

Budget Variance Report
For Period Ending 05/31/2007
Level of Detail - Account

| May Act | May Bud | May Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|--------------------------------|---------------|---------------|--------------------------------------|----------------|----------------|---------------|----------------|
| REVENUE | | | | | | | |
| INCOME | | | | | | | |
| 0 | 0 | 0 | ASSESSMENTS | 83,934 | 77,580 | 6,354 | 155,160 |
| 0 | 0 | 0 | ASSESSMENTS-TOWNHOME & | 6,174 | 12,348 | -6,174 | 24,696 |
| 0 | 0 | 0 | APARTMENT ASSESSMENT | 6,570 | 13,140 | -6,570 | 26,280 |
| 0 | 0 | 0 | OTHER INCOME | -26 | 0 | -26 | 0 |
| 322 | 500 | -178 | LATE FEES INCOME | 5,717 | 2,500 | 3,217 | 6,000 |
| 0 | 0 | 0 | LATE FEES INTEREST INCOME | 97 | 0 | 97 | 0 |
| 204 | 500 | -296 | LEGAL FEES-COLLECTION INCOME | 2,037 | 2,500 | -463 | 6,000 |
| 0 | 0 | 0 | LEGAL FEES-REIMB PRIOR YR | -18 | 0 | -18 | 0 |
| 0 | 0 | 0 | FINES/VIOLATIONS INCOME | -50 | 0 | -50 | 0 |
| 100 | 0 | 100 | LIEN FILING FEE | 100 | 0 | 100 | 0 |
| 626 | 1,000 | -374 | TOTAL INCOME | 104,535 | 108,068 | -3,533 | 218,136 |
| 626 | 1,000 | -374 | TOTAL REVENUE | 104,535 | 108,068 | -3,533 | 218,136 |
| EXPENSES | | | | | | | |
| ADMINISTRATIVE EXPENSES | | | | | | | |
| 2,088 | 2,088 | 0 | MANAGEMENT | 10,440 | 10,440 | 0 | 25,056 |
| 677 | 200 | -477 | LEGAL-GENERAL | 1,073 | 1,000 | -73 | 2,400 |
| 415 | 500 | 85 | LEGAL-COLLECTION | 2,200 | 2,500 | 300 | 6,000 |
| 210 | 350 | 140 | LATE FEE EXPENSE | 1,770 | 1,750 | -20 | 4,200 |
| 0 | 0 | 0 | INSURANCE | 0 | 0 | 0 | 1,500 |
| 0 | 0 | 0 | AUDIT | 0 | 1,500 | 1,500 | 1,500 |
| 0 | 0 | 0 | INCOME TAX | 1,389 | 300 | -1,089 | 300 |
| 643 | 400 | -243 | ADMINISTRATIVE EXPENSE | 2,185 | 2,000 | -185 | 4,800 |
| 90 | 416 | 326 | POSTAGE/COPIES | 2,738 | 2,080 | -658 | 5,000 |
| 0 | 0 | 0 | DECORATIONS | 0 | 2,500 | 2,500 | 5,000 |
| 0 | 200 | 200 | BAD DEBT EXPENSE | 1,700 | 1,000 | -700 | 2,400 |
| 0 | 50 | 50 | COMMUNICATIONS COMMITTEE | 0 | 250 | 250 | 600 |
| 0 | 0 | 0 | MISCELLANEOUS EXPENSE | 0 | 500 | 500 | 2,000 |
| 4,123 | 4,204 | 81 | TOTAL ADMINISTRATIVE EXPENSES | 23,495 | 25,820 | 2,325 | 60,756 |
| GROUNDS MAINTENANCE | | | | | | | |
| 0 | 500 | 500 | GROUNDS / COMMON AREA | 785 | 2,500 | 1,715 | 6,000 |
| 0 | 5,825 | 5,825 | LANDSCAPE CONTRACT | 5,825 | 11,650 | 5,825 | 40,775 |
| 2,880 | 500 | -2,380 | LANDSCAPE IMPROVEMENTS | 4,886 | 1,000 | -3,886 | 2,500 |
| 381 | 750 | 369 | SPRINKLER REPAIRS | 381 | 1,500 | 1,119 | 4,000 |
| 0 | 0 | 0 | TREE SPRAYING | 1,977 | 4,000 | 2,023 | 4,000 |
| 0 | 0 | 0 | SNOW REMOVAL | 15,739 | 3,000 | -12,739 | 6,000 |
| 0 | 0 | 0 | VANDALISM REPAIRS | 0 | 200 | 200 | 800 |
| 0 | 400 | 400 | LIGHTING REPAIRS | 438 | 2,000 | 1,562 | 4,800 |
| 3,261 | 7,975 | 4,714 | TOTAL GROUNDS MAINTENANCE | 30,031 | 25,850 | -4,181 | 68,875 |
| UTILITIES | | | | | | | |
| 379 | 160 | -219 | GAS & ELECTRICITY | 2,063 | 1,640 | -423 | 3,600 |
| 140 | 12,000 | 11,860 | WATER & SEWER | 690 | 12,800 | 12,110 | 60,000 |
| 519 | 12,160 | 11,641 | TOTAL UTILITIES | 2,753 | 14,440 | 11,687 | 63,600 |
| RESERVE ADDITIONS | | | | | | | |

Budget Variance Report
For Period Ending 05/31/2007
Level of Detail - Account

| May Act | May Bud | May Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|------------------------|---------|---------|------------------------------|------------|------------|---------|------------|
| 2,000 | 2,000 | 0 | TRANSFERS TO RESERVES | 10,000 | 10,000 | 0 | 24,000 |
| 2,000 | 2,000 | 0 | TOTAL RESERVE ADDITIONS | 10,000 | 10,000 | 0 | 24,000 |
| 9,903 | 26,339 | 16,436 | TOTAL EXPENSES | 66,279 | 76,110 | 9,831 | 217,231 |
| -9,277 | -25,339 | 16,062 | NET OPERATING INCOME | 38,256 | 31,958 | 6,298 | 905 |
| RESERVE REVENUE | | | | | | | |
| RESERVE REVENUE | | | | | | | |
| 685 | 0 | 685 | INTEREST - RESERVES | 3,112 | 0 | 3,112 | 0 |
| 2,000 | 0 | 2,000 | RESERVES TRANSFER - CLEARING | 10,000 | 0 | 10,000 | 0 |
| 2,685 | 0 | 2,685 | TOTAL RESERVE REVENUE | 13,112 | 0 | 13,112 | 0 |
| 2,685 | 0 | 2,685 | TOTAL RESERVE REVENUE | 13,112 | 0 | 13,112 | 0 |
| -6,592 | -25,339 | 18,747 | NET INCOME | 51,368 | 31,958 | 19,410 | 905 |

BALANCE SHEET
For Period Ending 05/31/2007
Level of Detail - Account

UNAUDITED REPORT
PREPARED BY
HAMMERSMITH MANAGEMENT, INC.
As Of 05/31/2007

Account

ASSETS

| | |
|-------------------------------|-------------------|
| OPERATING CHECKING - US BANK | 19,811.22 |
| RESERVES - DAIN RAUSCHER | 169,916.26 |
| VALUATION ADJUST-MARKET VALUE | 138.40 |
| ACCOUNTS RECEIVABLE | 10,948.28 |
| ALLOWANCE FOR DOUBTFUL ACCT | (5,500.00) |
| ACCOUNTS RECEIVABLE-BUILDER | 19,247.95 |
| PREPAID INCOME TAX | 126.00 |
| ACCRUED INTEREST RECEIVABLE | 1,318.00 |
| PREPAID EXPENSES | 120.00 |
| DEPOSITS | 50.00 |
| TOTAL ASSETS | 216,176.11 |

LIABILITIES

| | |
|--------------------------|------------------|
| ACCOUNTS PAYABLE | 7,704.00 |
| PREPAID ASSESSMENTS | 21,775.94 |
| OTHER PAYABLES | 66.00 |
| TOTAL LIABILITIES | 29,545.94 |

EQUITY

| | |
|-------------------------|-------------------|
| FUND BALANCE RETAINED | (22,081.69) |
| WORKING CAPITAL FUND | 20,034.00 |
| REPLACEMENT FUND EQUITY | 137,308.71 |
| Current Year Net Income | 51,369.15 |
| TOTAL EQUITY | 186,630.17 |

TOTAL LIABILITIES & EQUITY

216,176.11

Income Statement
For Period Ending 05/31/2007
Level of Detail - Account

| Account | May Act | YTD Actual |
|--------------------------------------|-----------------|-------------------|
| REVENUE | | |
| INCOME | | |
| ASSESSMENTS | 0.00 | 83,934.00 |
| ASSESSMENTS-TOWNHOME & | 0.00 | 6,174.00 |
| APARTMENT ASSESSMENT | 0.00 | 6,570.00 |
| OTHER INCOME | 0.00 | -25.83 |
| LATE FEES INCOME | 321.60 | 5,716.77 |
| LATE FEES INTEREST INCOME | 0.00 | 97.25 |
| LEGAL FEES-COLLECTION INCOME | 203.50 | 2,036.99 |
| LEGAL FEES-REIMB PRIOR YR | 0.00 | -18.00 |
| FINES/VIOLATIONS INCOME | 0.00 | -50.00 |
| LIEN FILING FEE | 100.00 | 100.00 |
| TOTAL INCOME | 625.10 | 104,535.18 |
| TOTAL REVENUE | 625.10 | 104,535.18 |
| EXPENSES | | |
| ADMINISTRATIVE EXPENSES | | |
| MANAGEMENT | 2,088.00 | 10,440.00 |
| LEGAL-GENERAL | 676.50 | 1,072.50 |
| LEGAL-COLLECTION | 415.43 | 2,199.92 |
| LATE FEE EXPENSE | 210.00 | 1,770.00 |
| INSURANCE | 0.00 | 0.00 |
| AUDIT | 0.00 | 0.00 |
| INCOME TAX | 0.00 | 1,389.00 |
| ADMINISTRATIVE EXPENSE | 643.48 | 2,185.03 |
| POSTAGE/COPIES | 89.57 | 2,738.36 |
| DECORATIONS | 0.00 | 0.00 |
| BAD DEBT EXPENSE | 0.00 | 1,700.47 |
| COMMUNICATIONS COMMITTEE | 0.00 | 0.00 |
| MISCELLANEOUS EXPENSE | 0.00 | 0.00 |
| TOTAL ADMINISTRATIVE EXPENSES | 4,122.98 | 23,495.28 |
| GROUNDS MAINTENANCE | | |
| GROUNDS / COMMON AREA | 0.00 | 785.22 |
| LANDSCAPE CONTRACT | 0.00 | 5,824.75 |
| LANDSCAPE IMPROVEMENTS | 2,880.00 | 4,886.28 |
| SPRINKLER REPAIRS | 380.62 | 380.62 |
| TREE SPRAYING | 0.00 | 1,976.64 |
| SNOW REMOVAL | 0.00 | 15,738.75 |
| VANDALISM REPAIRS | 0.00 | 0.00 |
| LIGHTING REPAIRS | 0.00 | 437.73 |
| TOTAL GROUNDS MAINTENANCE | 3,260.62 | 30,029.99 |
| UTILITIES | | |
| GAS & ELECTRICITY | 378.56 | 2,062.84 |
| WATER & SEWER | 139.80 | 689.80 |
| TOTAL UTILITIES | 518.36 | 2,752.64 |
| RESERVE ADDITIONS | | |

Income Statement
For Period Ending 05/31/2007
Level of Detail - Account

UNAUDITED REPORT
 PREPARED BY
 HAMMERSMITH MANAGEMENT, INC.

| Account | May Act | YTD Actual |
|--------------------------------|------------------|------------------|
| TRANSFERS TO RESERVES | 2,000.00 | 10,000.00 |
| TOTAL RESERVE ADDITIONS | 2,000.00 | 10,000.00 |
| TOTAL EXPENSES | 9,901.96 | 66,277.91 |
| NET OPERATING INCOME | -9,276.86 | 38,257.27 |
| RESERVE REVENUE | | |
| RESERVE REVENUE | | |
| INTEREST - RESERVES | 684.98 | 3,111.88 |
| RESERVES TRANSFER - CLEARING | 2,000.00 | 10,000.00 |
| TOTAL RESERVE REVENUE | 2,684.98 | 13,111.88 |
| TOTAL RESERVE REVENUE | 2,684.98 | 13,111.88 |
| NET INCOME | -6,591.88 | 51,369.15 |

Budget Variance Report
For Period Ending 04/30/2007
Level of Detail - Account

| Apr Act | Apr Bud | Apr Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|--------------------------------|---------------|---------------|--------------------------------------|----------------|----------------|---------------|----------------|
| REVENUE | | | | | | | |
| INCOME | | | | | | | |
| 45,054 | 38,790 | 6,264 | ASSESSMENTS | 83,934 | 77,580 | 6,354 | 155,160 |
| 0 | 6,174 | -6,174 | ASSESSMENTS-TOWNHOME & | 6,174 | 12,348 | -6,174 | 24,696 |
| 0 | 6,570 | -6,570 | APARTMENT ASSESSMENT | 6,570 | 13,140 | -6,570 | 26,280 |
| 0 | 0 | 0 | OTHER INCOME | -26 | 0 | -26 | 0 |
| 1,515 | 500 | 1,015 | LATE FEES INCOME | 5,395 | 2,000 | 3,395 | 6,000 |
| 0 | 0 | 0 | LATE FEES INTEREST INCOME | 97 | 0 | 97 | 0 |
| 0 | 500 | -500 | LEGAL FEES-COLLECTION INCOME | 1,833 | 2,000 | -167 | 6,000 |
| 0 | 0 | 0 | LEGAL FEES-REIMB PRIOR YR | -18 | 0 | -18 | 0 |
| 0 | 0 | 0 | FINES/VIOLATIONS INCOME | -50 | 0 | -50 | 0 |
| 46,569 | 52,534 | -5,965 | TOTAL INCOME | 103,909 | 107,068 | -3,159 | 218,136 |
| 46,569 | 52,534 | -5,965 | TOTAL REVENUE | 103,909 | 107,068 | -3,159 | 218,136 |
| EXPENSES | | | | | | | |
| ADMINISTRATIVE EXPENSES | | | | | | | |
| 2,088 | 2,088 | 0 | MANAGEMENT | 8,352 | 8,352 | 0 | 25,056 |
| 144 | 200 | 56 | LEGAL-GENERAL | 396 | 800 | 404 | 2,400 |
| 0 | 500 | 500 | LEGAL-COLLECTION | 1,784 | 2,000 | 216 | 6,000 |
| 315 | 350 | 35 | LATE FEE EXPENSE | 1,560 | 1,400 | -160 | 4,200 |
| 0 | 0 | 0 | INSURANCE | 0 | 0 | 0 | 1,500 |
| 0 | 1,500 | 1,500 | AUDIT | 0 | 1,500 | 1,500 | 1,500 |
| 0 | 0 | 0 | INCOME TAX | 1,389 | 300 | -1,089 | 300 |
| 550 | 400 | -150 | ADMINISTRATIVE EXPENSE | 1,542 | 1,600 | 58 | 4,800 |
| 349 | 416 | 67 | POSTAGE/COPIES | 2,649 | 1,664 | -985 | 5,000 |
| 0 | 0 | 0 | DECORATIONS | 0 | 2,500 | 2,500 | 5,000 |
| 0 | 200 | 200 | BAD DEBT EXPENSE | 1,700 | 800 | -900 | 2,400 |
| 0 | 50 | 50 | COMMUNICATIONS COMMITTEE | 0 | 200 | 200 | 600 |
| 0 | 0 | 0 | MISCELLANEOUS EXPENSE | 0 | 500 | 500 | 2,000 |
| 3,446 | 5,704 | 2,258 | TOTAL ADMINISTRATIVE EXPENSES | 19,372 | 21,616 | 2,244 | 60,756 |
| GROUNDS MAINTENANCE | | | | | | | |
| 150 | 500 | 350 | GROUNDS / COMMON AREA | 785 | 2,000 | 1,215 | 6,000 |
| 5,825 | 5,825 | 0 | LANDSCAPE CONTRACT | 5,825 | 5,825 | 0 | 40,775 |
| 0 | 500 | 500 | LANDSCAPE IMPROVEMENTS | 2,006 | 500 | -1,506 | 2,500 |
| 0 | 750 | 750 | SPRINKLER REPAIRS | 0 | 750 | 750 | 4,000 |
| 0 | 0 | 0 | TREE SPRAYING | 1,977 | 4,000 | 2,023 | 4,000 |
| 2,490 | 0 | -2,490 | SNOW REMOVAL | 15,739 | 3,000 | -12,739 | 6,000 |
| 0 | 0 | 0 | VANDALISM REPAIRS | 0 | 200 | 200 | 800 |
| 132 | 400 | 268 | LIGHTING REPAIRS | 438 | 1,600 | 1,162 | 4,800 |
| 8,597 | 7,975 | -622 | TOTAL GROUNDS MAINTENANCE | 26,770 | 17,875 | -8,895 | 68,875 |
| UTILITIES | | | | | | | |
| 386 | 160 | -226 | GAS & ELECTRICITY | 1,684 | 1,480 | -204 | 3,600 |
| 138 | 200 | 62 | WATER & SEWER | 550 | 800 | 250 | 60,000 |
| 524 | 360 | -164 | TOTAL UTILITIES | 2,234 | 2,280 | 46 | 63,600 |
| RESERVE ADDITIONS | | | | | | | |
| 2,000 | 2,000 | 0 | TRANSFERS TO RESERVES | 8,000 | 8,000 | 0 | 24,000 |

Budget Variance Report
For Period Ending 04/30/2007
Level of Detail - Account

| Apr Act | Apr Bud | Apr Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|------------------------|---------|---------|------------------------------|------------|------------|---------|------------|
| 2,000 | 2,000 | 0 | TOTAL RESERVE ADDITIONS | 8,000 | 8,000 | 0 | 24,000 |
| 14,567 | 16,039 | 1,472 | TOTAL EXPENSES | 56,376 | 49,771 | -6,605 | 217,231 |
| 32,002 | 36,495 | -4,493 | NET OPERATING INCOME | 47,533 | 57,297 | -9,764 | 905 |
| RESERVE REVENUE | | | | | | | |
| RESERVE REVENUE | | | | | | | |
| 590 | 0 | 590 | INTEREST - RESERVES | 2,427 | 0 | 2,427 | 0 |
| 2,000 | 0 | 2,000 | RESERVES TRANSFER - CLEARING | 8,000 | 0 | 8,000 | 0 |
| 2,590 | 0 | 2,590 | TOTAL RESERVE REVENUE | 10,427 | 0 | 10,427 | 0 |
| 2,590 | 0 | 2,590 | TOTAL RESERVE REVENUE | 10,427 | 0 | 10,427 | 0 |
| 34,592 | 36,495 | -1,903 | NET INCOME | 57,960 | 57,297 | 663 | 905 |

BALANCE SHEET
For Period Ending 04/30/2007
Level of Detail - Account

UNAUDITED REPORT
PREPARED BY
HAMMERSMITH MANAGEMENT, INC.

| Account | As Of 04/30/2007 |
|---|-----------------------|
| ASSETS | |
| OPERATING CHECKING - US BANK | 22,541.66 |
| RESERVES - DAIN RAUSCHER | 167,217.68 |
| VALUATION ADJUST-MARKET VALUE | 152.00 |
| ACCOUNTS RECEIVABLE | 15,732.02 |
| ALLOWANCE FOR DOUBTFUL ACCT | (5,500.00) |
| ACCOUNTS RECEIVABLE-BUILDER | 19,247.95 |
| PREPAID INCOME TAX | 126.00 |
| ACCRUED INTEREST RECEIVABLE | 1,318.00 |
| PREPAID EXPENSES | 120.00 |
| DEPOSITS | 50.00 |
| TOTAL ASSETS | 221,005.31 |
| LIABILITIES | |
| ACCOUNTS PAYABLE | 7,704.00 |
| PREPAID ASSESSMENTS | 20,169.26 |
| OTHER PAYABLES | (90.00) |
| TOTAL LIABILITIES | 27,783.26 |
| EQUITY | |
| FUND BALANCE RETAINED | (22,081.69) |
| WORKING CAPITAL FUND | 20,034.00 |
| REPLACEMENT FUND EQUITY | 137,308.71 |
| Current Year Net Income | 57,961.03 |
| TOTAL EQUITY | 193,222.05 |
| TOTAL LIABILITIES & EQUITY | 221,005.31 |

Income Statement
For Period Ending 04/30/2007
Level of Detail - Account

UNAUDITED REPORT
PREPARED BY
HAMMERSMITH MANAGEMENT, INC.

| Account | Apr Act | YTD Actual |
|--------------------------------------|------------------|-------------------|
| REVENUE | | |
| INCOME | | |
| ASSESSMENTS | 45,054.00 | 83,934.00 |
| ASSESSMENTS-TOWNHOME & | 0.00 | 6,174.00 |
| APARTMENT ASSESSMENT | 0.00 | 6,570.00 |
| OTHER INCOME | 0.00 | -25.83 |
| LATE FEES INCOME | 1,515.15 | 5,395.17 |
| LATE FEES INTEREST INCOME | 0.00 | 97.25 |
| LEGAL FEES-COLLECTION INCOME | 0.00 | 1,833.49 |
| LEGAL FEES-REIMB PRIOR YR | 0.00 | -18.00 |
| FINES/VIOLATIONS INCOME | 0.00 | -50.00 |
| TOTAL INCOME | 46,569.15 | 103,910.08 |
| TOTAL REVENUE | 46,569.15 | 103,910.08 |
| EXPENSES | | |
| ADMINISTRATIVE EXPENSES | | |
| MANAGEMENT | 2,088.00 | 8,352.00 |
| LEGAL-GENERAL | 144.00 | 396.00 |
| LEGAL-COLLECTION | 0.00 | 1,784.49 |
| LATE FEE EXPENSE | 315.00 | 1,560.00 |
| INSURANCE | 0.00 | 0.00 |
| AUDIT | 0.00 | 0.00 |
| INCOME TAX | 0.00 | 1,389.00 |
| ADMINISTRATIVE EXPENSE | 550.41 | 1,541.55 |
| POSTAGE/COPIES | 349.33 | 2,648.79 |
| DECORATIONS | 0.00 | 0.00 |
| BAD DEBT EXPENSE | 0.00 | 1,700.47 |
| COMMUNICATIONS COMMITTEE | 0.00 | 0.00 |
| MISCELLANEOUS EXPENSE | 0.00 | 0.00 |
| TOTAL ADMINISTRATIVE EXPENSES | 3,446.74 | 19,372.30 |
| GROUNDS MAINTENANCE | | |
| GROUNDS / COMMON AREA | 150.32 | 785.22 |
| LANDSCAPE CONTRACT | 5,824.75 | 5,824.75 |
| LANDSCAPE IMPROVEMENTS | 0.00 | 2,006.28 |
| SPRINKLER REPAIRS | 0.00 | 0.00 |
| TREE SPRAYING | 0.00 | 1,976.64 |
| SNOW REMOVAL | 2,490.00 | 15,738.75 |
| VANDALISM REPAIRS | 0.00 | 0.00 |
| LIGHTING REPAIRS | 132.12 | 437.73 |
| TOTAL GROUNDS MAINTENANCE | 8,597.19 | 26,769.37 |
| UTILITIES | | |
| GAS & ELECTRICITY | 385.68 | 1,684.28 |
| WATER & SEWER | 137.50 | 550.00 |
| TOTAL UTILITIES | 523.18 | 2,234.28 |
| RESERVE ADDITIONS | | |
| TRANSFERS TO RESERVES | 2,000.00 | 8,000.00 |

HOA @ Highlands Ranch Golf Club, Inc.
Income Statement
For Period Ending 04/30/2007
Level of Detail - Account

Page 2
UNAUDITED REPORT
PREPARED BY
HAMMERSMITH MANAGEMENT, INC.

| Account | Apr Act | YTD Actual |
|------------------------------|-----------|------------|
| TOTAL RESERVE ADDITIONS | 2,000.00 | 8,000.00 |
| TOTAL EXPENSES | 14,567.11 | 56,375.95 |
| NET OPERATING INCOME | 32,002.04 | 47,534.13 |
| RESERVE REVENUE | | |
| RESERVE REVENUE | | |
| INTEREST - RESERVES | 589.53 | 2,426.90 |
| RESERVES TRANSFER - CLEARING | 2,000.00 | 8,000.00 |
| TOTAL RESERVE REVENUE | 2,589.53 | 10,426.90 |
| TOTAL RESERVE REVENUE | 2,589.53 | 10,426.90 |
| NET INCOME | 34,591.57 | 57,961.03 |

Budget Variance Report
For Period Ending 03/31/2007
Level of Detail - Account

| Mar Act | Mar Bud | Mar Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|--------------------------------|--------------|---------------|--------------------------------------|---------------|---------------|---------------|----------------|
| REVENUE | | | | | | | |
| INCOME | | | | | | | |
| 0 | 0 | 0 | ASSESSMENTS | 38,880 | 38,790 | 90 | 155,160 |
| 0 | 0 | 0 | ASSESSMENTS-TOWNHOME & | 6,174 | 6,174 | 0 | 24,696 |
| 6,570 | 0 | 6,570 | APARTMENT ASSESSMENT | 6,570 | 6,570 | 0 | 26,280 |
| -2 | 0 | -2 | OTHER INCOME | -26 | 0 | -26 | 0 |
| 2,217 | 500 | 1,717 | LATE FEES INCOME | 3,880 | 1,500 | 2,380 | 6,000 |
| 97 | 0 | 97 | LATE FEES INTEREST INCOME | 97 | 0 | 97 | 0 |
| 1,166 | 500 | 666 | LEGAL FEES-COLLECTION INCOME | 1,833 | 1,500 | 333 | 6,000 |
| 0 | 0 | 0 | LEGAL FEES-REIMB PRIOR YR | -18 | 0 | -18 | 0 |
| 0 | 0 | 0 | FINES/VIOLATIONS INCOME | -50 | 0 | -50 | 0 |
| 10,048 | 1,000 | 9,048 | TOTAL INCOME | 57,340 | 54,534 | 2,806 | 218,136 |
| 10,048 | 1,000 | 9,048 | TOTAL REVENUE | 57,340 | 54,534 | 2,806 | 218,136 |
| EXPENSES | | | | | | | |
| ADMINISTRATIVE EXPENSES | | | | | | | |
| 2,088 | 2,088 | 0 | MANAGEMENT | 6,264 | 6,264 | 0 | 25,056 |
| 252 | 200 | -52 | LEGAL-GENERAL | 252 | 600 | 348 | 2,400 |
| 1,117 | 500 | -617 | LEGAL-COLLECTION | 1,784 | 1,500 | -284 | 6,000 |
| 735 | 350 | -385 | LATE FEE EXPENSE | 1,245 | 1,050 | -195 | 4,200 |
| 0 | 0 | 0 | INSURANCE | 0 | 0 | 0 | 1,500 |
| 0 | 0 | 0 | AUDIT | 0 | 0 | 0 | 1,500 |
| 1,389 | 300 | -1,089 | INCOME TAX | 1,389 | 300 | -1,089 | 300 |
| 198 | 400 | 202 | ADMINISTRATIVE EXPENSE | 991 | 1,200 | 209 | 4,800 |
| 1,139 | 416 | -723 | POSTAGE/COPIES | 2,299 | 1,248 | -1,051 | 5,000 |
| 0 | 0 | 0 | DECORATIONS | 0 | 2,500 | 2,500 | 5,000 |
| 0 | 200 | 200 | BAD DEBT EXPENSE | 1,700 | 600 | -1,100 | 2,400 |
| 0 | 50 | 50 | COMMUNICATIONS COMMITTEE | 0 | 150 | 150 | 600 |
| -1,389 | 0 | 1,389 | MISCELLANEOUS EXPENSE | 0 | 500 | 500 | 2,000 |
| 5,529 | 4,504 | -1,025 | TOTAL ADMINISTRATIVE EXPENSES | 15,924 | 15,912 | -12 | 60,756 |
| GROUNDS MAINTENANCE | | | | | | | |
| 0 | 500 | 500 | GROUNDS / COMMON AREA | 635 | 1,500 | 865 | 6,000 |
| 0 | 0 | 0 | LANDSCAPE CONTRACT | 0 | 0 | 0 | 40,775 |
| 0 | 0 | 0 | LANDSCAPE IMPROVEMENTS | 2,006 | 0 | -2,006 | 2,500 |
| 0 | 0 | 0 | SPRINKLER REPAIRS | 0 | 0 | 0 | 4,000 |
| 0 | 4,000 | 4,000 | TREE SPRAYING | 1,977 | 4,000 | 2,023 | 4,000 |
| 548 | 1,000 | 452 | SNOW REMOVAL | 13,249 | 3,000 | -10,249 | 6,000 |
| 0 | 200 | 200 | VANDALISM REPAIRS | 0 | 200 | 200 | 800 |
| 0 | 400 | 400 | LIGHTING REPAIRS | 306 | 1,200 | 894 | 4,800 |
| 548 | 6,100 | 5,552 | TOTAL GROUNDS MAINTENANCE | 18,173 | 9,900 | -8,273 | 68,875 |
| UTILITIES | | | | | | | |
| 356 | 160 | -196 | GAS & ELECTRICITY | 1,299 | 1,320 | 21 | 3,600 |
| 138 | 200 | 62 | WATER & SEWER | 413 | 600 | 187 | 60,000 |
| 494 | 360 | -134 | TOTAL UTILITIES | 1,712 | 1,920 | 208 | 63,600 |
| RESERVE ADDITIONS | | | | | | | |
| 2,000 | 2,000 | 0 | TRANSFERS TO RESERVES | 6,000 | 6,000 | 0 | 24,000 |

Budget Variance Report
For Period Ending 03/31/2007
Level of Detail - Account

| Mar Act | Mar Bud | Mar Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|------------------------|---------|---------|------------------------------|------------|------------|---------|------------|
| 2,000 | 2,000 | 0 | TOTAL RESERVE ADDITIONS | 6,000 | 6,000 | 0 | 24,000 |
| 8,571 | 12,964 | 4,393 | TOTAL EXPENSES | 41,809 | 33,732 | -8,077 | 217,231 |
| 1,477 | -11,964 | 13,441 | NET OPERATING INCOME | 15,531 | 20,802 | -5,271 | 905 |
| RESERVE REVENUE | | | | | | | |
| RESERVE REVENUE | | | | | | | |
| 1,224 | 0 | 1,224 | INTEREST - RESERVES | 1,837 | 0 | 1,837 | 0 |
| 2,000 | 0 | 2,000 | RESERVES TRANSFER - CLEARING | 6,000 | 0 | 6,000 | 0 |
| 3,224 | 0 | 3,224 | TOTAL RESERVE REVENUE | 7,837 | 0 | 7,837 | 0 |
| 3,224 | 0 | 3,224 | TOTAL RESERVE REVENUE | 7,837 | 0 | 7,837 | 0 |
| 4,701 | -11,964 | 16,665 | NET INCOME | 23,368 | 20,802 | 2,566 | 905 |

BALANCE SHEET

For Period Ending 03/31/2007

Level of Detail - Account

UNAUDITED REPORT
PREPARED BYHAMMERSMITH MANAGEMENT, INC.
As Of 03/31/2007

Account

ASSETS

| | |
|-------------------------------|-------------------|
| OPERATING CHECKING - US BANK | 14,455.78 |
| RESERVES - DAIN RAUSCHER | 164,762.15 |
| VALUATION ADJUST-MARKET VALUE | 28.00 |
| ACCOUNTS RECEIVABLE | 9,735.05 |
| ALLOWANCE FOR DOUBTFUL ACCT | (5,500.00) |
| ACCOUNTS RECEIVABLE-BUILDER | 19,247.95 |
| PREPAID INCOME TAX | 126.00 |
| ACCRUED INTEREST RECEIVABLE | 1,318.00 |
| PREPAID EXPENSES | 120.00 |
| DEPOSITS | 50.00 |
| TOTAL ASSETS | 204,342.93 |

LIABILITIES

| | |
|--------------------------|------------------|
| ACCOUNTS PAYABLE | 7,704.00 |
| PREPAID ASSESSMENTS | 38,008.45 |
| TOTAL LIABILITIES | 45,712.45 |

EQUITY

| | |
|-------------------------|-------------------|
| FUND BALANCE RETAINED | (22,081.69) |
| WORKING CAPITAL FUND | 20,034.00 |
| REPLACEMENT FUND EQUITY | 137,308.71 |
| Current Year Net Income | 23,369.46 |
| TOTAL EQUITY | 158,630.48 |

TOTAL LIABILITIES & EQUITY**204,342.93**

Income Statement
For Period Ending 03/31/2007
Level of Detail - Account

UNAUDITED REPORT
 PREPARED BY
 HAMMERSMITH MANAGEMENT, INC.

| Account | Mar Act | YTD Actual |
|--------------------------------------|------------------|------------------|
| REVENUE | | |
| INCOME | | |
| ASSESSMENTS | 0.00 | 38,880.00 |
| ASSESSMENTS-TOWNHOME & | 0.00 | 6,174.00 |
| APARTMENT ASSESSMENT | 6,570.00 | 6,570.00 |
| OTHER INCOME | -2.00 | -25.83 |
| LATE FEES INCOME | 2,216.65 | 3,880.02 |
| LATE FEES INTEREST INCOME | 97.25 | 97.25 |
| LEGAL FEES-COLLECTION INCOME | 1,165.99 | 1,833.49 |
| LEGAL FEES-REIMB PRIOR YR | 0.00 | -18.00 |
| FINES/VIOLATIONS INCOME | 0.00 | -50.00 |
| TOTAL INCOME | 10,047.89 | 57,340.93 |
| TOTAL REVENUE | 10,047.89 | 57,340.93 |
| EXPENSES | | |
| ADMINISTRATIVE EXPENSES | | |
| MANAGEMENT | 2,088.00 | 6,264.00 |
| LEGAL-GENERAL | 252.00 | 252.00 |
| LEGAL-COLLECTION | 1,116.99 | 1,784.49 |
| LATE FEE EXPENSE | 735.00 | 1,245.00 |
| INSURANCE | 0.00 | 0.00 |
| AUDIT | 0.00 | 0.00 |
| INCOME TAX | 1,389.00 | 1,389.00 |
| ADMINISTRATIVE EXPENSE | 197.84 | 991.14 |
| POSTAGE/COPIES | 1,139.17 | 2,299.46 |
| DECORATIONS | 0.00 | 0.00 |
| BAD DEBT EXPENSE | 0.00 | 1,700.47 |
| COMMUNICATIONS COMMITTEE | 0.00 | 0.00 |
| MISCELLANEOUS EXPENSE | -1,389.00 | 0.00 |
| TOTAL ADMINISTRATIVE EXPENSES | 5,529.00 | 15,925.56 |
| GROUNDS MAINTENANCE | | |
| GROUNDS / COMMON AREA | 0.00 | 634.90 |
| LANDSCAPE CONTRACT | 0.00 | 0.00 |
| LANDSCAPE IMPROVEMENTS | 0.00 | 2,006.28 |
| SPRINKLER REPAIRS | 0.00 | 0.00 |
| TREE SPRAYING | 0.00 | 1,976.64 |
| SNOW REMOVAL | 547.50 | 13,248.75 |
| VANDALISM REPAIRS | 0.00 | 0.00 |
| LIGHTING REPAIRS | 0.00 | 305.61 |
| TOTAL GROUNDS MAINTENANCE | 547.50 | 18,172.18 |
| UTILITIES | | |
| GAS & ELECTRICITY | 355.76 | 1,298.60 |
| WATER & SEWER | 137.50 | 412.50 |
| TOTAL UTILITIES | 493.26 | 1,711.10 |
| RESERVE ADDITIONS | | |
| TRANSFERS TO RESERVES | 2,000.00 | 6,000.00 |

Income Statement
For Period Ending 03/31/2007
Level of Detail - Account

UNAUDITED REPORT
PREPARED BY
HAMMERSMITH MANAGEMENT, INC.

| Account | Mar Act | YTD Actual |
|------------------------------|----------|------------|
| TOTAL RESERVE ADDITIONS | 2,000.00 | 6,000.00 |
| TOTAL EXPENSES | 8,569.76 | 41,808.84 |
| NET OPERATING INCOME | 1,478.13 | 15,532.09 |
| RESERVE REVENUE | | |
| RESERVE REVENUE | | |
| INTEREST - RESERVES | 1,223.87 | 1,837.37 |
| RESERVES TRANSFER - CLEARING | 2,000.00 | 6,000.00 |
| TOTAL RESERVE REVENUE | 3,223.87 | 7,837.37 |
| TOTAL RESERVE REVENUE | 3,223.87 | 7,837.37 |
| NET INCOME | 4,702.00 | 23,369.46 |

Budget Variance Report
For Period Ending 02/28/2007
Level of Detail - Account

| Feb Act | Feb Bud | Feb Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|--------------------------------|--------------|----------------|--------------------------------------|---------------|---------------|----------------|----------------|
| REVENUE | | | | | | | |
| INCOME | | | | | | | |
| 0 | 0 | 0 | ASSESSMENTS | 38,880 | 38,790 | 90 | 155,160 |
| 0 | 0 | 0 | ASSESSMENTS-TOWNHOME & | 6,174 | 6,174 | 0 | 24,696 |
| 0 | 0 | 0 | BUILDER ASSESSMENT | 0 | 6,570 | -6,570 | 26,280 |
| -24 | 0 | -24 | OTHER INCOME | -24 | 0 | -24 | 0 |
| 511 | 500 | 11 | LATE FEES INCOME | 1,663 | 1,000 | 663 | 6,000 |
| 668 | 500 | 168 | LEGAL FEES-COLLECTION INCOME | 668 | 1,000 | -332 | 6,000 |
| 0 | 0 | 0 | LEGAL FEES-REIMB PRIOR YR | -18 | 0 | -18 | 0 |
| -50 | 0 | -50 | FINES/VIOLATIONS INCOME | -50 | 0 | -50 | 0 |
| 1,105 | 1,000 | 105 | TOTAL INCOME | 47,293 | 53,534 | -6,241 | 218,136 |
| 1,105 | 1,000 | 105 | TOTAL REVENUE | 47,293 | 53,534 | -6,241 | 218,136 |
| EXPENSES | | | | | | | |
| ADMINISTRATIVE EXPENSES | | | | | | | |
| 2,088 | 2,088 | 0 | MANAGEMENT | 4,176 | 4,176 | 0 | 25,056 |
| 0 | 200 | 200 | LEGAL-GENERAL | 0 | 400 | 400 | 2,400 |
| 668 | 500 | -168 | LEGAL-COLLECTION | 668 | 1,000 | 332 | 6,000 |
| 0 | 350 | 350 | LATE FEE EXPENSE | 510 | 700 | 190 | 4,200 |
| 0 | 0 | 0 | INSURANCE | 0 | 0 | 0 | 1,500 |
| 0 | 0 | 0 | AUDIT | 0 | 0 | 0 | 1,500 |
| 0 | 0 | 0 | INCOME TAX | 0 | 0 | 0 | 300 |
| 598 | 400 | -198 | ADMINISTRATIVE EXPENSE | 793 | 800 | 7 | 4,800 |
| 297 | 416 | 119 | POSTAGE/COPIES | 1,160 | 832 | -328 | 5,000 |
| 0 | 0 | 0 | DECORATIONS | 0 | 2,500 | 2,500 | 5,000 |
| 0 | 200 | 200 | BAD DEBT EXPENSE | 1,700 | 400 | -1,300 | 2,400 |
| 0 | 50 | 50 | COMMUNICATIONS COMMITTEE | 0 | 100 | 100 | 600 |
| 1,389 | 0 | -1,389 | MISCELLANEOUS EXPENSE | 1,389 | 500 | -889 | 2,000 |
| 5,040 | 4,204 | -836 | TOTAL ADMINISTRATIVE EXPENSES | 10,396 | 11,408 | 1,012 | 60,756 |
| GROUNDS MAINTENANCE | | | | | | | |
| 124 | 500 | 376 | GROUNDS / COMMON AREA | 635 | 1,000 | 365 | 6,000 |
| 0 | 0 | 0 | LANDSCAPE CONTRACT | 0 | 0 | 0 | 40,775 |
| 2,006 | 0 | -2,006 | LANDSCAPE IMPROVEMENTS | 2,006 | 0 | -2,006 | 2,500 |
| 0 | 0 | 0 | SPRINKLER REPAIRS | 0 | 0 | 0 | 4,000 |
| 0 | 0 | 0 | TREE SPRAYING | 1,977 | 0 | -1,977 | 4,000 |
| 12,701 | 1,000 | -11,701 | SNOW REMOVAL | 12,701 | 2,000 | -10,701 | 6,000 |
| 0 | 0 | 0 | VANDALISM REPAIRS | 0 | 0 | 0 | 800 |
| 127 | 400 | 273 | LIGHTING REPAIRS | 306 | 800 | 494 | 4,800 |
| 14,958 | 1,900 | -13,058 | TOTAL GROUNDS MAINTENANCE | 17,625 | 3,800 | -13,825 | 68,875 |
| UTILITIES | | | | | | | |
| 548 | 160 | -388 | GAS & ELECTRICITY | 943 | 1,160 | 217 | 3,600 |
| 138 | 200 | 62 | WATER & SEWER | 275 | 400 | 125 | 60,000 |
| 686 | 360 | -326 | TOTAL UTILITIES | 1,218 | 1,560 | 342 | 63,600 |
| RESERVE ADDITIONS | | | | | | | |
| 2,000 | 2,000 | 0 | TRANSFERS TO RESERVES | 4,000 | 4,000 | 0 | 24,000 |

Budget Variance Report
For Period Ending 02/28/2007
Level of Detail - Account

| Feb Act | Feb Bud | Feb Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|------------------------|---------------|----------------|------------------------------|---------------|---------------|----------------|------------|
| 2,000 | 2,000 | 0 | TOTAL RESERVE ADDITIONS | 4,000 | 4,000 | 0 | 24,000 |
| 22,684 | 8,464 | -14,220 | TOTAL EXPENSES | 33,239 | 20,768 | -12,471 | 217,231 |
| -21,579 | -7,464 | -14,115 | NET OPERATING INCOME | 14,054 | 32,766 | -18,712 | 905 |
| RESERVE REVENUE | | | | | | | |
| RESERVE REVENUE | | | | | | | |
| 0 | 0 | 0 | INTEREST - RESERVES | 614 | 0 | 614 | 0 |
| 2,000 | 0 | 2,000 | RESERVES TRANSFER - CLEARING | 4,000 | 0 | 4,000 | 0 |
| 2,000 | 0 | 2,000 | TOTAL RESERVE REVENUE | 4,614 | 0 | 4,614 | 0 |
| 2,000 | 0 | 2,000 | TOTAL RESERVE REVENUE | 4,614 | 0 | 4,614 | 0 |
| -19,579 | -7,464 | -12,115 | NET INCOME | 18,668 | 32,766 | -14,098 | 905 |

BALANCE SHEET

For Period Ending 02/28/2007

Level of Detail - Account

Prepared by
Hammersmith Management, Inc.

| Account | As Of 02/28/2007 |
|---------------------------------------|-------------------|
| ASSETS | |
| OPERATING CHECKING - US BANK | 9,234.52 |
| RESERVES - DAIN RAUSCHER | 161,425.88 |
| VALUATION ADJUST-MARKET VALUE | 140.40 |
| ACCOUNTS RECEIVABLE | 10,580.16 |
| ALLOWANCE FOR DOUBTFUL ACCT | (5,500.00) |
| ACCOUNTS RECEIVABLE-DEVELOPER | 54.52 |
| ACCOUNTS RECEIVABLE-BUILDER | 10,551.18 |
| PREPAID INCOME TAX | 126.00 |
| ACCRUED INTEREST RECEIVABLE | 1,318.00 |
| PREPAID EXPENSES | 120.00 |
| DEPOSITS | 50.00 |
| TOTAL ASSETS | 188,100.66 |
| | |
| LIABILITIES | |
| ACCOUNTS PAYABLE | 7,704.00 |
| PREPAID ASSESSMENTS | 26,534.18 |
| TOTAL LIABILITIES | 34,238.18 |
| | |
| EQUITY | |
| FUND BALANCE RETAINED | (22,081.69) |
| WORKING CAPITAL FUND | 20,034.00 |
| REPLACEMENT FUND EQUITY | 137,308.71 |
| SUSPENSE | (66.00) |
| Current Year Net Income | 18,667.46 |
| TOTAL EQUITY | 153,862.48 |
| | |
| TOTAL LIABILITIES & EQUITY | 188,100.66 |

Income Statement
For Period Ending 02/28/2007
Level of Detail - Account

Unaudited Report
Prepared by
Hammersmith Management, Inc.

| Account | Feb Act | YTD Actual |
|--------------------------------------|------------------|------------------|
| REVENUE | | |
| INCOME | | |
| ASSESSMENTS | 0.00 | 38,880.00 |
| ASSESSMENTS-TOWNHOME & | 0.00 | 6,174.00 |
| BUILDER ASSESSMENT | 0.00 | 0.00 |
| OTHER INCOME | -23.83 | -23.83 |
| LATE FEES INCOME | 511.41 | 1,663.37 |
| LEGAL FEES-COLLECTION INCOME | 667.50 | 667.50 |
| LEGAL FEES-REIMB PRIOR YR | 0.00 | -18.00 |
| FINES/VIOLATIONS INCOME | -50.00 | -50.00 |
| TOTAL INCOME | 1,105.08 | 47,293.04 |
| TOTAL REVENUE | 1,105.08 | 47,293.04 |
| EXPENSES | | |
| ADMINISTRATIVE EXPENSES | | |
| MANAGEMENT | 2,088.00 | 4,176.00 |
| LEGAL-GENERAL | 0.00 | 0.00 |
| LEGAL-COLLECTION | 667.50 | 667.50 |
| LATE FEE EXPENSE | 0.00 | 510.00 |
| INSURANCE | 0.00 | 0.00 |
| AUDIT | 0.00 | 0.00 |
| INCOME TAX | 0.00 | 0.00 |
| ADMINISTRATIVE EXPENSE | 598.02 | 793.30 |
| POSTAGE/COPIES | 297.20 | 1,160.29 |
| DECORATIONS | 0.00 | 0.00 |
| BAD DEBT EXPENSE | 0.00 | 1,700.47 |
| COMMUNICATIONS COMMITTEE | 0.00 | 0.00 |
| MISCELLANEOUS EXPENSE | 1,389.00 | 1,389.00 |
| TOTAL ADMINISTRATIVE EXPENSES | 5,039.72 | 10,396.56 |
| GROUNDS MAINTENANCE | | |
| GROUNDS / COMMON AREA | 124.26 | 634.90 |
| LANDSCAPE CONTRACT | 0.00 | 0.00 |
| LANDSCAPE IMPROVEMENTS | 2,006.28 | 2,006.28 |
| SPRINKLER REPAIRS | 0.00 | 0.00 |
| TREE SPRAYING | 0.00 | 1,976.64 |
| SNOW REMOVAL | 12,701.25 | 12,701.25 |
| VANDALISM REPAIRS | 0.00 | 0.00 |
| LIGHTING REPAIRS | 127.41 | 305.61 |
| TOTAL GROUNDS MAINTENANCE | 14,959.20 | 17,624.68 |
| UTILITIES | | |
| GAS & ELECTRICITY | 547.93 | 942.84 |
| WATER & SEWER | 137.50 | 275.00 |
| TOTAL UTILITIES | 685.43 | 1,217.84 |
| RESERVE ADDITIONS | | |
| TRANSFERS TO RESERVES | 2,000.00 | 4,000.00 |

HOA @ Highlands Ranch Golf Club, Inc.
 Income Statement
 For Period Ending 02/28/2007
 Level of Detail - Account

Unaudited Report Page 2
 Prepared by
 Hammersmith Management, Inc.

| Account | Feb Act | YTD Actual |
|------------------------------|------------|------------|
| TOTAL RESERVE ADDITIONS | 2,000.00 | 4,000.00 |
| TOTAL EXPENSES | 22,684.35 | 33,239.08 |
| NET OPERATING INCOME | -21,579.27 | 14,053.96 |
| RESERVE REVENUE | | |
| RESERVE REVENUE | | |
| INTEREST - RESERVES | 0.00 | 613.50 |
| RESERVES TRANSFER - CLEARING | 2,000.00 | 4,000.00 |
| TOTAL RESERVE REVENUE | 2,000.00 | 4,613.50 |
| TOTAL RESERVE REVENUE | 2,000.00 | 4,613.50 |
| NET INCOME | -19,579.27 | 18,667.46 |

Budget Variance Report
For Period Ending 01/31/2007
Level of Detail - Account

| Jan Act | Jan Bud | Jan Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|--------------------------------|---------------|---------------|--------------------------------------|---------------|---------------|---------------|----------------|
| REVENUE | | | | | | | |
| INCOME | | | | | | | |
| 38,880 | 38,790 | 90 | ASSESSMENTS | 38,880 | 38,790 | 90 | 155,160 |
| 6,174 | 6,174 | 0 | ASSESSMENTS-TOWNHOME & | 6,174 | 6,174 | 0 | 24,696 |
| 0 | 6,570 | -6,570 | BUILDER ASSESSMENT | 0 | 6,570 | -6,570 | 26,280 |
| 1,152 | 500 | 652 | LATE FEES INCOME | 1,152 | 500 | 652 | 6,000 |
| 0 | 500 | -500 | LEGAL FEES-COLLECTION INCOME | 0 | 500 | -500 | 6,000 |
| -18 | 0 | -18 | LEGAL FEES-REIMB PRIOR YR | -18 | 0 | -18 | 0 |
| 46,188 | 52,534 | -6,346 | TOTAL INCOME | 46,188 | 52,534 | -6,346 | 218,136 |
| 46,188 | 52,534 | -6,346 | TOTAL REVENUE | 46,188 | 52,534 | -6,346 | 218,136 |
| EXPENSES | | | | | | | |
| ADMINISTRATIVE EXPENSES | | | | | | | |
| 2,088 | 2,088 | 0 | MANAGEMENT | 2,088 | 2,088 | 0 | 25,056 |
| 0 | 200 | 200 | LEGAL-GENERAL | 0 | 200 | 200 | 2,400 |
| 0 | 500 | 500 | LEGAL-COLLECTION | 0 | 500 | 500 | 6,000 |
| 510 | 350 | -160 | LATE FEE EXPENSE | 510 | 350 | -160 | 4,200 |
| 0 | 0 | 0 | INSURANCE | 0 | 0 | 0 | 1,500 |
| 0 | 0 | 0 | AUDIT | 0 | 0 | 0 | 1,500 |
| 0 | 0 | 0 | INCOME TAX | 0 | 0 | 0 | 300 |
| 195 | 400 | 205 | ADMINISTRATIVE EXPENSE | 195 | 400 | 205 | 4,800 |
| 863 | 416 | -447 | POSTAGE/COPIES | 863 | 416 | -447 | 5,000 |
| 0 | 2,500 | 2,500 | DECORATIONS | 0 | 2,500 | 2,500 | 5,000 |
| 1,700 | 200 | -1,500 | BAD DEBT EXPENSE | 1,700 | 200 | -1,500 | 2,400 |
| 0 | 50 | 50 | COMMUNICATIONS COMMITTEE | 0 | 50 | 50 | 600 |
| 0 | 500 | 500 | MISCELLANEOUS EXPENSE | 0 | 500 | 500 | 2,000 |
| 5,356 | 7,204 | 1,848 | TOTAL ADMINISTRATIVE EXPENSES | 5,356 | 7,204 | 1,848 | 60,756 |
| GROUNDS MAINTENANCE | | | | | | | |
| 511 | 500 | -11 | GROUNDS / COMMON AREA | 511 | 500 | -11 | 6,000 |
| 0 | 0 | 0 | LANDSCAPE CONTRACT | 0 | 0 | 0 | 40,775 |
| 0 | 0 | 0 | LANDSCAPE IMPROVEMENTS | 0 | 0 | 0 | 2,500 |
| 0 | 0 | 0 | SPRINKLER REPAIRS | 0 | 0 | 0 | 4,000 |
| 1,977 | 0 | -1,977 | TREE SPRAYING | 1,977 | 0 | -1,977 | 4,000 |
| 0 | 1,000 | 1,000 | SNOW REMOVAL | 0 | 1,000 | 1,000 | 6,000 |
| 0 | 0 | 0 | VANDALISM REPAIRS | 0 | 0 | 0 | 800 |
| 178 | 400 | 222 | LIGHTING REPAIRS | 178 | 400 | 222 | 4,800 |
| 2,666 | 1,900 | -766 | TOTAL GROUNDS MAINTENANCE | 2,666 | 1,900 | -766 | 68,875 |
| UTILITIES | | | | | | | |
| 395 | 1,000 | 605 | GAS & ELECTRICITY | 395 | 1,000 | 605 | 3,600 |
| 138 | 200 | 62 | WATER & SEWER | 138 | 200 | 62 | 60,000 |
| 533 | 1,200 | 667 | TOTAL UTILITIES | 533 | 1,200 | 667 | 63,600 |
| RESERVE ADDITIONS | | | | | | | |
| 2,000 | 2,000 | 0 | TRANSFERS TO RESERVES | 2,000 | 2,000 | 0 | 24,000 |
| 2,000 | 2,000 | 0 | TOTAL RESERVE ADDITIONS | 2,000 | 2,000 | 0 | 24,000 |

Budget Variance Report
For Period Ending 01/31/2007
Level of Detail - Account

| Jan Act | Jan Bud | Jan Var | Account | YTD Actual | YTD Budget | YTD Var | Tot Budget |
|-----------------|---------|---------|------------------------------|------------|------------|---------|------------|
| 10,555 | 12,304 | 1,749 | TOTAL EXPENSES | 10,555 | 12,304 | 1,749 | 217,231 |
| 35,633 | 40,230 | -4,597 | NET OPERATING INCOME | 35,633 | 40,230 | -4,597 | 905 |
| RESERVE REVENUE | | | | | | | |
| RESERVE REVENUE | | | | | | | |
| 614 | 0 | 614 | INTEREST - RESERVES | 614 | 0 | 614 | 0 |
| 2,000 | 0 | 2,000 | RESERVES TRANSFER - CLEARING | 2,000 | 0 | 2,000 | 0 |
| 2,614 | 0 | 2,614 | TOTAL RESERVE REVENUE | 2,614 | 0 | 2,614 | 0 |
| 2,614 | 0 | 2,614 | TOTAL RESERVE REVENUE | 2,614 | 0 | 2,614 | 0 |
| 38,247 | 40,230 | -1,983 | NET INCOME | 38,247 | 40,230 | -1,983 | 905 |

BALANCE SHEET

For Period Ending 01/31/2007

Level of Detail - Account

Unaudited Report
 Prepared by
 Hammersmith Management, Inc.

| Account | As Of 01/31/2007 |
|---------------------------------------|-------------------|
| ASSETS | |
| OPERATING CHECKING - US BANK | 24,301.04 |
| RESERVES - DAIN RAUSCHER | 159,425.88 |
| VALUATION ADJUST-MARKET VALUE | 140.40 |
| ACCOUNTS RECEIVABLE | 14,831.84 |
| ALLOWANCE FOR DOUBTFUL ACCT | (5,500.00) |
| ACCOUNTS RECEIVABLE-DEVELOPER | 54.52 |
| ACCOUNTS RECEIVABLE-BUILDER | 10,551.18 |
| PREPAID INCOME TAX | 126.00 |
| ACCRUED INTEREST RECEIVABLE | 1,318.00 |
| PREPAID EXPENSES | 120.00 |
| DEPOSITS | 50.00 |
| TOTAL ASSETS | 205,418.86 |
| | |
| LIABILITIES | |
| ACCOUNTS PAYABLE | 7,704.00 |
| PREPAID ASSESSMENTS | 24,207.11 |
| TOTAL LIABILITIES | 31,911.11 |
| | |
| EQUITY | |
| FUND BALANCE RETAINED | (22,081.69) |
| WORKING CAPITAL FUND | 20,034.00 |
| REPLACEMENT FUND EQUITY | 137,308.71 |
| Current Year Net Income | 38,246.73 |
| TOTAL EQUITY | 173,507.75 |
| | |
| TOTAL LIABILITIES & EQUITY | 205,418.86 |

HOA @ Highlands Ranch Golf Club, Inc.
 Income Statement
 For Period Ending 01/31/2007
 Level of Detail - Account

Unaudited Report Page 1
 Prepared by
 Hammersmith Management, Inc

| Account | Jan Act | YTD Actual |
|--------------------------------------|------------------|------------------|
| REVENUE | | |
| INCOME | | |
| ASSESSMENTS | 38,880.00 | 38,880.00 |
| ASSESSMENTS-TOWNHOME & | 6,174.00 | 6,174.00 |
| BUILDER ASSESSMENT | 0.00 | 0.00 |
| LATE FEES INCOME | 1,151.96 | 1,151.96 |
| LEGAL FEES-COLLECTION INCOME | 0.00 | 0.00 |
| LEGAL FEES-REIMB PRIOR YR | -18.00 | -18.00 |
| TOTAL INCOME | 46,187.96 | 46,187.96 |
| TOTAL REVENUE | 46,187.96 | 46,187.96 |
| EXPENSES | | |
| ADMINISTRATIVE EXPENSES | | |
| MANAGEMENT | 2,088.00 | 2,088.00 |
| LEGAL-GENERAL | 0.00 | 0.00 |
| LEGAL-COLLECTION | 0.00 | 0.00 |
| LATE FEE EXPENSE | 510.00 | 510.00 |
| INSURANCE | 0.00 | 0.00 |
| AUDIT | 0.00 | 0.00 |
| INCOME TAX | 0.00 | 0.00 |
| ADMINISTRATIVE EXPENSE | 195.28 | 195.28 |
| POSTAGE/COPIES | 863.09 | 863.09 |
| DECORATIONS | 0.00 | 0.00 |
| BAD DEBT EXPENSE | 1,700.47 | 1,700.47 |
| COMMUNICATIONS COMMITTEE | 0.00 | 0.00 |
| MISCELLANEOUS EXPENSE | 0.00 | 0.00 |
| TOTAL ADMINISTRATIVE EXPENSES | 5,356.84 | 5,356.84 |
| GROUNDS MAINTENANCE | | |
| GROUNDS / COMMON AREA | 510.64 | 510.64 |
| LANDSCAPE CONTRACT | 0.00 | 0.00 |
| LANDSCAPE IMPROVEMENTS | 0.00 | 0.00 |
| SPRINKLER REPAIRS | 0.00 | 0.00 |
| TREE SPRAYING | 1,976.64 | 1,976.64 |
| SNOW REMOVAL | 0.00 | 0.00 |
| VANDALISM REPAIRS | 0.00 | 0.00 |
| LIGHTING REPAIRS | 178.20 | 178.20 |
| TOTAL GROUNDS MAINTENANCE | 2,665.48 | 2,665.48 |
| UTILITIES | | |
| GAS & ELECTRICITY | 394.91 | 394.91 |
| WATER & SEWER | 137.50 | 137.50 |
| TOTAL UTILITIES | 532.41 | 532.41 |
| RESERVE ADDITIONS | | |
| TRANSFERS TO RESERVES | 2,000.00 | 2,000.00 |
| TOTAL RESERVE ADDITIONS | 2,000.00 | 2,000.00 |

Income Statement
For Period Ending 01/31/2007
Level of Detail - Account

| Account | Jan Act | YTD Actual |
|------------------------------|------------------|------------------|
| TOTAL EXPENSES | 10,554.73 | 10,554.73 |
| | <hr/> <hr/> | <hr/> <hr/> |
| NET OPERATING INCOME | 35,633.23 | 35,633.23 |
| | <hr/> <hr/> | <hr/> <hr/> |
| RESERVE REVENUE | | |
| RESERVE REVENUE | | |
| INTEREST - RESERVES | 613.50 | 613.50 |
| RESERVES TRANSFER - CLEARING | 2,000.00 | 2,000.00 |
| | <hr/> | <hr/> |
| TOTAL RESERVE REVENUE | 2,613.50 | 2,613.50 |
| | <hr/> | <hr/> |
| TOTAL RESERVE REVENUE | 2,613.50 | 2,613.50 |
| | <hr/> <hr/> | <hr/> <hr/> |
| NET INCOME | 38,246.73 | 38,246.73 |
| | <hr/> <hr/> | <hr/> <hr/> |