

Vail Townhouses Condo Assoc.
c/o Vistar Real Estate, Inc.
635 N. Frontage Road, #1
Vail CO 81657

AS OF 09/30/05

DOLLARS

ASSETS

CURRENT ASSETS

1000	Checking	2000.00
1200	Savings	28388.81
1400	Accounts Receivable	20007.57

ASSETS	TOTAL	<u>50396.38</u>
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LIABILITIES

CURRENT LIABILITIES

2000	Business Accounts Payable	9302.48
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LIABILITIES	TOTAL	<u>9302.48</u>
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EQUITY

OWNER EQUITY

3000	Current Year Income	41093.90
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EQUITY	TOTAL	<u>41093.90</u>
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TOTAL LIABILITIES AND EQUITY		<u>50396.38</u>
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IN DOLLARS	YTD ACTUAL 01/01/05 TO 09/30/05	2005 BUDGET 01/01/05 TO 12/31/05	YTD VARIANCE	2006 BUDGET 01/01/06 12/31/06
INCOME				
INCOME				
5000 Association Dues	55534.26	45000.00	10534.26	45000.00
5100 Interest	115.00	360.00	-245.00	240.00
5200 Miscellaneous	1234.13	0.00	1234.13	0.00
5300 Special Assessment	75000.00	0.00	75000.00	0.00
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INCOME TOTAL	131883.39	45360.00	86523.39	45240.00
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GROSS PROFIT (LOSS)	131883.39	45360.00	86523.39	45240.00
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EXPENSES				
EXPENSES				
4000 Accounting	250.00	450.00	200.00	450.00
4050 Bank Fees	12.00	24.00	12.00	24.00
4100 Electric - Commons	1026.06	600.00	-426.06	600.00
4150 Income Taxes	0.00	0.00	0.00	0.00
4200 Insurance	8592.00	7000.00	-1592.00	8592.00
4250 Landscaping - Commons	2144.31	9000.00	6855.69	6000.00
4300 Legal Fees	21794.30	4200.00	-17594.30	4200.00
4350 Maintenance - Grounds	10921.02	6000.00	-4921.02	3000.00
4400 Maintenance - Buildings	29422.95	2400.00	-27022.95	3600.00
4450 Management Fees	3800.00	4200.00	400.00	4200.00
4500 Miscellaneous	9630.48	600.00	-9030.48	600.00
4550 Office Expense	2192.32	240.00	-1952.32	2400.00
4600 Snow Removal	820.04	3000.00	2179.96	3000.00
4650 Trash	0.00	1800.00	1800.00	1800.00
4700 Water & Sewer	784.00	0.00	-784.00	515.00
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EXPENSES TOTAL	91389.48	39514.00	-51875.48	38981.00
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NET PROFIT (LOSS)	40493.91	5846.00	34647.91	6259.00
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Vail Townhouses Condominium Association Budget Variances as of 9/2005

Association Dues The dues are \$10,571.57 above normal due to the invoices to 3 units for unpaid property taxes. We were unable to record a new map without paying off the county taxes on 3 units of \$9,443.59. We have invoiced the 3 units and have been paid on all three.

Miscellaneous Income The \$1234.13 is finance charges on past due Assessments.

Special Assessment The \$75,000 special assessment was not originally budgeted.

Electric Commons Common electric for new heat tapes on the entire building are \$564.23 over budgeted estimates.

Insurance Premium costs are \$1592.00 above estimated rise in cost.

Landscaping Landscaping positive variance of \$6855.69 is due to less activity to maintain the grounds during construction.

Legal Fees The legal costs to make revisions to the DEC, get approvals on the DEC, meet with Pan Eagle, record the DEC, get opinions on Pan Eagle legal matters has pushed this variance of a negative \$17,594.30 to the point it has broken our budget.

Maintenance Grounds The negative variance of \$4921.02 is part of the special assessment costs. Bills so far include the civil engineering, electrical materials, part of the installation of the electrical panel and part of the landscaping water lines. The surveyor elevation costs from earlier this year have been re-classified here too.

Maintenance Buildings The cost to install a new house electrical meter on lot 1 is \$3700 of this negative variance of \$27,022.95. Turner Roofing bills for added heat tape of \$2692, Shaw Electric of \$3299 for installing power as part of the special assessment, \$7911 to Ground Control for excavation, Shaw Electric of \$1995 for additional power work, and \$3354 again to Shaw for power work to the new meters.

Miscellaneous The negative variance here of \$9,330.48 is due to the payment of property taxes on the recording of the new map. This variance is offset by the positive variance on dues billings to recoup the taxes.

Office Expense The negative variance is fedex costs on 1st right notices and teleconference bills.

Snow Removal The positive variance of \$2179.96 is due to less labor costs than anticipated.

Trash The positive variance is due to no billing from Mill Creek. I talked to the new manager and they still have not sent me a bill.

Water and Sewer There was no budget for a house meter or water cost. This is part of the special assessment for the cost of a house meter that has been installed in unit 4A mechanical room.

SUMMARY We are \$86,523.39 over in income for 2005. We are only over \$51,875.48 in expenses so far. This leaves us with \$34,647.91 to work with before the end of the year. Paving and bollards will cost about \$29,000. The electrician's bills have been way over my guestimate by about \$8,000. Bills for irrigation plumbing connections have not yet arrived. We should end the year on target.

Project	Bid 1	Bid 2	Actual
Site elevations by surveyor for civil engineer use	\$1,201	\$2,000	\$2,080.50
Drainage and utility plan by civil engineer	\$3,000	\$3,000	\$3,000.00
Trenching for common utilities and parking drainage	\$6,487	\$11,770	\$9,098.57
Lay new conduits in trench (electrical for 3,4,5,6; drainage, irrigation, heat tapes)	\$1,000	\$2,000	\$1,626.09
Finish irrigation lines and conduits	\$2,000		
Electrician to connect new power from transformer through trench <i>(over budget)</i>	\$1,000	\$2,000	\$9,956.62
Plumbing line for new house water meter for landscape irrigation	\$2,000	\$3,000	\$3,269.88
Pave parking according to new drainage plan in October in conjunction with TOV paving	\$28,902	\$23,138	
New parking posts	\$1,000	\$1,350	
Reset new parking posts	\$500		
Total parking lot trenching and utilities	\$47,090	\$48,258	\$29,031.66
Legal fees over budget	\$20,000	\$25,000	
Assessment needed	\$67,090	\$73,258	
Special Assessment passed on 6/29/05	\$75,000		

Vail Townhouses Condominium Association Budget Notes 2006

Association Dues	This is the anticipated base operating budget.
Interest	Interest earned on deposits is currently minimal.
Miscellaneous	No budgeted income planned from late fees or other sources.
Special Assessment	No special assessment for special projects is budgeted.
Accounting	Budget figure includes annual tax return preparation.
Bank Fees	Checking account fees or new deposit books.
Electric Commons	Electrical cost to maintain heat tapes on roofs.
Income Taxes	None anticipated. HOA only pays taxes on other sources of income, not dues.
Insurance	The budget was increased from 2005 to reflect current premiums.
Landscaping	Hand watering, flower planting, and lawn care is included in this number. There is a decrease from 2005 budget due to lower than anticipated costs in 2005 and the planned installation of a sprinkler system to lower labor costs in 2006.
Legal Fees	2005 budget includes legal retainer fee with Orten Hindman and anticipated on-going legal advice.
Maintenance Grounds	The 2006 budget no longer has privacy fence design costs. We need to complete privacy fences in front of units 2D and 3A.
Maintenance Buildings	The budget has increased slightly from 2005 to include any repairs to building exteriors.
Management Fees	This is the monthly property management fee charged by Vistar.
Miscellaneous	Non building exterior catch all account.
Office Expense	The \$240 budget for 2005 was for office costs such as check stock or payment envelopes. This line item now includes teleconference costs and fedex costs and has increased to \$2400.
Snow Removal	The 2006 budget remains unchanged for clearing parking areas, even though the actuals have come in under budget in the past.

Trash The trash dumpster is shared with the Mill Creek building. VTCA does not have a location for a dumpster. This is the past contracted rate. We have not received a bill this year.

Water & sewer Each condo is individually metered for water and sewer costs. The HOA budget now includes a water bill for irrigation only.

Net Profit (Loss) A budgeted gain of \$6259 is planned for 2006. This amount equates to a 13.8% contingency to be added to the reserve fund if available at year end. It is our goal to find an equilibrium not requiring special assessments and still allowing us to save some money toward future projects.

Accounts Receivable Due Report

Customer	Excludes Code	Credit Balances Current	Detail 30 Days	will not Match 60 Days	Total 90 Days	Total
Chris Parks	(6A)	304.54	0.00	300.04	20002.52	20607.10
Welles Family	(6B)	0.00	0.00	0.00	0.32	0.32
2 Items	Totals	9.23	0.00	300.04	20002.84	20312.11

Balance per GL in Account 1400
Ledger balances with detail

20312.11