to establish net asset categories as follows:

- Invested in capital assets: capital assets, net of accumulated depreciation.

- Restricted: net assets subject to externally imposed stipulations that can be fulfilled by actions pursuant to those stipulations or that expire by the passage of time. MPLT has net assets restricted for principal and income.

- Unrestricted: net assets that are not subject to externally imposed stipulations. As MPLT considers all assets except investments in capital assets, to be restricted, MPLT does not have unrestricted net assets at September 30, 2009 and 2008.

Operating and Non-Operating Revenue and Expenses

Operating revenue and expenses include all direct and administrative revenue and expenses associated with the investments.

Nonoperating revenues and expenses result from capital and noncapital financing activities.

(2) Summary of Significant Accounting Policies, Continued

New Accounting Standards

During fiscal year 2009, MPLT implemented the following pronouncements:

- GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, which provides guidance and consistency under which a governmental entity would be required to report a liability related to pollution remediation.

- GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, which improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income.

- GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which improves financial reporting by contributing to the GASB's efforts to codify all GAAP for state and local governments so that they derive from a single source.

- GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, which incorporates accounting and financial reporting guidance previously only contained in the American Institute of Certified Public Accountants (AICPA) auditing literature into the GASB's accounting and financial reporting literature for state and local governments, and addresses three issues from the AICPA's literature - related party transactions, going concern considerations, and subsequent events.

The implementation of these pronouncements did not have a material effect on the accompanying financial statements.

In June 2007, GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, which addresses whether and when intangible assets should be considered capital assets for financial reporting purposes. The provisions of this statement are effective for periods beginning after June 15, 2009. Management does not believe that the implementation of this statement will have a material effect on the financial statements of MPLT.

In June 2008, GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, which is intended to improve how state and local governments report information about derivative instruments - financial arrangements used by governments to manage specific risks or make investments - in their financial statements. The provisions of this statement are effective for periods beginning after June 15, 2009. Management does not believe that the implementation of this statement will have a material effect on the financial statements of MPLT.

(2) Summary of Significant Accounting Policies, Continued

New Accounting Standards, Continued

In December 2008, GASB issued Technical Bulletin No. 2008-1, *Determining the Annual Required Contribution Adjustment for Postemployment Benefits*, which clarifies the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for calculating the annual required contribution (ARC) adjustment. The provisions of this statement are effective for periods beginning after December 15, 2008. Management does not believe that the implementation of this statement will have a material effect on the financial statements of MPLT.

In March 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The provisions of this statement are effective for periods beginning after June 15, 2010. Management does not believe that the implementation of this statement will have a material effect on the financial statements of MPLT.

(3) Notes Receivable

	2009	2008
Note receivable (Home Loan Program) from various individuals obtained through a settlement agreement with the Northern Marianas Housing Corporation (NMHC) dated December 31, 2007, bearing interest from 5.5% to 8.5% (2% beginning January 1, 2009) and terms from ten to thirty years.	$ 8,962,022	$ 9,103,987
Note receivable from Adelantun Publickun Luta Enteramente, Incorporated (APLE 501, Inc.), bearing interest at 5% per annum, due on October 18, 2017, with monthly principal and interest payments in the amount of $1,225, collateralized by a loan portfolio. Proceeds were used to fund an independently administered individual or parent-student loan program. MPLT has ceased future loan commitments and disbursements to APLE 501, Inc.	143,156	143,156
Note receivable from the Commonwealth Utilities Corporation (CUC), bearing interest at 7%, due in full on August 4, 2011. Public Law 16-7 was enacted in July 2008 which earmarks future MPLT revenues as security on the note. Interest is due in equal monthly installments.	1,800,000	3,500,000

(3) Notes Receivable, Continued

	2009	2008
Note receivable from the Commonwealth Development Authority (CDA), bearing interest at 6.5% per annum, due on June 1, 2018, collateralized by future distributable net income for the maintenance and development of the American Memorial Park and is to be repaid from earnings of the investments pursuant to CNMI Public Law 11-72.	1,374,243	1,494,243
	12,279,421	14,241,386
Less allowance for loan losses	(4,315,156)	(4,143,156)
	7,964,265	10,098,230
Less current portion	(356,343)	(231,704)
Long-term portion	$ 7,607,922	$ 9,866,526

At September 30, 2009, principal and interest repayments based on the terms of the respective agreements (excluding the assessed allowance) for the following years ending September 30, are as follows:

Year ending September 30,	Principal	Interest
2010	$ 356,343	$ 373,767
2011	2,182,815	356,062
2012	388,120	236,634
2013	393,532	223,423
2014	399,053	210,102
2015 - 2019	2,256,302	817,435
2020 - 2024	1,637,792	536,848
2025 - 2029	1,809,890	364,751
2030 - 2034	2,000,071	174,570
2035 - 2036	712,347	12,532
	$ 12,136,265	$ 3,306,124

The schedule above does not include principal and interest repayments for APLE 501, Inc.

(4) Capital Assets

A summary of capital assets as of September 30, 2009 and 2008, is as follows:

	Estimated Useful Lives	Balance at October 1, 2008	Additions	Deletions	Balance at September 30, 2009
Land	-	$ 273,000	$ -	$ -	$ 273,000
Furniture, fixtures and equipment	3 - 10 years	79,126	1,622	-	80,748
Vehicle	3 - 10 years	46,225	-	-	46,225
		398,351	1,622	-	399,973
Less accumulated depreciation		(47,780)	(18,262)	-	(66,042)
		$ 350,571	$ (16,640)	$ -	$ 333,931

(4) Capital Assets, Continued

	Estimated Useful Lives	Balance at October 1, 2007	Additions	Deletions	Balance at September 30, 2008
Land	-	$ -	$ 273,000	$ -	$ 273,000
Furniture, fixtures and equipment	3 - 10 years	57,199	36,459	(14,532)	79,126
Vehicle	3 - 10 years	16,595	29,630	-	46,225
		73,794	339,089	(14,532)	398,351
Less accumulated depreciation		(47,659)	(14,653)	14,532	(47,780)
		$ 26,135	$ 324,436	$ -	$ 350,571

(5) Net Assets

In accordance with MPLT's accounting policies, gains and losses on investments are allocated to principal. Additionally, a portion of transfers in from the CNMI government is specifically designated as an increase in principal. Movement in principal and interest accounts for the years ended September 30, 2009 and 2008, is summarized as follows:

	Principal	Income	2009	2008 (As Restated)
General Fund				
Balance at beginning of year, as restated	$ 58,438,779	$ -	$ 58,438,779	$ 66,545,461
Net increase (decrease) in the fair value of investments	3,392,184	-	3,392,184	(7,182,245)
Other operating net income	(155,361)	2,013,563	1,858,202	5,395,159
Transfers	-	(2,013,563)	(2,013,563)	(6,319,596)
Balance at end of year	$ 61,675,602	$ -	$ 61,675,602	$ 58,438,779
Park Fund				
Balance at beginning of year	$ 7,178,988	$ 175,562	$ 7,354,550	$ 8,176,084
Net increase (decrease) in the fair value of investments	317,198	-	317,198	(876,280)
Other operating net income	-	262,741	262,741	273,318
Transfers	-	(219,768)	(219,768)	(218,572)
Balance at end of year	$ 7,496,186	$ 218,535	$ 7,714,721	$ 7,354,550

(6) Contributions To/From Primary Government

In accordance with Article XI of the Constitution of the CNMI, MPLT makes operating transfers out to the CNMI general fund from investment income. During the years ended September 30, 2009 and 2008, MPLT recorded $2,013,563 and $2,219,596, respectively, for transfers out to the CNMI general fund, of which $1,700,000 and $-0-, respectively, was offset against a note receivable from CUC.

(6) Contributions To/From Primary Government, Continued

Pursuant to a claim made by the CNMI Government, which took exception to Public Law 10-29, the MPLT Board of Trustees concluded that since $4,100,000 was included as a revenue source in the 2009 Commonwealth Budget, and was subsequently adopted by the Legislature, that Public Law 10-29 had effectively been nullified which gave rise to an obligation. MPLT took the position that instead of principal, the sum of $4,100,000 constituted net interest income and that Public Law 10-29 could not convert into principal, by legislation, what was compelled by the Constitution to be interest income. The Board of Trustees approved the transfer of $4,100,000 from restricted principal net assets to restricted income net assets and MPLT recorded a due to CNMI general fund and a related transfer out of $4,100,000 as of and for the year ended September 30, 2008.

Article XI, Section 5g, of the CNMI Constitution requires that all monies received from public lands be transferred promptly to MPLT except for amounts necessary to meet reasonable expenses of administration. In accordance with Article XI, the CNMI Department of Public Lands (DPL) transferred $-0- and $3,500,000 to MPLT during the years ended September 30, 2009 and 2008, respectively.

In accordance with Article VIII, Section 803(e) of the Covenant, MPLT makes operating transfers out for the development and maintenance of the American Memorial Park. During the years ended September 30, 2009 and 2008, MPLT recorded $219,768 and $218,572, respectively, for transfers out for this purpose.

(7) Risk Management

MPLT is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. MPLT has elected to purchase commercial insurance from independent third parties for the risks of losses to which it is exposed with respect to the use of motor vehicles. Settled claims have not exceeded this commercial insurance coverage during the past three years.

(8) Related Parties

A Trustee of MPLT (who became a Trustee in fiscal year 2009) has a home loan outstanding of $120,429 and $-0- as of September 30, 2009 and 2008, respectively, and the Legal Counsel of MPLT has a home loan outstanding of $81,928 and $89,840 as of September 30, 2009 and 2008, respectively. The home loans were obtained in the ordinary course of business and are classified as notes receivable in the accompanying financial statements.

(9) Commitment

In accordance with the addendum of memorandum of agreement between the CNMI and the U.S. Department of the Interior for development and management of the American Memorial Park, MPLT is obligated to contribute $150,000 annually, to the extent of available income, for development and maintenance of the American Memorial Park.

(10) Contingency

In accordance with the Settlement Agreement with NMHC, MPLT will assume liability for the repayment of certain Service Released Loans, totaling $1,672,102, for and on behalf of NMHC in the form of guarantees to certain financial institutions. At September 30, 2009, total contingent liabilities amounted to $1,404,138.

(11) Restatement

During the year ended September 30, 2009, the Board of Trustees determined that the amount due to CNMI Government and net contribution to the CNMI General Fund/American Memorial Park were misstated by $4,100,000 as of and for the year ended September 30, 2008 as follows:

	As Originally Stated	As Restated
Due to CNMI Government	$ 433,521	$ 4,533,521
Net contribution to the CNMI General Fund/ American Memorial Park	$ 2,438,168	$ 6,538,168

(12) Subsequent Event

On June 30, 2010, Public Law 17-7 was enacted to amend Public Law 16-7 and to earmark and appropriate from future interest income distributions of fiscal years 2009, 2010, 2012 and additional future fiscal years until the note receivable from CUC (of which $1,800,000 was outstanding at September 30, 2009) and an advance of $4,000,000 to the CNMI General Fund (transferred on June 30, 2010) is fully reimbursed.

MARIANAS PUBLIC LAND TRUST

Combining Statement of Net Assets
September 30, 2009

ASSETS	General Fund	Park Fund	Eliminations	Total
Current assets:				
Cash and cash equivalents	$ 18,757,809	$ 1,783,731	$ -	$ 20,541,540
Receivables:				
Notes, current portion	236,343	120,000	-	356,343
Accrued income	228,544	21,591	-	250,135
Other	6,877	-	-	6,877
Due from other funds	33,781	-	(33,781)	-
Due from brokers	186,174	13,396	-	199,570
Prepaid expense	24,593	-	-	24,593
Total current assets	19,474,121	1,938,718	(33,781)	21,379,058
Other assets:				
Investments	40,548,730	4,557,372	-	45,106,102
Total other assets	40,548,730	4,557,372	-	45,106,102
Noncurrent assets:				
Notes receivable, net of current portion and allowance for loan losses	6,353,679	1,254,243	-	7,607,922
Capital assets (net of accumulated depreciation)	333,931	-	-	333,931
Total noncurrent assets	6,687,610	1,254,243	-	7,941,853
	$ 66,710,461	$ 7,750,333	$ (33,781)	$ 74,427,013
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable	$ 31,342	$ 1,831	$ -	$ 33,173
Due to other funds	-	33,781	(33,781)	-
Due to CNMI Government	4,430,390	-	-	4,430,390
Due to brokers	234,134	-	-	234,134
Accrued expenses	5,062	-	-	5,062
Total liabilities	4,700,928	35,612	(33,781)	4,702,759
Net assets:				
Invested in capital assets	333,931	-	-	333,931
Restricted	61,675,602	7,714,721	-	69,390,323
Total net assets	62,009,533	7,714,721	-	69,724,254
	$ 66,710,461	$ 7,750,333	$ (33,781)	$ 74,427,013

See Accompanying Independent Auditors' Report.

MARIANAS PUBLIC LAND TRUST

Combining Statement of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2009

	General Fund	Park Fund	Eliminations	Total
Operating revenues:				
Net increase in the fair value of investments	$ 3,392,184	$ 317,198	$ -	$ 3,709,382
Interest income:				
Investments	2,060,455	199,960	-	2,260,415
Notes receivable	427,921	92,900	-	520,821
Other	675	-	-	675
Dividend income	288,667	35,945	-	324,612
	6,169,902	646,003	-	6,815,905
Less provision for Home Loan Program	(172,000)	-	-	(172,000)
Operating revenues, net	5,997,902	646,003	-	6,643,905
Operating expenses:				
Money manager fees	147,384	16,607	-	163,991
Loan administration fee	135,246	-	-	135,246
Consultancy fees	93,910	9,970	-	103,880
Salaries and benefits	81,330	10,080	-	91,410
Money management administration	66,839	8,261	-	75,100
Office supplies	64,542	7,977	-	72,519
Contract services	59,580	7,370	-	66,950
Professional fees	38,515	-	-	38,515
Rent and utilities	22,926	2,833	-	25,759
Trustees' expenses	23,796	1,504	-	25,300
Depreciation	18,262	-	-	18,262
Audit	11,826	1,462	-	13,288
Total operating expenses	764,156	66,064	-	830,220
Operating income	5,233,746	579,939	-	5,813,685
Other nonoperating expenses:				
Net contribution to the CNMI General Fund/American Memorial Park	(2,013,563)	(219,768)	-	(2,233,331)
Total nonoperating expenses	(2,013,563)	(219,768)	-	(2,233,331)
Change in net assets	3,220,183	360,171	-	3,580,354
Net assets at beginning of year	58,789,350	7,354,550	-	66,143,900
Net assets at end of year	$ 62,009,533	$ 7,714,721	$ -	$ 69,724,254

See Accompanying Independent Auditors' Report.

Combining Statement of Cash Flows
Year Ended September 30, 2009

	General Fund	Park Fund	Eliminations	Total
Cash flows from operating activities:				
Cash received from operations	$ 3,245,500	$ 395,970	$ -	$ 3,641,470
Cash payments to suppliers for goods and services	(755,931)	(93,715)	-	(849,646)
Net cash provided by operating activities	2,489,569	302,255	-	2,791,824
Cash flows from noncapital financing activities:				
Net contribution	(313,563)	(219,768)	-	(533,331)
Net cash used for noncapital financing activities	(313,563)	(219,768)	-	(533,331)
Cash flows from capital and related financing activities:				
Acquisition of property and equipment	(1,622)	-	-	(1,622)
Net cash used for capital and related financing activities	(1,622)	-	-	(1,622)
Cash flows from investing activities:				
Net decrease in notes receivable	141,965	120,000	-	261,965
Net decrease in restricted assets	13,495,534	961,699	-	14,457,233
Net cash provided by investing activities	13,637,499	1,081,699	-	14,719,198
Net increase in cash and cash equivalents	15,811,883	1,164,186	-	16,976,069
Cash and cash equivalents at beginning of year	2,945,926	619,545	-	3,565,471
Cash and cash equivalents at end of year	$ 18,757,809	$ 1,783,731	$ -	$ 20,541,540
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 5,233,746	$ 579,939	$ -	$ 5,813,685
Adjustments to reconcile operating income to net cash provided by operating activities:				
Net increase in fair value of investments	(3,392,184)	(317,198)	-	(3,709,382)
Depreciation	18,262	-	-	18,262
Provision for Home Loan Program	172,000	-	-	172,000
(Increase) decrease in assets:				
Receivable - accrued income	168,569	10,829	-	179,398
Other receivable	(4,866)	-	-	(4,866)
Due from CNMI Government	-	6,868	-	6,868
Due from other funds	13,054	-	(13,054)	-
Due from brokers	291,025	56,336	-	347,361
Prepaid expense	(17,781)	-	-	(17,781)
Increase (decrease) in liabilities:				
Accounts payable	(27,685)	33	-	(27,652)
Due to other funds	-	(13,054)	13,054	-
Due to CNMI Government	(103,131)	-	-	(103,131)
Payable to brokers	141,452	(21,498)	-	119,954
Accrued expenses	(2,892)	-	-	(2,892)
Net cash provided by operating activities	$ 2,489,569	$ 302,255	$ -	$ 2,791,824

Supplemental schedule of noncash operating, financing and investing activities:

Pursuant to Public Law 16-7, MPLT applied the $1,700,000 required income distribution to the CNMI General Fund for the year ended September 30, 2009 as repayment of CUC's note receivable.

	General Fund	Park Fund	Eliminations	Total
Decrease in notes receivable	$ (1,700,000)	$ -	$ -	$ (1,700,000)
Increase in net contribution	1,700,000	-	-	1,700,000
	$ -	$ -	$ -	$ -

See Accompanying Independent Auditors' Report.

Schedule of Investments - General Fund
September 30, 2009

Equities	Cost	Fair Value
Common Stock		
Ace Limited	$ 109,658	$ 128,304
Adobe Systems Inc. (DE)	133,900	125,552
Allstate Corp	112,217	143,914
American Tower Corp	107,557	131,040
Amgen Inc	128,212	120,460
Apple Inc	547,796	846,123
AT&T Inc	126,752	140,452
Bank of America Corp	154,867	233,496
Capital One Finl Corp	100,865	196,515
Celgene Corp	114,206	134,160
Cisco Sys Inc	248,910	357,808
CVS Caremark Corp	277,062	279,308
Dow Chemical Co	271,190	310,233
Express Scripts Inc	331,589	403,416
Freeport McMoran Copper & Gold	194,394	363,633
Gilead Sciences Inc	407,067	390,600
Goldman Sachs Group Inc	315,347	645,225
Google Inc	613,804	725,428
Hewlett Packard Co	494,407	561,799
Intel Corp	137,107	207,442
Intl Business Machines Corp	469,190	598,050
JP Morgan Chase & Co	379,215	657,300
Kohls Corp	107,529	142,625
Medco Health Solutions Inc	268,687	331,860
Merck & Co Inc	232,828	335,278
Metlife Inc	96,366	152,280
Microsoft Corp	295,979	411,520
Occidental Petroleum Corp	332,387	431,200
Oracle Corp	135,071	125,040
Philip Morris Intl Inc	339,196	346,054
Praxair Inc	142,767	163,380
Qualcomm Inc	127,829	121,446
Staples Inc	182,866	199,692
State Street Corp	133,403	131,500
Target Corp	271,616	364,104
Transocean Ltd Switzerland	312,266	359,226
Union Pacific Corp	293,563	379,275
United Technologies Corp	292,756	359,487
Vale S A Spon Adr	147,753	252,117
Visa Inc	161,081	172,775
Wal-Mart Stores Inc	158,117	127,634
Walt Disney Co	99,428	134,554
Weatherford International Ltd.-Chf	123,666	120,234
Wellpoint Inc	272,217	251,008
Yahoo Inc	136,275	140,699
Subtotal - Atalanta Sosnoff	10,438,958	13,253,246
ABB Ltd Spons Adr	97,486	91,683
Allianz SE Adr	76,955	48,610
America Movil S.A.B. De Cv	52,110	38,132
Atlas Copco Ab Spon Adr	32,685	40,820
Axa S.A. Spons Adr	71,277	71,547
Banco Bilbao Vizcaya-Sp Adr	89,889	80,744
Barclays Plc-Adr	113,595	78,792
Bayer A G Sponsored Adr	70,822	61,248

See Accompanying Independent Auditors' Report.

Schedule of Investments - General Fund
September 30, 2009

Equities, Continued	Cost	Fair Value
Common Stock, Continued		
BG Group Plc Spon Adr	49,044	63,561
BNP Paribas Spon Adr	102,100	112,336
BHP Billiton Ltd Spons Adr	71,765	107,596
British American Tobacco Plc Adr	49,909	43,959
CNOOC Ltd Spons Adr	22,262	21,533
Canon Inc Adr	71,615	75,981
China Life Insurance Co Ltd-Sponsored Adr	26,154	35,483
China Mobile Ltd Sponsored Adr	30,624	29,957
Credit Suisse Group Adr	23,717	28,660
DBS Group Hldg Ltd Sp Adr	98,460	69,351
ENI Spa Sponsored Adr	89,079	76,869
E. On AG Spons Adr	147,452	108,715
Fomento Economico Mexicano S.A.B. De Cv Spons Adr	34,647	48,514
GDF Suez - Eur	51,919	34,557
Glaxosmithkline Plc Sp Adr	60,246	52,548
HSBC Hldg Plc Sp Adr	133,421	137,984
Honda Motor Co. Ltd. Adr	53,649	60,620
Imperial Tobacco Group Plc Sponsored Adr	43,877	44,832
Ing Groep NV Spons Adr	126,388	84,693
Komatsu Ltd Adr	79,025	59,442
Kubota Ltd Adr	22,387	21,937
LVMH Moet Hennessy Louis Vuitton, Paris-Eur Adr	25,397	40,905
Lafarge Spons Adr New Lafarge Coppee	127,673	95,260
Marks & Spencer Group Plc Sponsored Adr	37,720	46,200
Mitsubishi Corp Spons Adr	135,030	106,392
Mitsubishi Est Co Ltd Adr	58,146	41,080
Mitsubishi UFJ Financial Group Inc Adr	84,059	57,859
National Grid Plc Gbp Spons Adr	44,028	32,711
Nestle S A Sponsored Adr	106,799	130,418
Nidec Corporation Spon Adr	39,166	46,759
Nintendo Co Ltd Adr	74,438	47,671
Nokia Corp Sponsored Adr	98,436	57,091
Nomura Holdings Inc Adr	85,788	42,993
Novartis AG Adr	82,341	82,119
Petrobras	42,182	49,343
Prudential Plc Adr	46,426	69,933
RWE AG Spons Adr	55,001	41,110
Reed Elsevier NV	61,710	46,511
Rio Tinto Plc - Gbp	63,485	44,957
Roche Hldg Ltd. Spon Adr	79,254	84,448
Royal Dutch Shell Plc Adr	107,630	80,066
Sanofi-Aventis Spons Adr	88,142	80,182
Sap AG Spons Adr	75,402	78,436
Siemens AG Spons Adr	145,044	127,355
Sony Corp Spon Adr	72,229	49,348
Sumitomo Mitsui Finl Group Inc Adr	100,600	38,171
Taiwan Semiconductor Mfg Co Ltd Adr	24,818	29,767
Telefonica S.A. Spon Adr	111,002	106,539
Tesco Plc Sponsored Adr	107,643	98,740
Teva Pharmaceutical Inds Ltd Adr	41,631	47,779
Total S.A. Spons Adr	142,208	139,854
Toyota Motor Corp Adr	73,388	54,213
Vale S A Spon Adr	57,956	65,805
Vodafone Group Plc Spons Adr	146,643	116,843
WPP Plc Adr	79,627	65,744

See Accompanying Independent Auditors' Report.

Schedule of Investments - General Fund
September 30, 2009

	Cost	Fair Value	Ratings
Equities, Continued			
Common Stock, Continued			
Wolters Kluwer N V Sp Adr	56,251	55,083	
Zurich Fincl Svcs Spon Adr	69,084	75,169	
Subtotal - JP Morgan	4,838,936	4,303,558	
Total Common Stock	15,277,894	17,556,804	
Total Equities	15,277,894	17,556,804	
Fixed Income Securities			
Mortgage and Asset Backed Securities			
Caterpillar Financial Asset Tr @ 5.340%, due 06/25/12	133,154	136,007	AAA
CS First Boston Mortg SEC Corp @ 6.133%, due 03/15/12	384,331	396,262	AAA
FHLMC PL#A39210 @ 5.500%, due 10/01/35	795,647	822,317	no rating
FHLMC PL#A47758 @ 5.000%, due 11/01/35	771,109	822,636	no rating
FHLMC PL#A87388 @ 5.000%, due 07/01/39	355,556	359,415	no rating
FHLMC PL#E20222 @ 6.500%, due 02/01/11	3,850	2,391	no rating
FHLMC PL#G11736 @ 5.000%, due 06/01/20	59,722	62,649	no rating
FHLMC PL#G12213 @ 5.500%, due 03/01/21	155,436	171,506	no rating
FHLMC PL#G12333 @ 4.500%, due 06/01/21	468,320	523,503	no rating
FHLMC PL#G12580 @ 5.000%, due 09/01/21	183,705	191,987	no rating
FHLMC PL#G13174 @ 5.000%, due 06/01/23	443,465	444,979	no rating
FNMA PL#603265 @ 5.500%, due 09/01/16	18,173	18,501	no rating
FNMA PL#725414 @ 4.500%, due 05/01/19	31,464	34,764	no rating
FNMA PL#739168 @ 5.500%, due 09/01/18	21,380	20,093	no rating
FNMA PL#743002 @ 5.500%, due 10/01/18	23,357	15,478	no rating
FNMA PL#745506 @ 5.849%, due 02/01/16	449,246	498,459	no rating
FNMA PL#904529 @ 6.500%, due 01/01/37	528,403	542,789	no rating
FNMA PL#922270 @ 5.500%, due 12/01/36	758,107	792,706	no rating
FNMA PL#931195 @ 4.500%, due 05/01/24	491,614	491,858	no rating
FNMA PL#942285 @ 6.000%, due 08/01/37	326,444	340,192	no rating
FNMA PL#966123 @ 6.000%, due 10/01/37	1,138,654	1,174,131	no rating
FNMA PL#AA9592 @ 6.000%, due 01/01/39	416,544	420,530	no rating
GE Capital Commercial Mtg Corp @ 6.531%, due 3/15/11	301,689	312,633	AAA
Greenwich Cap Coml Fdg Corp @ 4.305%, due 08/10/42	205,751	217,898	AAA
JP Morgan Chase Coml Mtg Secs @ 4.625%, due 03/15/46	206,206	208,338	AAA
LB-UBS Commercial Mtg Trust @ 6.226%, due 05/15/11	15,740	14,269	AAA
LB-UBS Commercial Mortgage Tr @ 5.124%, due 11/15/32	153,801	157,767	AAA
L-UBS Commercial Mtg Trust @ 5.594%, due 06/15/31	178,719	182,556	AAA
Salomon Bros Mtg Sec VII @ 6.499%, due 10/13/2011	125,665	134,315	AAA
Wachovia Bk Coml Mtg Tr @ 4.980%, due 10/15/12	142,266	153,597	AAA
Wachovia Bank Comm Mort Trust @ 4.748%, due 02/15/41	384,913	407,634	AAA
Total Mortgage and Asset Backed Securities - Richmond	9,672,431	10,072,160	
Government and Government Sponsored Entity (GSE) Bonds			
U.S. Treasury Bonds @ 4.750%, due 02/15/37	387,269	401,681	AAA
U.S. Treasury Notes @ 3.500%, due 02/15/18	254,271	255,333	AAA
U.S. Treasury Notes @ 2.750%, due 02/15/19	220,185	224,260	AAA
Total Government Bonds - Richmond	861,725	881,274	

See Accompanying Independent Auditors' Report.

Schedule of Investments - General Fund
September 30, 2009

Fixed Income Securities, Continued	Cost	Fair Value	Ratings
Government and Government Sponsored Entity (GSE) Bonds, Continued			
Federal Home Loan Bank @ 5.500%, due 08/13/14	139,948	141,680	AAA
Federal Home Loan MTG Corp @ 4.500%, due 01/15/15	181,002	179,231	AAA
Federal Home Loan MTG Corp @ 3.750%, due 03/27/19	285,066	285,180	AAA
Federal Home Loan MTG Corp @ 6.750%, due 03/15/31	42,153	45,795	AAA
Total GSE Bonds - Richmond	648,169	651,886	
Total Government and GSE Bonds - Richmond	1,509,894	1,533,160	
Corporate Bonds			
Aetna Inc. @ 5.750%, due 06/15/2011	149,837	157,970	A-
Alcoa Inc. @ 7.375%, due 08/01/10	101,454	103,494	BBB-
Abbott Laboratories @ 5.875%, due 05/15/16	155,753	172,760	AA
Aflac Inc @ 8.500%, due 05/15/19	115,072	131,128	A-
Allstate Corp. @ 5.000%, due 08/15/14	211,292	231,900	A-
American Express @ 4.875%, due 07/15/13	141,134	149,412	BBB+
American Express @ 7.300%, due 08/20/13	140,081	155,259	BBB+
Anheuser Busch Cos I @ 6.750%, due 12/15/27	103,511	110,580	BBB+
AT&T Inc @ 6.400%, due 05/15/38	90,414	95,540	A
Bank of America Corp Global @ 4.875%, due 09/15/12	391,204	410,712	A
Bank New York Co Inc @ 4.950%, due 03/15/15	149,116	165,174	A+
BB&T Corp @ 4.750%, due 10/01/12	100,388	109,511	A-
BB&T Corp @ 5.200%, due 12/23/15	142,415	154,721	A-
Bear Stearns Co Inc @ 5.700%, due 11/15/14	103,860	107,109	A+
Becton Dickinson & Co @ 7.000%, due 08/01/27	139,235	157,474	AA-
Bestfoods Inc @ 6.625%, due 04/15/28	102,226	118,418	A+
Boeing Co @ 7.250%, due 06/15/25	55,633	59,922	A
Bristol Myers Squibb Co @ 6.800%, due 11/15/26	53,804	60,785	A+
Burlington Northern Santa Fe @ 6.150%, due 05/01/37	47,853	55,498	BBB
Campbell Soup Co Global Notes @ 8.875%, due 05/01/21	86,974	95,399	A
Caterpillar Inc @ 5.700%, due 8/15/16	74,846	80,224	A
Chubb Corp. @ 5.750%, due 05/15/18	150,805	164,535	A+
CitiGroup Inc @ 5.500%, due 04/11/13	57,340	61,310	A
CitiGroup Inc @ 6.125%, due 11/21/17	103,092	114,178	A
Coca-Cola Enterprises @ 8.500%, due 02/01/22	75,300	80,732	A
Cooper US Fin Inc @ 6.100%, due 07/01/17	181,238	198,875	A
Conoco Inc. @ 6.950%, due 04/15/29	103,748	111,488	A
Consolidated Nat Gas @ 6.250%, due 11/01/11	110,569	118,602	A-
CSX Corporation @ 6.300%, due 03/15/12	136,953	146,502	BBB-
Dover Corporation @ 6.500%, due 02/15/11	277,181	292,980	A
Dover Corporation @ 6.600%, due 03/15/38	73,699	85,066	A
Duke Energy Corp. @ 7.375%, due 03/01/10	110,609	112,853	A-
Eaton Corp. @ 5.600%, due 05/15/18	158,736	168,242	A-
Equitable Cos Inc. @ 7.000%, due 04/01/28	102,661	87,860	A+
Federal Express Corp Debs @ 9.650%, due 06/15/12	66,333	70,099	BBB
FPL Group Capital Inc. @ 7.875%, due 12/15/15	110,000	134,389	A-
Florida Power Corp @ 5.800%, due 09/15/17	100,092	110,646	A-
General Dynamics Corp @ 4.250%, due 05/15/13	141,458	158,868	A
General Elec Cap Corp @ 4.875%, due 10/21/10	59,832	61,871	AA+
General Elec Cap Cor @ 0.000%, due 11/01/12	148,155	166,495	AA+
General Electric Capital Corp @ 00.645%, due 04/10/12	163,382	192,664	AA+
Goldman Sachs Group Inc. @ 6.600%, due 01/15/12	67,879	70,582	A
Goldman Sachs Group @ 5.150%, due 01/15/14	194,473	215,238	A
Grand Met Invt Corp. @ 9.000%, due 08/15/11	179,228	191,169	A-
Halliburton Co @ 5.900%, due 09/15/18	60,704	65,849	A

See Accompanying Independent Auditors' Report.

Schedule of Investments - General Fund
September 30, 2009

Fixed Income Securities, Continued	Cost	Fair Value	Ratings
Corporate Bonds, Continued			
Hersheys Food Corp @ 4.850%, due 08/15/15	230,628	252,934	A
Home Depot Inc Global @ 5.400%, due 03/01/16	98,335	104,549	BBB+
Honeywell Intl Inc @ 5.400%, due 03/15/16	193,760	217,480	A
Household Finance Corp @ 8.000%, due 07/15/10	101,122	104,554	A
IBM Corp @ 4.750%, due 11/29/12	94,566	108,163	A+
JP Morgan Chase & Co @ 5.375%, due 01/15/14	196,180	212,700	A+
Key Bank N A @ 5.700%, due 08/15/12	25,519	24,614	BBB+
Key Bank NA @ 4.950%, due0 9/15/15	93,610	91,480	A-
Kimberly Clark Corp @ 5.625 due 02/15/12	164,510	177,462	A
Kimberly Clark @ 6.625%, due 08/01/37	44,924	55,526	A
Kraft Foods Inc @ 6.125%, due 08/23/18	122,585	132,586	BBB+
Lincoln Natl Corp. @ 6.200%, due 12/15/11	201,700	209,112	A-
McDonald's Corp @ 5.300%, due 03/15/17	163,114	178,185	A
Mellon Funding @ 5.000%, due 12/01/14	124,657	140,037	A+
Merrill Lynch & Co. @ 5.000%, due 02/03/14	70,410	70,358	A
Metlife Inc. @ 6.125%, due 12/01/11	186,685	198,831	A-
Metlife Inc. @ 5.000%, due 06/15/15	77,086	83,544	A-
Michigan Bell Tel Co @ 7.850%, due 01/15/22	47,220	45,948	A
Morgan Stanley Dean Witter @ 6.750%, due 04/15/11	46,630	47,982	A
News America Holding Inc @ 8.500%, due 02/23/25	115,745	110,534	BBB+
Occidental Petroleum Cor @ 4.125%, due 06/01/16	146,964	154,280	A
Ohio Power Co @ 5.750%, due 09/01/13	209,832	225,750	BBB
Pepsi Bottling Group Inc. @ 7.000%, due 03/01/29	53,641	61,968	A
Pfizer Inc @ 6.200%, due 03/15/19	109,889	123,985	AAA
Phillips Pete Corp @ 9.375%, due 02/15/11	41,351	44,122	A
PNC Funding Corp @ 5.625%, due 02/01/17	129,006	127,919	A-
Sara Lee Corp @ 6.125%, due 11/01/32	42,228	40,718	BBB+
St. Paul Companies Inc. Sr Notes @ 8.125%, due 04/15/10	59,710	62,039	A-
Suntrust Banks Inc. @ 6.000%, due 02/15/26	51,630	39,616	BBB
Sysco Corporation @ 6.500%, due 08/01/28	101,843	116,027	A+
Travelers Cos Inc @ 5.750%, due 12/15/17	157,454	175,382	A-
Union Pacific Corp @ 7.875%, due 01/15/19	67,460	74,390	BBB
United Parcel Svc Amer Inc @ 8.375%, due 04/01/20	89,528	98,644	AA-
Verizon New England Inc. @ 6.500%, due 09/15/11	98,331	102,148	A
Verizon Communications @ 5.500%, due 02/15/18	74,817	78,634	A
Virginia Electric PO @ 8.875%, due 11/15/38	118,275	135,137	A-
Wachovia Corp. @ 4.875%, due 02/15/14	123,479	132,422	A+
Wachovia Corp @ 6.605%, due 10/01/25	67,104	58,585	A+
Wal-Mart Stores Global @ 4.500%, due 07/01/15	178,519	204,607	AA
Walt Disney Co @ 5.875%, due 12/15/17	90,432	99,187	A
Walt Disney Co @ 6.375%, due 03/01/12	91,335	98,825	A
Wells Fargo Co. @ 6.375%, due 08/01/11	198,554	203,612	A+
Wisc Elec Power @ 6.250%, due 12/01/15	160,752	183,976	A-
Wisconsin Pwr & Lt Co @ 6.375%, due 08/15/37	99,431	113,971	A-
Total Corporate Bonds - Richmond	10,550,120	11,386,606	
Total Fixed Income Securities	21,732,445	22,991,926	
Total Equities and Fixed Income Securities	$ 37,010,339	$ 40,548,730	

See Accompanying Independent Auditors' Report.

MARIANAS PUBLIC LAND TRUST

SCHEDULE 1B

Schedule of Investments - Park Fund
September 30, 2009

Equities	Cost	Fair Value
Common Stock		
Adobe Systems Inc. (DE)	$ 21,142	$ 19,824
Apple Inc	43,230	79,886
AT&T Inc	19,493	21,608
Bank of America Corp	22,360	33,840
Capital One Finl Corp	14,671	28,584
Celgene Corp	14,511	16,770
Cisco Sys Inc	23,349	32,956
CVS Caremark Corp	12,657	15,547
Dow Chemical Co	29,748	33,891
Express Scripts Inc	39,745	46,548
Freeport McMoran Copper & Gold	24,822	41,166
Gilead Sciences Inc	43,112	41,850
Goldman Sachs Group Inc	36,981	73,740
Google Inc	75,544	92,228
Hewlett Packard Co	46,624	56,652
Intel Corp	13,008	19,570
Intl Business Machines Corp	44,457	59,805
JP Morgan Chase & Co	38,112	61,348
Kohls Corp	17,206	22,820
Medco Health Solutions Inc	36,256	44,248
Merck & Co Inc	32,961	47,445
Metlife Inc	9,637	15,228
Microsoft Corp	36,051	48,868
Occidential Petroleum Corp	35,855	47,040
Oracle Corp	20,261	18,756
Philip Morris Intl Inc	45,065	46,303
Praxair Inc	28,477	32,676
Qualcomm Inc	18,938	17,992
Staples Inc	25,527	27,864
State Street Corp	21,344	21,040
Target Corp	24,964	32,676
Transocean Ltd Switzerland	45,579	51,318
Union Pacific Corp	39,834	52,515
United Technologies Corp	44,100	54,837
Vale S A Spon Adr	21,696	37,008
Visa Inc	25,726	27,644
Walt Disney Co	23,890	30,206
Weatherford International Ltd.-Chf	17,057	16,584
Wellpoint Inc	31,084	28,416
Subtotal - Atalanta Sosnoff	1,165,074	1,497,297
ABB Ltd. Spons Adr	17,176	16,633
Allianz SE Adr	11,194	8,798
America Movil S.A.B. De Cv Ser L Spons Adr	7,839	6,575
Atlas Copco Ab Spons Adr	6,034	6,825
Axa S.A. Spons Adr	12,688	13,255
Banco Bilbao Vizcaya-Sp Adr	15,550	14,754
BG Group Plc Spon Adr	9,865	10,884
BNP Paribas Spon Adr	18,291	19,411
Barclays Plc-Adr	18,250	14,964
Bayer A G Sponsored Adr	11,204	10,440
BHP Billiton Ltd Spons Adr	15,273	19,143
British American Tobacco Plc Adr	6,882	7,906
CNOOC Ltd Spons Adr	4,121	4,063
Canon Inc Adr	13,095	13,597

See Accompanying Independent Auditors' Report.

Schedule of Investments - Park Fund
September 30, 2009

Equities, Continued	Cost	Fair Value
Common Stock, Continued		
China Life Insurance Co Ltd-Sponsored Adr	5,403	6,242
China Mobile Ltd Sponsored Adr	5,516	5,402
Credit Suisse Group Adr	4,786	5,008
DBS Group Hldg Ltd Sp Adr	14,754	12,387
ENI Spa Sponsored Adr	15,987	14,805
E. On Ag Spons Adr	22,918	19,573
Fomento Economico Mexicano S.A.B. De Cv Spons Adr	6,993	8,942
GDF Suez-Eur	7,323	5,752
Glaxosmithkline Plc Sp Adr	9,781	9,087
HSBC Hldg Plc Sp Adr	24,893	24,947
Honda Motor Co. Ltd. Adr	9,588	10,154
Imperial Tobacco Group Plc Sponsored Adr	7,790	7,964
Ing Groep NV Spons Adr	17,952	14,799
Komatsu Ltd Adr	12,480	10,468
Kubata Ltd Adr	3,927	3,725
Lafarge Spons Adr New Lafarge Coppee	19,313	16,552
LVMH Moet Hennessy Louis Vuitton, Paris-Eur Adr	5,743	7,290
Marks & Spencer Group Plc Sponsored Adr	7,712	8,374
Mitsubishi Corp Spons Adr	22,626	19,747
Mitsubishi Est Co. Ltd Adr	9,238	7,441
Mitsubishi UFJ Financial Group Inc Adr	12,929	10,413
National Grid Plc Gbp Spons Adr	6,790	5,752
Nestle S A Sponsored Adr	21,259	23,480
Nidec Corporation Spon Adr	7,599	8,437
Nintendo Co Ltd Adr	11,303	8,524
Nokia Corp Sponsored Adr	13,802	10,015
Nomura Holdings Inc Adr	12,452	8,568
Novartis Ag Adr	14,581	14,862
Petrobras	8,456	8,721
Prudential Plc Adr	9,557	12,519
RWE AG Spons Adr	7,802	6,712
Reed Elsevier NV	9,689	8,294
Rio Tinto Plc-Gbp	12,411	10,217
Roche Hldg Ltd Spon Adr	14,560	15,225
Royal Dutch Shell Plc Adr	17,026	14,297
Sanofi-Aventis Spons Adr	14,355	13,671
Sap AG Spons Adr	13,616	13,928
Siemens A G Spons Adr	24,214	22,775
Sony Corp Spon Adr	10,273	8,030
Sumitomo Mitsui Finl Group Inc Adr	13,051	7,170
Taiwan Semiconductor Mfg Co Ltd Adr	4,678	5,261
Telefonica S.A. Spon Adr	18,892	18,655
Tesco Plc Sponsored Adr	19,169	18,826
Teva Pharmaceutical Inds Ltd Adr	7,531	8,090
Total S.A. Spons Adr	25,583	25,778
Toyota Motor Corp Adr	11,213	9,350
Vale S A Spon Adr	11,090	12,028
Vodafone Group Plc Spons Adr	24,215	21,037
WPP Plc Adr	13,265	11,817
Wolters Kluwer N V Sp Adr	9,596	9,607
Zurich Fincl Svcs Spon Adr	12,540	13,419
Subtotal - JP Morgan	815,682	771,385
Total Common Stock	1,980,756	2,268,682
Total Equities	1,980,756	2,268,682

See Accompanying Independent Auditors' Report.

MARIANAS PUBLIC LAND TRUST

SCHEDULE 1B

Schedule of Investments - Park Fund
September 30, 2009

Fixed Income Securities	Cost	Fair Value	Ratings
Mortgage and Asset Backed Securities			
Bear Stears Commercial Mort SE @ 5.186%, due 09/11/13	26,578	25,910	AAA
CS First Boston Mortg SEC Corp @ 6.133% 03/15/12	46,120	47,552	AAA
Chase Issuance Trust @ 4.550%, due 03/15/13	30,471	31,326	AAA
FHLMC PL#A39210 @ 5.500%, due 10/01/35	82,880	85,658	no rating
FHLMC PL#A47758 @ 5.000%, due 11/01/35	46,266	49,358	no rating
FHLMC PL#E63380 @ 6.500%, due 03/01/11	328	314	no rating
FHLMC PL#A87388 @ 5.000%, due 07/01/39	76,191	77,017	no rating
FHLMC PL#G11736 @ 5.000%, due 06/01/20	29,861	31,324	no rating
FHLMC PL#G12333 @ 4.500%, due 06/01/21	42,065	47,021	no rating
FHLMC PL#G13174 @ 5.000%, due 06/01/23	50,131	50,302	no rating
FHLMC PL#G13468 @ 4.500%, due 03/01/24	44,994	45,200	no rating
FNMA PL#603265 @ 5.500%, due 09/01/16	2,726	2,775	no rating
FNMA PL#725414 @ 4.500%, due 05/01/19	17,699	19,555	no rating
FNMA PL#739168 @ 5.500%, due 09/01/18	3,563	3,349	no rating
FNMA PL#743002 @ 5.500%, due 10/01/18	3,893	2,580	no rating
FNMA PL#745506 @ 5.849%, due 02/01/16	47,289	52,469	no rating
FNMA PL#831831 @ 6.000%, due 09/01/36	34,028	35,632	no rating
FNMA PL#922270 @ 5.500%, due 12/01/36	68,298	71,415	no rating
FNMA PL#931195 @ 4.500%, due 05/01/24	47,729	47,753	no rating
FNMA PL#966123 @ 6.000%, due 10/01/37	126,517	130,459	no rating
GE Capital Commercial Mtg Corp @ 6.531% 03/15/11	20,469	20,842	AAA
GNMA PL#782379X @ 6.000%, due 08/15/38	25,878	27,249	no rating
Greenwich Cap Commercial Fund @ 4.533%, due 07/05/10	24,766	25,521	AAA
JP Morgan Chase Commer Mtg Sec @ 4.767%, due 03/12/13	29,255	30,981	AAA
L-UBS Commercial Mtg Trust @ 5.594%, due 06/15/31	25,487	26,080	AAA
Morgan Stanley Capital I @ 4.970%, 12/15/41	33,681	34,493	AAA
Wachovia Bk Coml Mtg Tr @ 4.980%, due 10/15/12	14,142	15,360	AAA
Total Mortgage and Asset Backed Securities - Richmond	1,001,305	1,037,495	
Government and Government Sponsored Entity (GSE) Bonds			
U.S. Treasury Bonds @ 4.750%, due 02/15/37	44,051	44,631	AAA
U.S. Treasury Notes @ 3.375%, due 07/31/13	25,274	26,480	AAA
U.S. Treasury Notes @ 3.500%, due 02/15/18	35,473	35,747	AAA
U.S. Treasury Notes @ 2.750%, due 02/15/19	9,605	9,543	AAA
Federal Home Loan Bank @ 5.500%, due 08/13/14	44,845	45,338	AAA
Federal Natl Mtg Assn @ 5.000%, due 03/15/16	27,030	27,609	AAA
Total Government and GSE Bonds - Richmond	186,278	189,348	
Corporate Bonds			
Abbott Laboratories @ 5.875%, due 05/15/16	9,940	11,146	AA
Ace Ina Holdings @ 5.600%, due 05/15/15	10,245	10,822	A-
Aetna Inc Notes @ 5.750%, due 06/15/2011	10,084	10,531	A-
Aflac Inc @ 8.500%, due 05/15/19	10,461	11,921	A-
Alcoa Inc. @ 7.375%, due 08/01/10	15,218	15,524	BBB-
Allstate Corp @ 5.000%, due 08/15/14	28,813	31,623	A-
American Express Co Notes @ 4.875%, due 07/15/13	9,733	10,304	BBB+
American Express Global @ 6.150%,due 08/28/17	9,974	10,504	BBB+
American Express Co @ 8.150%, due 03/19/38	9,963	12,203	BBB+
Atlantic Richfield @ 8.500%, due 04/01/12	5,445	5,801	AA
AT&T Broadband Corp @ 9.455%, due 11/15/22	12,008	12,850	BBB+
Bank of New York Mellon @ 5.450%, due 05/15/19	10,053	10,810	AA-
BB&T Corp. @ 5.200%, due 12/23/15	14,197	15,472	A-
BB&T Corp. @ 4.900%, due 06/30/17	9,314	9,842	A-

See Accompanying Independent Auditors' Report.

Schedule of Investments - Park Fund
September 30, 2009

Fixed Income Securities, Continued	Cost	Fair Value	Ratings
Corporate Bonds, Continued			
Becton Dickinson & Co. @ 7.000%, due 08/01/27	5,306	6,057	AA-
Bell South Telecommunications @ 6.375%, due 06/01/28	9,113	10,545	A
Bestfoods Inc @ 6.625%, due 04/15/28	10,454	11,842	A+
Boeing Co. @ 7.250%, due 06/15/25	11,127	11,984	A
Boeing Capital Corp Notes @ 7.375%, due 09/27/10	15,332	15,824	A
Burlington Northern Santa Fe @ 6.150%, due 05/01/37	4,785	5,550	BBB
Campbell Soup Co. @ 8.875%, due 05/01/21	6,212	6,814	A
Caterpillar Inc. @ 5.700%, due 08/15/16	9,979	10,696	A
Chubb Corp. @ 6.600%, due 08/15/18	5,048	5,753	A+
Citigroup Inc. @ 5.500%, due 04/11/13	9,557	10,218	A
Coca Cola Enterprises Inc. @ 6.950%, due 11/15/26	5,656	6,112	A
Cooper US Fin Inc @ 6.100%, due 07/01/17	10,069	11,049	A
Conoco Inc @ 6.950%, due 04/15/29	5,426	5,868	A
ConocoPhillips @ 5.750%, due 02/01/19	4,989	5,447	A
Consolidated Nat Gas @ 6.250%, due 11/01/11	10,052	10,782	A-
Costco Wholesale Cor @ 5.500%, due 03/15/17	20,262	21,867	A
CSX Corporation @ 6.300%, due 03/15/12	10,081	10,852	BBB-
Devon Energy Corp @ 6.300%, due 01/15/19	20,147	22,066	BBB+
Dover Corporation @ 6.500%, due 02/15/11	25,198	26,635	A
Duke Energy Corp. @ 7.375%, due 03/01/10	5,028	5,130	A-
Eaton Corp. @ 5.600%, due 05/15/18	14,881	15,773	A-
Emerson Electric Co @ 4.875%, due 10/15/19	15,161	15,872	A
Equitable Cos Inc. @ 7.000%, due 04/01/28	9,644	8,786	A+
Federal Express Corp @ 9.650%, due 06/15/12	11,056	11,683	BBB
Florida Power Corp 1st Mtg @ 5.800%, due 09/15/17	10,009	11,065	A-
General Dynamics Corp @ 4.250%, due 05/15/13	9,431	10,591	A
General Elec Cap Corp Global @ 5.450%, due 01/15/13	26,022	31,616	AA+
General Elec Capital Corp @ 4.750%, due 09/15/14	4,884	5,133	AA+
Goldman Sachs Group @ 6.600%, due 01/15/12	5,221	5,429	A
Goldman Sachs Group Inc @ 5.625%, due 01/15/17	19,095	20,149	A-
Grand Met Invt Corp @ 9.000%, due 08/15/11	16,036	16,968	A-
Halliburton Co @ 5.900%, due 09/15/18	10,117	10,975	A
Heinz (H.J.) Co. @ 6.375%, due 07/15/28	5,135	5,355	BBB
Hershey Company @ 5.450%, due 09/01/16	15,001	16,054	A
Household Finance Corp @ 8.000%, due 07/15/10	10,112	10,455	A
IBM Corp @ 4.750%, due 11/29/12	14,185	16,224	A+
JP Morgan Chase & Co @ 5.375% 1/15/14	14,713	15,952	A+
Key Bank N A @ 5.700%, due 08/15/12	5,104	4,923	BBB+
Key Bank NA @ 4.950%, due 09/15/15	14,041	13,722	A-
Kimberly Clark @ 6.625%, due 08/01/37	4,992	6,170	A
Kraft Foods Inc. @ 6.125%, due 08/23/18	9,807	10,607	BBB+
Lincoln Natl Corp @ 6.200%, due 12/15/11	15,128	15,683	A-
M & T Bk Corp @ 5.375%, due 05/24/12	23,188	25,751	A-
McDonalds Corp-Reg @ 8.875%, due 04/01/11	26,663	27,752	A
Mellon Funding @ 5.000%, due 12/01/14	9,998	10,772	A+
Merrill Lynch & Co. Inc. @ 5.000%, due 02/03/14	10,062	10,051	A
Metlife Inc. @ 6.125%, due 12/01/11	20,182	21,495	A-
Metlife Inc. @ 5.000%, due 06/15/15	9,636	10,443	A-
Morgan Stanley Global Sub @ 4.750%, due 04/01/14	27,815	29,779	A-
News America Holding Inc @ 8.500%, due 02/23/25	11,508	11,053	BBB+
Occidental Petroleum Cor @ 4.125%, due 06/01/16	9,798	10,285	A
Ohio Power Co @ 5.750%, due 09/01/13	14,988	16,125	BBB
Phillips Pete Corp Notes-Reg @ 9.375%, due 02/15/11	10,338	11,030	A
PNC Funding Corp @ 5.625%, due 02/01/17	9,923	9,840	A-
Sara Lee Corp @ 6.125%, due 11/01/32	5,278	5,090	BBB+

See Accompanying Independent Auditors' Report.

Schedule of Investments - Park Fund
September 30, 2009

Fixed Income Securities, Continued	Cost	Fair Value	Ratings
Corporate Bonds, Continued			
Suntrust Banks Inc @ 6.000%, due 02/15/26	10,496	7,923	BBB
Sysco Corporation @ 6.500%, due 08/01/28	10,184	11,603	A+
Travelers Cos Inc @ 5.750%, due 12/15/17	9,772	10,961	A-
Union Pacific Corp @ 7.875%, due 01/15/19	11,243	12,398	BBB
United Parcel Service @ 6.200%, due 01/15/38	10,293	11,687	AA-
United Technologies Corp @ 8.875%, due 11/15/19	12,877	13,413	A
US Bank NA @ 4.800%, due 04/15/15	4,789	5,282	A+
US Bank NA @ 6.375%, due 08/01/11	20,843	21,606	A+
Verizon Communications @ 5.500%, due 02/15/18	9,976	10,485	A
Verizon New England Inc @ 6.500%, due 09/15/11	10,351	10,752	A
Virginia Electric PO @ 8.875%, due 11/15/38	6,225	7,112	A-
Wal-Mart Stores Global @ 4.500%, due 07/01/15	13,975	16,153	AA
Walt Disney Company @ 5.875%, due 12/15/17	10,048	11,021	A
Walt Disney Company @ 6.375%, due 03/01/12	15,222	16,471	A
Wachovia Corp. @ 4.875%, due 02/15/14	9,424	10,186	A+
Wisconsin Pwr & Lt Co @ 6.375%, due 08/15/37	4,972	5,699	A-
Total Corporate Bonds - Richmond	989,111	1,061,847	
Total Fixed Income Securities	2,176,694	2,288,690	
Total Equities and Fixed Income Securities	$ 4,157,450	$ 4,557,372	

See Accompanying Independent Auditors' Report.

MARIANAS PUBLIC LAND TRUST

SCHEDULE 2

Schedule of Administrative Expenses
Compared to Budget
Year Ended September 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
Money manager fees	$ 163,011	$ 163,991	$ (980)
Loan administration	135,765	135,246	519
Consultancy fees	103,880	103,880	-
Salaries and benefits	92,292	91,410	882
Money management administration	73,756	75,100	(1,344)
Office supplies	68,832	72,519	(3,687)
Contract services	67,000	66,950	50
Professional fees	36,055	38,515	(2,460)
Rent and utilities	26,716	25,759	957
Trustees' expenses	31,525	25,300	6,225
Depreciation	18,519	18,262	257
Audit	13,200	13,288	(88)
Total	$ 830,551	$ 830,220	$ 331

See Accompanying Independent Auditors' Report.