

**UNAUDITED REPORT
PREPARED BY
HAMMERSMITH MANAGEMENT, INC.**

**Budget Variance Report
For Period Ending 09/30/2010
Level of Detail - Account**

Sep Act	Sep Bud	Sep Var	Account	YTD Actual	YTD Budget	YTD Var	Tot Budget
REVENUE							
INCOME							
0	0	0	ASSESSMENTS	230,400	230,400	0	307,200
-1,075	0	-1,075	OTHER INCOME	20	0	20	0
531	625	-94	LATE FEES INCOME	7,392	5,625	1,767	7,500
1,195	850	345	LEGAL FEES-COLLECTION INCOME	5,303	7,500	-2,197	10,000
0	0	0	LEGAL FEES-REIMB PRIOR YR	-75	0	-75	0
250	0	250	FINES/VIOLATIONS INCOME	925	0	925	0
0	0	0	LIEN FILING FEE - PRIOR YEAR	-100	0	-100	0
0	100	-100	LIEN FILING FEE	300	900	-600	1,200
0	0	0	SOCIAL INCOME	0	500	-500	500
0	0	0	NEWSLETTER REVENUE	685	660	25	1,000
-128	0	-128	WORKING CAPITAL	0	0	0	0
773	1,575	-802	TOTAL INCOME	244,850	245,585	-735	327,400
773	1,575	-802	TOTAL REVENUE	244,850	245,585	-735	327,400
EXPENSES							
ADMINISTRATIVE EXPENSES							
2,730	2,797	67	MANAGEMENT	24,573	25,173	600	33,570
0	0	0	LEGAL-GENERAL	3,265	4,000	735	5,000
1,195	850	-345	LEGAL-COLLECTION	5,478	7,500	2,022	10,000
0	100	100	LEGAL COLLECTION-UNREMIB	0	900	900	1,200
0	0	0	LIEN FILING	300	0	-300	0
0	0	0	LIEN FILING - PRIOR YEAR	100	0	-100	0
645	375	-270	LATE FEE EXPENSE	4,260	3,375	-885	4,500
0	0	0	INSURANCE	0	0	0	1,800
2,460	0	-2,460	AUDIT	2,460	2,460	0	2,460
0	0	0	INCOME TAX	100	5,000	4,900	5,000
141	665	524	ADMINISTRATIVE EXPENSE	5,020	5,985	965	8,000
98	650	552	POSTAGE	3,272	3,750	478	5,000
270	200	-70	COPIES	2,289	1,900	-389	2,500
500	0	-500	NEWSLETTER	5,093	8,000	2,907	12,000
35	40	5	BANK CHARGES	355	330	-25	450
6,862	1,000	-5,862	SOCIAL	10,884	10,000	-884	13,820
0	0	0	BAD DEBT EXPENSE	317	2,000	1,683	2,000
0	83	83	COVENANT COMMITTEE	0	750	750	1,000
900	900	0	COVENANT PATROL	8,025	8,100	75	10,800
0	83	83	DESIGN REVIEW COMMITTEE	0	750	750	1,000
0	1,000	1,000	COMMON AREA	5,686	9,000	3,314	12,000
0	83	83	SAFETY COMMITTEE	0	750	750	1,000
0	83	83	FINANCE COMMITTEE	109	750	641	1,000
1,314	42	-1,272	MISCELLANEOUS EXPENSE	1,455	378	-1,077	500
17,150	8,951	-8,199	TOTAL ADMINISTRATIVE EXPENSES	83,041	100,851	17,810	134,600
BUILDING MAINTENANCE							
0	0	0	LIGHTING	0	0	0	5,500
0	0	0	TOTAL BUILDING MAINTENANCE	0	0	0	5,500
GROUNDS MAINTENANCE							
1,283	1,666	383	LANDSCAPE CONTRACT	11,908	14,994	3,086	20,000
3,245	1,000	-2,245	SPRINKLER REPAIRS	14,239	7,500	-6,739	7,500
0	0	0	PLANTS, TREES & SHRUBS	190	0	-190	0

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**Budget Variance Report
For Period Ending 09/30/2010
Level of Detail - Account**

Sep Act	Sep Bud	Sep Var	Account	YTD Actual	YTD Budget	YTD Var	Tot Budget
10,100	10,167	67	TRASH REMOVAL	100,998	91,503	-9,495	122,000
0	0	0	SNOW REMOVAL	6,226	9,000	2,774	12,000
14,628	12,833	-1,795	TOTAL GROUNDS MAINTENANCE	133,561	122,997	-10,564	161,500
			UTILITIES				
90	150	60	GAS & ELECTRICITY	1,191	1,350	159	1,800
3,968	3,500	-468	WATER & SEWER	19,591	20,000	409	24,000
4,058	3,650	-408	TOTAL UTILITIES	20,782	21,350	568	25,800
35,836	25,434	-10,402	TOTAL EXPENSES	237,384	245,198	7,814	327,400
-35,063	-23,859	-11,204	NET OPERATING INCOME	7,466	387	7,079	0
			RESERVE REVENUE				
			OTHER REVENUE/EXPENSES				
0	0	0	INSURANCE CLAIM PROCEEDS	780	0	780	0
0	0	0	TOTAL OTHER REVENUE/EXPENSES	780	0	780	0
			RESERVE REVENUE				
225	0	225	INTEREST - RESERVES	2,579	0	2,579	0
225	0	225	TOTAL RESERVE REVENUE	2,579	0	2,579	0
225	0	225	TOTAL RESERVE REVENUE	3,359	0	3,359	0
			RESERVE EXPENSES				
			RESERVE EXPENSES				
11,765	0	-11,765	RESERVE EXPENSE-FENCE	11,765	0	-11,765	0
5,939	0	-5,939	RESERVE EXPENSE-LANDSCAPE	5,939	0	-5,939	0
-1,075	0	1,075	RESERVE EXPENSE-IRRIGATION	4,324	0	-4,324	0
0	0	0	RESERVE EXPENSE-COMMON AREA	3,693	0	-3,693	0
16,629	0	-16,629	TOTAL RESERVE EXPENSES	25,721	0	-25,721	0
16,629	0	-16,629	TOTAL RESERVE EXPENSES	25,721	0	-25,721	0
-51,467	-23,859	-27,608	NET INCOME	-14,896	387	-15,283	0

**UNAUDITED REPORT
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**BALANCE SHEET
For Period Ending 09/30/2010
Level of Detail - Account**

Account

As Of 09/30/2010

ASSETS**CURRENT ASSETS**

OPERATING CHECKING - US BANK	61,010.22
RESERVES-1ST BANK # 0625	90,351.58
RESERVES-1ST BANK # 3013	86,672.14
RESERVES-1ST BANK # 0162	70,649.86
RESERVES-1ST BANK # 1737	85,703.54
RESERVES-1ST BANK # 6659	85,831.31
RESERVES-1ST BANK # 8835	86,930.02
ACCOUNTS RECEIVABLE	22,967.21
ALLOWANCE FOR DOUBTFUL ACCT	(4,500.00)

TOTAL CURRENT ASSETS**585,615.88****OTHER ASSETS**

PREPAID EXPENSES	1,195.00
DEPOSITS	50.00

TOTAL OTHER ASSETS**1,245.00****TOTAL ASSETS****586,860.88****LIABILITIES****CURRENT LIABILITIES**

ACCOUNTS PAYABLE	22,455.70
PREPAID ASSESSMENTS	35,047.95
INCOME TAX PAYABLE	2,881.00

TOTAL CURRENT LIABILITIES**60,384.65****TOTAL LIABILITIES****60,384.65****EQUITY****CAPITAL**

FUND BALANCE RETAINED	416,823.31
WORKING CAPITAL FUND	29,918.00
REPLACEMENT FUND EQUITY	94,631.00

TOTAL CAPITAL**541,372.31**

Current Year Net Income

(14,896.08)

TOTAL EQUITY**526,476.23****TOTAL LIABILITIES & EQUITY****586,860.88**

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**Income Statement
For Period Ending 09/30/2010
Level of Detail - Account**

Account	Sep Act	YTD Actual
REVENUE		
INCOME		
ASSESSMENTS	0.00	230,400.00
OTHER INCOME	-1,074.75	20.00
LATE FEES INCOME	531.03	7,391.88
LEGAL FEES-COLLECTION INCOME	1,195.00	5,302.84
LEGAL FEES-REIMB PRIOR YR	0.00	-75.00
FINES/VIOLATIONS INCOME	250.00	925.00
LIEN FILING FEE - PRIOR YEAR	0.00	-100.00
LIEN FILING FEE	0.00	300.00
SOCIAL INCOME	0.00	0.00
NEWSLETTER REVENUE	0.00	685.00
WORKING CAPITAL	-128.00	0.00
TOTAL INCOME	773.28	244,849.72
TOTAL REVENUE	773.28	244,849.72
EXPENSES		
ADMINISTRATIVE EXPENSES		
MANAGEMENT	2,730.30	24,572.70
LEGAL-GENERAL	0.00	3,264.50
LEGAL-COLLECTION	1,195.00	5,477.84
LEGAL COLLECTION-UNREMIB	0.00	0.00
LIEN FILING	0.00	300.00
LIEN FILING - PRIOR YEAR	0.00	100.00
LATE FEE EXPENSE	645.00	4,260.00
INSURANCE	0.00	0.00
AUDIT	2,460.00	2,460.00
INCOME TAX	0.00	100.00
ADMINISTRATIVE EXPENSE	140.63	5,019.84
POSTAGE	98.11	3,271.69
COPIES	270.45	2,288.56
NEWSLETTER	500.00	5,093.01
BANK CHARGES	35.00	355.00
SOCIAL	6,862.33	10,883.82
BAD DEBT EXPENSE	0.00	317.48
COVENANT COMMITTEE	0.00	0.00
COVENANT PATROL	900.00	8,025.00
DESIGN REVIEW COMMITTEE	0.00	0.00
COMMON AREA	0.00	5,685.62
SAFETY COMMITTEE	0.00	0.00
FINANCE COMMITTEE	0.00	108.88
MISCELLANEOUS EXPENSE	1,313.86	1,455.23
TOTAL ADMINISTRATIVE EXPENSES	17,150.68	83,039.17
BUILDING MAINTENANCE		
LIGHTING	0.00	0.00
TOTAL BUILDING MAINTENANCE	0.00	0.00
GROUNDS MAINTENANCE		
LANDSCAPE CONTRACT	1,283.00	11,907.74
SPRINKLER REPAIRS	3,245.02	14,239.39
PLANTS, TREES & SHRUBS	0.00	190.00