

THE TOWNHOMES AT RED HAWK HOA

APRIL 30, 2008

|                          |    | ASSETS     |            |
|--------------------------|----|------------|------------|
| CASH                     |    |            |            |
| 1010 CASH-BANK OF CHOICE | \$ | 25,080.84  |            |
| 1030 RES-DAIN RAUSCHER   |    | 231,591.01 |            |
|                          |    | -----      |            |
| TOTAL CASH               |    |            | 256,671.85 |
| ACCOUNTS RECEIVABLE      |    |            |            |
| 1110 DUES RECEIVABLE     |    | 35,162.27  |            |
|                          |    | -----      |            |
| TOTAL RECEIVABLES        |    |            | 35,162.27  |
|                          |    |            | -----      |
| TOTAL CURRENT ASSETS     |    |            | 291,834.12 |
|                          |    |            | -----      |
| TOTAL ASSETS             |    |            | 291,834.12 |
|                          |    |            | =====      |

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APRIL 30, 2008

LIABILITIES

|                          |           |           |
|--------------------------|-----------|-----------|
| ACCOUNTS PAYABLE         |           |           |
| 2115 PREPAID ASSESSMENTS | 13,477.18 |           |
|                          | -----     |           |
| TOTAL LIABILITIES        |           | 13,477.18 |
|                          |           | -----     |

|                           |             |            |
|---------------------------|-------------|------------|
| EQUITY                    |             |            |
| 2935 RETAINED EARNINGS    | 141,531.95  |            |
| 2940 CURRENT EARNINGS     | 50,911.20   |            |
| 2941 CURRENT EARNINGS     | (50,911.20) |            |
| 2950 RESERVE FUND-PRIOR   | 85,913.79   |            |
| 2955 RESERVE FUND-CURRENT | 99,112.08   |            |
| 2965 OPERATING FD-CURRENT | (48,200.88) |            |
|                           | -----       |            |
| TOTAL EQUITY              |             | 278,356.94 |
|                           |             | -----      |

|                          |  |            |
|--------------------------|--|------------|
| TOT LIABILITY AND EQUITY |  | 291,834.12 |
|                          |  | =====      |

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Budget Comparison Report  
 APRIL 30, 2008  
 PREPARED BY

WESTERN STATES PROPERTY SERVICES, INC.

|                           | BUDGET       | ACTUAL       | CURR. VARIANCE | YTD BUDGET    | YTD ACTUAL    | YTD VARIANCE |
|---------------------------|--------------|--------------|----------------|---------------|---------------|--------------|
| INCOME                    |              |              |                |               |               |              |
| 5110 ASSESSMENTS          | \$ 35,000.00 | \$ 35,000.00 | \$ 0.00        | \$ 140,000.00 | \$ 140,000.00 | \$ 0.00      |
| 5210 LATE FEE CHARGE      | 0.00         | 400.00       | 400.00         | 0.00          | 1,225.00      | 1,225.00     |
| 5215 NSF FEE              | 0.00         | 20.00        | 20.00          | 0.00          | 120.00        | 120.00       |
| 5220 COLLECTION COST REC  | 750.00       | 1,261.84     | 511.84         | 3,000.00      | 3,947.91      | 947.91       |
| 5245 INTEREST INCOME      | 0.00         | 0.00         | 0.00           | 0.00          | 33.08         | 33.08        |
| 5450 TRANSFERS TO RESERVE | (3,800.00)   | (3,800.00)   | 0.00           | (15,200.00)   | (97,395.46)   | (82,195.46)  |
| TOTAL INCOME              | 31,950.00    | 32,881.84    | 931.84         | 127,800.00    | 47,930.53     | (79,869.47)  |
| EXPENSES                  |              |              |                |               |               |              |
| 7030 MANAGEMENT FEES      | 2,000.00     | 2,000.00     | 0.00           | 8,000.00      | 8,000.00      | 0.00         |
| 7040 LEGAL FEES           | 0.00         | 6.52         | (6.52)         | 500.00        | 138.24        | 361.76       |
| 7045 LEGAL COLLECTIONS    | 750.00       | 1,498.32     | (748.32)       | 3,000.00      | 3,329.01      | (329.01)     |
| 7055 AUDIT FEES           | 1,500.00     | 0.00         | 1,500.00       | 1,500.00      | 0.00          | 1,500.00     |
| 7060 PRINTING & COPYING   | 130.00       | 371.07       | (241.07)       | 520.00        | 684.94        | (164.94)     |
| 7062 POSTAGE              | 0.00         | 27.22        | (27.22)        | 0.00          | 121.27        | (121.27)     |
| 7086 BAD DEBT EXPENSE     | 5,000.00     | 2,758.35     | 2,241.65       | 5,000.00      | 2,758.35      | 2,241.65     |
| 7090 MISC ADMINISTRATIVE  | 50.00        | 41.00        | 9.00           | 200.00        | 164.00        | 36.00        |
| TOTAL ADMINISTRATIVE      | 9,430.00     | 6,702.48     | 2,727.52       | 18,720.00     | 15,195.81     | 3,524.19     |
| 7130 INSURANCE            | 0.00         | 0.00         | 0.00           | 6,250.00      | 0.00          | 6,250.00     |
| TOTAL TAXES & INSURANCE   | 0.00         | 0.00         | 0.00           | 6,250.00      | 0.00          | 6,250.00     |
| 7230 BLDG & FACILITY RPR  | 2,000.00     | 0.00         | 2,000.00       | 8,000.00      | (176.36)      | 8,176.36     |
| 7250 LIGHT MAINTENANCE    | 50.00        | 0.00         | 50.00          | 200.00        | 311.43        | (111.43)     |
| 7270 ROOF REPAIRS         | 400.00       | 0.00         | 400.00         | 1,600.00      | 730.00        | 870.00       |
| 7290 OTHER BUILDING MAINT | 50.00        | 0.00         | 50.00          | 200.00        | 1,410.00      | (1,210.00)   |

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|--------------------------|-----------|-----------|----------------|------------|-------------|--------------|
| TOTAL BUILDING MAINT     | 2,500.00  | 0.00      | 2,500.00       | 10,000.00  | 2,275.07    | 7,724.93     |
| 7320 ELECTRIC            | 890.00    | 711.89    | 178.11         | 3,560.00   | 3,134.21    | 425.79       |
| 7370 WATER/SEWER         | 12,000.00 | 11,027.08 | 972.92         | 48,000.00  | 48,913.88   | (913.88)     |
| 7380 TRASH REMOVAL       | 1,785.00  | 1,647.14  | 137.86         | 7,140.00   | 6,627.21    | 512.79       |
| TOTAL UTILITIES          | 14,675.00 | 13,386.11 | 1,288.89       | 58,700.00  | 58,675.30   | 24.70        |
| 7410 LANDSCAPE MAINT     | 0.00      | 59.76     | (59.76)        | 0.00       | 59.76       | (59.76)      |
| 7415 LANDSCAPE CONTRACT  | 3,594.00  | 3,080.00  | 514.00         | 14,376.00  | 12,320.00   | 2,056.00     |
| 7430 TREE/SHRUB INSTALL  | 0.00      | 45.00     | (45.00)        | 8,476.00   | 45.00       | 8,431.00     |
| 7440 SPRINKLER SYS MAINT | 1,000.00  | 0.00      | 1,000.00       | 2,000.00   | 0.00        | 2,000.00     |
| 7520 DOG STATION MAINT   | 200.00    | 0.00      | 200.00         | 800.00     | 195.00      | 605.00       |
| 7525 PEST CONTROL        | 150.00    | 0.00      | 150.00         | 300.00     | 0.00        | 300.00       |
| 7630 SNOW REMOVAL        | 0.00      | 0.00      | 0.00           | 13,000.00  | 7,365.47    | 5,634.53     |
| 7690 MISC LANDSCAPE      | 200.00    | 0.00      | 200.00         | 800.00     | 0.00        | 800.00       |
| TOTAL LANDSCAPE MAINT.   | 5,144.00  | 3,184.76  | 1,959.24       | 39,752.00  | 19,985.23   | 19,766.77    |
| TOTAL EXPENSES           | 31,749.00 | 23,273.35 | 8,475.65       | 133,422.00 | 96,131.41   | 37,290.59    |
| NET PROFIT/LOSS          | 201.00    | 9,608.49  | 9,407.49       | (5,622.00) | (48,200.88) | (42,578.88)  |

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WESTERN STATES PROPERTY SERVICES, INC.

|                          | BUDGET   | ACTUAL   | CURR. VARIANCE | YTD BUDGET | YTD ACTUAL   | YTD VARIANCE |
|--------------------------|----------|----------|----------------|------------|--------------|--------------|
| RESERVE REVENUE          |          |          |                |            |              |              |
| 9200 TRANSFER TO RESERVE | \$ 0.00  | \$ 0.00  | \$ 0.00        | \$ 0.00    | \$ 82,195.46 | \$ 82,195.46 |
| 9210 PAINTING            | 2,400.00 | 2,400.00 | 0.00           | 9,600.00   | 9,600.00     | 0.00         |
| 9225 ASPHALT             | 200.00   | 200.00   | 0.00           | 800.00     | 800.00       | 0.00         |
| 9230 ROOFS/GUTTERS       | 200.00   | 200.00   | 0.00           | 800.00     | 800.00       | 0.00         |
| 9250 CONCRETE            | 200.00   | 200.00   | 0.00           | 800.00     | 800.00       | 0.00         |
| 9265 EMERGENCY CONT      | 800.00   | 800.00   | 0.00           | 3,200.00   | 3,200.00     | 0.00         |
| 9350 INTEREST INCOME     | 0.00     | 1,102.02 | 1,102.02       | 0.00       | 1,736.62     | 1,736.62     |
| TOTAL REVENUE            | 3,800.00 | 4,902.02 | 1,102.02       | 15,200.00  | 99,132.08    | 83,932.08    |
| EXPENSE                  |          |          |                |            |              |              |
| 9570 BANK CHARGES        | 0.00     | 0.00     | 0.00           | 0.00       | 20.00        | (20.00)      |
| TOTAL EXPENSES           | 0.00     | 0.00     | 0.00           | 0.00       | 20.00        | (20.00)      |
| EXCESS/LOSS OF RESERVES  | 3,800.00 | 4,902.02 | 1,102.02       | 15,200.00  | 99,112.08    | 83,912.08    |