



LAKESHORE COMMUNITY ASSOC., INC.  
BALANCE SHEET  
August 31, 2007

LIABILITIES:

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|                           |    |           |           |
|---------------------------|----|-----------|-----------|
| ACCOUNTS PAYABLE - TRADE  | \$ | 12,095.13 |           |
| DEFERRED MAINTENANCE FEES |    | 680.00    |           |
|                           |    |           |           |
| TOTAL LIABILITIES         | \$ |           | 12,775.13 |

EQUITY:

-----

|                              |    |           |            |
|------------------------------|----|-----------|------------|
| NON-CAPITAL RESERVES         |    |           |            |
| -----                        |    |           |            |
| NON-CAPITAL RESERVES         |    | 37,822.51 |            |
| NON-CAPITAL RESERVE INTEREST |    | 307.52    |            |
|                              |    |           |            |
| TOTAL NON-CAPITAL RESERVES   |    |           | 38,130.03  |
|                              |    |           |            |
| MEMBERS EQUITY               |    | 23,534.06 |            |
| CURRENT YEAR PROFIT (LOSS)   |    | 48,273.15 |            |
|                              |    |           |            |
| TOTAL EQUITY                 |    |           | 71,807.21  |
|                              |    |           |            |
| TOTAL LIABILITIES AND EQUITY | \$ |           | 122,712.37 |
|                              |    |           | =====      |

LAKESHORE COMMUNITY ASSOC., INC.  
INCOME STATEMENT - BUDGET COMPARISON  
For 8 Months Ended August 31, 2007

|                               | AUG ACTUAL<br>----- | AUG BUDGET<br>----- | VARIANCE<br>----- | YTD ACTUAL<br>----- | YTD BUDGET<br>----- | VARIANCE<br>----- | ANN'L BUDGET<br>----- | REMAINING<br>----- |
|-------------------------------|---------------------|---------------------|-------------------|---------------------|---------------------|-------------------|-----------------------|--------------------|
| INCOME:                       |                     |                     |                   |                     |                     |                   |                       |                    |
| -----                         |                     |                     |                   |                     |                     |                   |                       |                    |
| MAINTENANCE FEES - CURRENT    | 650                 | 12,000              | (11,350)          | 124,760             | 96,000              | 28,760            | 144,000               | (19,240)           |
| PRO-RATED CLOSINGS            | 4,680               | 6,653               | (1,973)           | 109,586             | 53,224              | 56,362            | 79,846                | 29,740             |
| DEVELOPER FUNDING             |                     | 8,612               | (8,612)           |                     | 68,896              | (68,896)          | 103,346               | (103,346)          |
| CLUBHOUSE RENTALS             | 450                 | 41                  | 409               | 1,500               | 328                 | 1,172             | 500                   | 1,000              |
| ASSESSMENT PENALTIES          | 1                   |                     | 1                 | 131                 |                     | 131               |                       | 131                |
| INTEREST INCOME               | 573                 |                     | 573               | 722                 |                     | 722               |                       | 722                |
| MISCELLANEOUS INCOME          |                     |                     |                   | 40                  |                     | 40                |                       | 40                 |
| <b>TOTAL INCOME</b>           | <b>6,354</b>        | <b>27,306</b>       | <b>(20,952)</b>   | <b>236,739</b>      | <b>218,448</b>      | <b>18,291</b>     | <b>327,692</b>        | <b>(90,953)</b>    |
|                               |                     |                     |                   |                     |                     |                   |                       |                    |
| EXPENSES:                     |                     |                     |                   |                     |                     |                   |                       |                    |
| -----                         |                     |                     |                   |                     |                     |                   |                       |                    |
| ADMINISTRATIVE                |                     |                     |                   |                     |                     |                   |                       |                    |
| -----                         |                     |                     |                   |                     |                     |                   |                       |                    |
| ADMINISTRATIVE CONTRACT       | 1,200               | 1,250               | (50)              | 9,600               | 10,000              | (400)             | 15,000                | (5,400)            |
| OFFICE SUPPLIES               | 3                   | 33                  | (30)              | 74                  | 264                 | (190)             | 400                   | (326)              |
| COPIES                        | 122                 | 83                  | 39                | 1,390               | 664                 | 726               | 1,000                 | 390                |
| POSTAGE                       | 71                  | 75                  | (4)               | 597                 | 600                 | (3)               | 900                   | (303)              |
| BANK CHARGES                  |                     | 16                  | (16)              | 3                   | 128                 | (125)             | 200                   | (197)              |
| INSURANCE                     |                     | 1,000               | (1,000)           | 17,178              | 8,000               | 9,178             | 12,000                | 5,178              |
| COMMUNITY MAILOUTS            |                     | 16                  | (16)              | 111                 | 128                 | (17)              | 200                   | (89)               |
| MEETINGS                      |                     | 16                  | (16)              |                     | 128                 | (128)             | 200                   | (200)              |
| DEED RESTRICTION EXPENSES     | 60                  | 16                  | 44                | 190                 | 128                 | 62                | 200                   | (10)               |
| <b>TOTAL ADMINISTRATIVE</b>   | <b>1,456</b>        | <b>2,505</b>        | <b>(1,049)</b>    | <b>29,143</b>       | <b>20,040</b>       | <b>9,103</b>      | <b>30,100</b>         | <b>(957)</b>       |
|                               |                     |                     |                   |                     |                     |                   |                       |                    |
| LEGAL SERVICES                |                     |                     |                   |                     |                     |                   |                       |                    |
| -----                         |                     |                     |                   |                     |                     |                   |                       |                    |
| LEGAL - CORPORATE             |                     | 41                  | (41)              |                     | 328                 | (328)             | 500                   | (500)              |
| LEGAL - COLLECTIONS           | 120                 | 250                 | (130)             | 320                 | 2,000               | (1,680)           | 3,000                 | (2,680)            |
| LEGAL COLLECT-BILLED TO OWNER | (120)               |                     | (120)             | (320)               |                     | (320)             |                       | (320)              |
| LEGAL - DEED RESTRICTONS      |                     | 250                 | (250)             |                     | 2,000               | (2,000)           | 3,000                 | (3,000)            |
| LEGAL DEEDS-BILLED TO OWNER   |                     |                     |                   |                     |                     |                   |                       |                    |
| TAX PREPARATION & AUDIT       |                     | 41                  | (41)              | 355                 | 328                 | 27                | 500                   | (145)              |
| <b>TOTAL LEGAL SERVICES</b>   |                     | <b>582</b>          | <b>(582)</b>      | <b>355</b>          | <b>4,656</b>        | <b>(4,301)</b>    | <b>7,000</b>          | <b>(6,645)</b>     |

LAKESHORE COMMUNITY ASSOC., INC.  
INCOME STATEMENT - BUDGET COMPARISON  
For 8 Months Ended August 31, 2007

|                             | AUG ACTUAL<br>----- | AUG BUDGET<br>----- | VARIANCE<br>----- | YTD ACTUAL<br>----- | YTD BUDGET<br>----- | VARIANCE<br>----- | ANN'L BUDGET<br>----- | REMAINING<br>----- |
|-----------------------------|---------------------|---------------------|-------------------|---------------------|---------------------|-------------------|-----------------------|--------------------|
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |
| LANDSCAPE CONTRACT          | 6,267               | 5,000               | 1,267             | 37,601              | 40,000              | (2,399)           | 60,000                | (22,399)           |
| LANDSCAPE EXTRAS            |                     | 416                 | (416)             |                     | 3,328               | (3,328)           | 5,000                 | (5,000)            |
| TOTAL GROUNDS MAINTENANCE   | 6,267               | 5,416               | 851               | 37,601              | 43,328              | (5,727)           | 65,000                | (27,399)           |
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |
| COMMON AREA REPAIRS         |                     | 83                  | (83)              |                     | 664                 | (664)             | 1,000                 | (1,000)            |
| PEST CONTROL                | 49                  | 41                  | 8                 | 146                 | 328                 | (182)             | 500                   | (354)              |
| IRRIGATION REPAIRS          | 390                 | 166                 | 224               | 704                 | 1,328               | (624)             | 2,000                 | (1,296)            |
| DEED RESTRICTION EXPENSES   |                     | 8                   | (8)               |                     | 64                  | (64)              | 100                   | (100)              |
| ENTRY REPAIRS               |                     | 41                  | (41)              |                     | 328                 | (328)             | 500                   | (500)              |
| LAKE MAINTENANCE            |                     |                     |                   |                     |                     |                   |                       |                    |
| VANDALISM                   |                     |                     |                   |                     |                     |                   |                       |                    |
| TOTAL MAINTENANCE & REPAIRS | 439                 | 339                 | 100               | 850                 | 2,712               | (1,862)           | 4,100                 | (3,250)            |
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |
| CLUBHOUSE PERSONNEL         |                     | 2,083               | (2,083)           | 9,656               | 16,664              | (7,008)           | 25,000                | (15,344)           |
| REPAIRS / MAINTENANCE       | 162                 | 83                  | 79                | 412                 | 664                 | (252)             | 1,000                 | (588)              |
| SUPPLIES / FURNITURE        | 202                 | 416                 | (214)             | 5,714               | 3,328               | 2,386             | 5,000                 | 714                |
| JANITORIAL                  |                     | 200                 | (200)             | 1,466               | 1,600               | (134)             | 2,400                 | (934)              |
| TOTAL RECREATIOIN CENTER    | 364                 | 2,782               | (2,418)           | 17,248              | 22,256              | (5,008)           | 33,400                | (16,152)           |
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |
| POOL CONTRACT               | 7,116               | 3,083               | 4,033             | 29,485              | 24,664              | 4,821             | 37,000                | (7,515)            |
| EXTRA SERVICES              |                     | 41                  | (41)              | 1,500               | 328                 | 1,172             | 500                   | 1,000              |
| REPAIRS & MAINTENANCE       |                     | 41                  | (41)              |                     | 328                 | (328)             | 500                   | (500)              |
| FURNITURE & EQUIPMENT       | 62                  | 41                  | 21                | 4,190               | 328                 | 3,862             | 500                   | 3,690              |
| SUPPLIES/POOL TAGS          |                     | 62                  | (62)              | 770                 | 496                 | 274               | 750                   | 20                 |
| TOTAL POOL                  | 7,178               | 3,268               | 3,910             | 35,945              | 26,144              | 9,801             | 39,250                | (3,305)            |
| <p>-----</p> <p>-----</p>   |                     |                     |                   |                     |                     |                   |                       |                    |



