

1 PAUL J. COUCHOT State Bar No. 131934
2 **WINTHROP COUCHOT**
3 **PROFESSIONAL CORPORATION**
4 660 Newport Center Drive, Fourth Floor
5 Newport Beach, CA 92660
6 Telephone: (949) 720-4100
7 Facsimile: (949) 720-4111

8 [Proposed] General Insolvency Counsel for
9 Debtor and Debtor-in-Possession

10 UNITED STATES BANKRUPTCY COURT
11 CENTRAL DISTRICT OF CALIFORNIA
12 SANTA ANA DIVISION

13 In re
14 CAMEO HOMES, a California corporation,
15 Debtor and Debtor-in-Possession.

16 Case No. 8:08-bk-13151-RK

17 Chapter 11 Proceeding

18 **REPLY IN SUPPORT OF MOTION OF
19 CAMEO HOMES FOR ORDER
20 APPROVING THE SALE OF CERTAIN
21 PARTNERSHIP INTERESTS PURSUANT
22 TO 11 U.S.C. § 363; DECLARATIONS OF
23 SHAWN CONERTY AND JOHN
24 MCFADDEN IN SUPPORT THEREOF**

25 Hearing Date: July 25, 2008
26 Hearing Time: 2:00 p.m.
27 Courtroom: 5D

28 **TO THE HONORABLE ROBERT KWAN, UNITED STATES BANKRUPTCY JUDGE,
THE OFFICE OF THE UNITED STATES TRUSTEE, AND OTHER PARTIES-IN-
INTEREST IN THIS CHAPTER 11 CASE:**

Cameo Homes, the above-captioned debtor (“Cameo” or the “Debtor”), hereby files this
reply (the “Reply”) in support of the motion (the “Motion”)¹ pursuant to section 363 of 11 U.S.C.
§ 101 *et seq.* (the “Bankruptcy Code”) for an order: (i) approving the *Contribution Agreement*
(the “Contribution Agreement”); (ii) authorizing James C. Gianulias, the debtor in Chapter 11
Case No. 8:08-13150 RK (“Mr. Gianulias”) to transfer 49% of his current partnership interests
(the “Partnership Interests”) in Murrieta 144 Apartments, LP and Murrieta 492, LP (the

¹ Capitalized terms not defined herein have the meaning set forth in the Motion.

1 “Partnerships”² to APW Avenue Group, Ltd. (APW) (the “Purchaser”); and (iii) authorizing
2 Cameo Homes, a California corporation, the debtor herein (“Cameo” and, collectively with Mr.
3 Gianulias, the “Debtors”),³ as the sole member of 144 Apartments, LLC and 492 Apartments,
4 LLC (the “General Partners”), to consent to the transfer of the General Partners’ 1% interest in
5 the Partnerships to the Purchaser, at which time the Purchaser will replace the General Partners
6 as the general partners of the Partnerships.

7 On July 24, 2008, two parties, California National Bank and Wachovia Bank, National
8 Association (collectively, the “Banks”), filed responses to the Motion (the “Oppositions”)
9 seeking to continue the hearing on the Motion in order to provide additional time to review the
10 Motion and the proposed transactions. For the reasons set forth below, the Debtor believes that a
11 continuation of the hearing on the Motion is unnecessary and may cause substantial harm to the
12 Debtors and their estates.

13 **A. Creditors Have Been Provided With Adequate Information**

14 In the Oppositions, the Banks state that they need additional information regarding the
15 Debtors’ assets in order to determine whether the Debtors have sufficient funds to continue to
16 fund the Projects. However, this argument is artificial, as the Debtors have previously provided
17 extensive documentation regarding the Partnerships and the Projects to counsel for both of the
18 Banks and other parties-in-interest, including cash flow projections for the Partnerships.⁴

19 In addition, the Debtors made Shawn Conerty, the Director of Finance of G Companies
20 Management, LLC, Cameo and several affiliates owned by Mr. Gianulias, available for deposition
21 on Wednesday, July 23, 2008 to answer any additional questions regarding the Partnerships, the
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24 ² Mr. Gianulias currently owns 74% of Murrieta 492, LP and 74% of Murrieta 144 Apartments, LP.

25 ³ A substantially identical motion has been filed in Cameo’s chapter 11 case.

26 ⁴ At the request of counsel for the Banks and other creditors, in addition to the information set forth in the
27 Motion, the Debtors also provided documents to such creditors regarding: (i) the respective capital account status,
28 buy-in, and/or carried interests of the minority partners of the Partnerships; (ii) the agreement with Pony Express
whereby Pony Express agreed to withdraw from Murrieta 144 Apartment, LP; (iii) information regarding the
commissions being paid in connection with the transaction; (iv) the proposed amendments to the Partnership
Agreements for Murrieta 492, LP and Murrieta 144 Apartment, LP; (v) copies of property appraisals; and (vi) copies
of the loan documentation with PNC.

1 Contribution Agreement, and the proposed transactions. Despite this offer, the Banks chose not to
2 depose Mr. Conerty.

3 The Banks, both of which are members of the creditors' committee for Cameo or
4 Gianulias, also state that they would like the benefit of the input of counsel to the creditors'
5 committee before a final hearing on the Motion. However, both of the Banks are currently
6 represented by experienced counsel that is capable of adequately representing the Banks' interests.

7 **B. Neither The Debtors Nor The Partnerships Have Funds Sufficient To Support The**
8 **Projects**

9 The information provided to the Banks (and other creditors) demonstrates that neither the
10 Debtors nor the Partnerships have sufficient funds to continue to support the Partnerships. Among
11 the documentation provided to the Banks (and other creditors) were projected cash flows relating
12 to the Partnerships, which reflect a collective cash shortfall of approximately \$270,000 per month
13 based on the current income of the Projects. The projected cash flows for Murrieta 144
14 Apartments, LP and Murrieta 492, LP are attached to the Conerty Declaration as Exhibit B.

15 In addition, cash flow projections for Mr. Gianulias and Cameo were provided to creditors
16 in connection with the *Motion For Order Authorizing Joint Administration Of Related Cases And*
17 *Of Related Debtors' Income And Expenses Pursuant To 11 U.S.C. § 105 And Bankruptcy Rule*
18 *1015(b)* (which motion is also set for hearing at the same time as the Motion). These cash flow
19 projections, which are attached to the Declaration of John McFadden as Exhibit A, demonstrate
20 that neither Mr. Gianulias nor Cameo have sufficient available funds to support the Partnerships.

21 Further, the Banks have provided no support for their suggestion that the creditors should
22 provide the approximately \$9 million in funding that will be required to support the Partnerships.
23 Even if the Debtors had sufficient cash flow to fund the completion and stabilization of the
24 Projects, the Debtors have determined that this process will likely take approximately five (5)
25 years, during which time it is unlikely that either the Debtors or their creditors will receive a
26 return on their investment.

27 Based on the foregoing, as well as the information provided in the Motion and the
28 Declarations of James C. Gianulias and Shawn Conerty in support of the Motion, and the

1 Declarations of Shawn Conerty and John McFadden in support of this Reply, if the Contribution
2 Agreement is not approved, the Partnerships will likely default on their secured debt. If the
3 Partnerships default, PNC will ultimately foreclose on the Projects, and the estate will lose the
4 benefit derived through the cancellation of Mr. Gianulias' guarantee.⁵

5 **C. Expedited Consideration of the Motion Is Necessary**

6 An immediate hearing on the Motion is vital. As set forth above, neither the Debtors nor
7 the Partnerships have the ability to continue to fund the Partnerships. The Partnerships will not
8 be able to make the loan payments to PNC that come due August 1, 2008. If the Partnerships are
9 unable to make this payment, the loans will be considered non-performing and PNC will likely
10 seek to foreclose on the Projects. If this occurs, the value achieved through a foreclosure will
11 likely be insufficient to cover the amount of the secured debt, which Mr. Gianulias has partially
12 guaranteed.

13 If the hearing on the Motion is continued, the Partnerships will be unable to pay their
14 secured debt and outstanding operating costs. Additionally, the Partnerships have signed an
15 agreement with the City of Murrieta providing that funding for the road development relating to
16 the Murrieta 492 Project will be in escrow by August 1, 2008. If these funds are not provided
17 prior to August 1, 2008, the City will not provide certificates of occupancy for fifty-eight (58)
18 units at the Murrieta 492 Project. The City may also pursue their rights against the performance
19 bond established by the Partnerships. This could result in harm to both Mr. Gianulias and
20 Cameo, as well as their creditors, as both of the Debtors (as well as Murrieta 492, LP)
21 indemnified the surety with respect to this bond.

22 Finally, if the hearing on the Motion is continued, the Purchaser may no longer be willing
23 to make the contributions to the Partnerships. The parties began negotiating the Contribution
24 Agreement in January 2008 and the Purchaser would like to complete the transaction as soon as
25 possible. The Contribution Agreement has now been finalized, but the Purchaser has requested
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28 ⁵ Subsequent to the filing of the Motion, the Debtors determined that Cameo had not guaranteed the secured debt of Murrieta 492, LP and Murrieta 144 Apartments, LP.

1 an order approving the Contribution Agreement prior to execution.⁶ Once the Contribution
2 Agreement is executed, the Purchaser will provide the necessary funding to pay the operating
3 shortfall and to fund the escrow to satisfy the City of Murrieta.

4 **CONCLUSION**

5 **WHEREFORE, Cameo** requests that the Court grant the Motion and enter an order: (i)
6 approving the Contribution Agreement; (ii) authorizing Mr. Gianulias to transfer 49% of his
7 current Partnership Interests to the Purchaser; (iii) authorizing Cameo to consent to the transfer
8 of the General Partners' 1% interest in the Partnerships to the Purchaser; (iv) finding that the
9 Purchaser is a good faith purchaser within the meaning of section 363(m) of the Bankruptcy
10 Code; (v) waiving the application of Bankruptcy Rule 6004(h); and (vi) granting such other and
11 further relief as the Court deems just and proper.

12 DATED: July 25, 2008

WINTHROP COUCHOT
PROFESSIONAL CORPORATION

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16 By: /s/ Paul J. Couchot
Paul J. Couchot
17 [Proposed] Attorneys for Cameo Homes
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28 ⁶ Although the parties have agreed to the terms of the Contribution Agreement, certain exhibits to will be updated as of the date of execution of the Contribution Agreement. Any such changes will not impact the Debtors.

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2 **DECLARATION OF JOHN MCFADDEN**

3 I, John McFadden, hereby declare and state as follows:

4 1. I am the Corporate Controller of G Companies Management, LLC (“G
5 Companies”) and provide services to various entities in which James C. Gianulias (“Mr.
6 Gianulias” or the “Debtor”) has an interest, including Cameo Homes, a California corporation
7 (“Cameo” and, collectively with Cameo, the “Debtors”). In my position as Corporate Controller, I
8 provide oversight of all accounting services and tax related matters for Mr. Gianulias, Cameo, G
9 Companies and various related entities.

10 2. I have general knowledge of the Debtors’ books and records, and I am familiar with
11 the Debtors’ financial and operational affairs. As to the following facts, I know them to be true of
12 my own knowledge, or I have gained such knowledge from the business records of Mr. Gianulias
13 or one of his businesses which were made at or near the time of the acts, conditions or events to
14 which they relate. Any such document or record was prepared in the ordinary course of business
15 by a person who had personal knowledge of the event being recorded and had a business duty to
16 accurately record such event.

17 3. I submit this declaration in support of the motion (the “Motion”)¹ filed by Cameo
18 pursuant to section 363 of 11 U.S.C. § 101 *et seq.* (the “Bankruptcy Code”) for an order: (i)
19 approving the *Contribution Agreement* (the “Contribution Agreement”); (ii) authorizing Mr.
20 Gianulias to transfer 49% of his current partnership interests (the “Partnership Interests”) in
21 Murrieta 144 Apartments, LP and Murrieta 492, LP (the “Partnerships”) to APW Avenue Group,
22 Ltd. (APW) (the “Purchaser”);² and (iii) authorizing Cameo, as the sole member of 144
23 Apartments, LLC and 492 Apartments, LLC (the “General Partners”), to consent to the transfer of
24 the General Partners’ 1% interest in the Partnerships to the Purchaser, at which time the Purchaser
25 will replace the General Partners as the general partners of the Partnerships.

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28 ¹ All terms not defined herein have the meaning set forth in the Motion.

² Mr. Gianulias currently owns 74% of Murrieta 492, LP and 74% of Murrieta 144 Apartments, LP.

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2 **DECLARATION OF SHAWN CONERTY**

3 I, Shawn Conerty, hereby declare and state as follows:

4 1. I am the Director of Finance of G Companies Management, LLC, a California
5 limited liability company, and several affiliates, including Cameo Homes, a California corporation
6 (“Cameo”), owned by James C. Gianulias (“Mr. Gianulias” and, collectively with Cameo, the
7 “Debtors”). In my position as Director of Finance, I oversee all project level capitalization and am
8 responsible for lender relations.

9 2. As to the following facts, I know them to be true of my own knowledge, or I have
10 gained such knowledge from the business records of Mr. Gianulias or one of his businesses which
11 were made at or near the time of the acts, conditions or events to which they relate. Any such
12 document or record was prepared in the ordinary course of business by a person who had personal
13 knowledge of the event being recorded and had a business duty to accurately record such event.

14 3. I submit this declaration in support of the motion (the “Motion”)¹ filed by Mr.
15 Gianulias pursuant to section 363 of 11 U.S.C. § 101 *et seq.* (the “Bankruptcy Code”) for an order:
16 (i) approving the *Contribution Agreement* (the “Contribution Agreement”); (ii) authorizing Mr.
17 Gianulias to transfer 49% of his current partnership interests (the “Partnership Interests”) in
18 Murrieta 144 Apartments, LP and Murrieta 492, LP (the “Partnerships”) to APW Avenue Group,
19 Ltd. (APW) (the “Purchaser”);² and (iii) authorizing Cameo, as the sole member of 144
20 Apartments, LLC and 492 Apartments, LLC (the “General Partners”), to consent to the transfer of
21 the General Partners’ 1% interest in the Partnerships to the Purchaser, at which time the Purchaser
22 will replace the General Partners as the general partners of the Partnerships.

23 4. On July 25, 2008, two parties, California National Bank and Wachovia Bank,
24 National Association (collectively, the “Banks”), filed responses to the Motion (the
25 “Oppositions”) seeking to continue the hearing on the Motion in order to provide additional time
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28 ¹ All terms not defined herein have the meaning set forth in the Motion.

² Mr. Gianulias currently owns 74% of Murrieta 492, LP and 74% of Murrieta 144 Apartments, LP.

1 to review the Motion and the proposed transactions. I believe that a continuation of the hearing on
2 the Motion is unnecessary and may cause substantial harm to the Debtors and their estates.

3 5. I, in my role as Director of Finance, provided extensive documentation regarding
4 the Partnerships and the Projects to counsel for the Banks and other parties-in-interest, including
5 cash flow projections for the Partnerships.³

6 6. In addition, I was available for deposition on Wednesday, July 23, 2008 to answer
7 any additional questions regarding the Partnerships, the Contribution Agreement, and the proposed
8 transactions. Despite this offer, the Banks did not depose me.

9 7. I believe that the information provided to the Banks (and other creditors)
10 demonstrates that neither the Debtors nor the Partnerships have sufficient funds to continue to
11 support the Partnerships. Among the documentation provided to the Banks (and other creditors)
12 were projected cash flows relating to the Partnerships, which reflect a collective cash shortfall of
13 approximately \$270,000 per month based on the current income of the Projects.

14 8. The projected cash flows for Murrieta 144 Apartments, LP and Murrieta 492, LP
15 are attached hereto as Exhibit B. I was personally involved in preparing the projected cash flows
16 and submit that the information contained in the projected cash flows is reasonable and accurate to
17 the best of my knowledge. The projected cash flows was prepared using the Partnerships'
18 historical data for the past several months, then modified to account for certain recent changes in
19 the homebuilding market.

20 9. I believe that the Partnerships will require approximately \$9 million in additional
21 funding. Even if the Debtors had sufficient cash flow to fund the completion and stabilization of
22 the Projects, I believe that this process will likely take approximately five (5) years, during which
23 time it is unlikely that either the Debtors or their creditors will receive a return on their investment.

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26 ³ At the request of counsel for the Banks or other creditors, in addition to the information set forth in the
27 Motion, I also provided documents to such creditors regarding: (i) the respective capital account status, buy-in, and/or
28 carried interests of the minority partners of the Partnerships; (ii) the agreement with Pony Express whereby Pony
Express agreed to withdraw from Murrieta 144 Apartment, LP; (iii) information regarding the commissions being paid
in connection with the transaction; (iv) the proposed amendments to the Partnership Agreements for Murrieta 492, LP
and Murrieta 144 Apartment, LP; (v) copies of property appraisals; and (vi) copies of the loan documentation with
PNC.

1 10. Based on the foregoing, I believe that if the Contribution Agreement is not
2 approved, the Partnerships will likely default on their secured debt. If the Partnerships default,
3 PNC will ultimately foreclose on the Projects, and the estate will lose the benefit derived through
4 the cancellation of Mr. Gianulias' guarantee.⁴

5 11. I believe that an immediate hearing on the Motion is vital. Neither the Debtors nor
6 the Partnerships have the ability to continue to fund the Partnerships. The Partnerships will not be
7 able to make the loan payments to PNC that come due August 1, 2008. If the Partnerships are
8 unable to make this payment, the loans will be considered non-performing and PNC will likely
9 seek to foreclose on the Projects. If this occurs, the value achieved through a foreclosure will
10 likely be insufficient to cover the amount of the secured debt, which Mr. Gianulias has partially
11 guaranteed.

12 12. If the hearing on the Motion is continued, the Partnerships will be unable to pay
13 their secured debt and outstanding operating costs. Additionally, the Partnerships have signed an
14 agreement with the City of Murrieta providing that funding for the road development relating to
15 the Murrieta 492 Project will be in escrow by August 1, 2008. If these funds are not provided
16 prior to August 1, 2008, the City will not provide certificates of occupancy for fifty-eight (58)
17 units at the Murrieta 492 Project. The City may also pursue their rights against the performance
18 bond established by the Partnerships. This could result in harm to both Mr. Gianulias and Cameo,
19 as well as their creditors, as both of the Debtors (as well as Murrieta 492, LP) indemnified the
20 surety with respect to this bond.

21 13. Finally, if the hearing on the Motion is continued, the Purchaser may no longer be
22 willing to make the contributions to the Partnerships. The parties began negotiating the
23 Contribution Agreement in January 2008 and I am informed and believe that the Purchaser would
24 like to complete the transaction as soon as possible. The Contribution Agreement has now been
25 finalized, but the Purchaser has requested an order approving the Contribution Agreement prior to
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28 ⁴ Subsequent to the filing of the Motion, the Debtors determined that Cameo had not guaranteed the secured
debt of Murrieta 492, LP and Murrieta 144 Apartments, LP.

1 execution.⁵ Once the Contribution Agreement is executed, the Purchaser will provide the
2 necessary funding to pay the operating shortfall and to fund the escrow to satisfy the City of
3 Murrieta.

4 I declare under penalty of perjury that the foregoing is true and correct.

5 Executed this 25 day of July, 2008, at Newport Beach, California.

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8 Shawn Conerty

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28 ⁵ Although the parties have agreed to the terms of the Contribution Agreement, certain exhibits to
will be updated as of the date of execution of the Contribution Agreement. Any such changes will not
impact the Debtors.

JAMES C. GIANULIAS
Projected Cash Flow

	<u>Jul-08</u>	<u>Aug-08</u>	<u>Sep-08</u>
BEGINNING CASH	223,136	186,818	241,568
SOURCES OF CASH - JCG			
Salary (Net)	15,785	15,785	15,785
Social Security	1,948	1,948	1,948
Membership Interest Property Distributions	217,086	309,928	318,807
Partial return of Issa Phoenix retainer	75,000	-	-
TOTAL SOURCES	<u>309,819</u>	<u>327,662</u>	<u>336,341</u>
USES OF CASH - JCG			
DEBT PAYMENTS			
21 Atlantis Cove	-	-	-
Santa Rosa Cove	-	-	-
Fasching Haus	-	-	-
Coconut Grove 1st	15,625	15,625	15,625
Coconut Grove 2nd	4,403	4,403	4,403
48th & Adams	-	-	-
Old Greenwood	-	-	-
Total Mortgage Pmts	<u>20,028</u>	<u>20,028</u>	<u>20,028</u>
HOME EXPENSES			
21 Atlantis Cove			
HOA	545	545	545
Maintenance & Services	1,300	1,300	1,300
Utilities	620	620	620
Property Taxes	-	-	-
Santa Rosa Cove			
HOA	475	475	475
Utilities & Maintenance	1,400	1,400	1,400
Property Taxes	-	-	-
Fasching Haus			
Rental Income	(3,000)	(3,000)	(3,000)
Association Dues	1,300	1,300	1,300
Housekeeping	250	250	250
Utilities	170	170	170
Management Fees	68	68	68
Rental Commission	1,200	1,200	1,200
Coconut Grove			
Rental Income	(4,100)	(4,100)	(4,100)
HOA	1,953	1,953	1,953
Maintenance & Repairs	250	250	250
Housekeeping	1,310	1,310	1,310
Telephone	61	61	61
Utilities	1,000	1,000	1,000
Property Taxes	-	10,221	-
Old Greenwood			
Property Taxes	-	-	-
Association Fees	-	434	-
Total Home Expenses	<u>4,802</u>	<u>15,456</u>	<u>4,802</u>
BUSINESS EXPENSES			
Dues & Subscriptions	3,500	3,500	3,500
Entertainment & Promotion	2,350	2,350	2,350
Business Expenses	5,850	5,850	5,850
PERSONAL EXPENSES			
Jim's Car Lease	4,294	4,294	4,294
Accounting	-	-	-
Bank Charges	85	85	85
Health & Medical	300	300	300
Insurance	-	-	-
Miscellaneous	100	100	100
Personal Expense	1,000	1,000	1,000
Telephone	235	235	235
Travel	3,500	3,500	3,500
Personal Expenses	<u>9,514</u>	<u>9,514</u>	<u>9,514</u>
TOTAL JCG G&A	<u>40,193</u>	<u>50,848</u>	<u>40,193</u>
Professional Fees (70%)	245,000	105,000	70,000
G Company Management Allocation (70%)	60,943	117,044	112,844
Project Capital Contributions	-	-	-
TOTAL USES	<u>346,137</u>	<u>272,892</u>	<u>223,037</u>
NET CASH FLOW	<u>(36,317)</u>	<u>54,770</u>	<u>113,303</u>
ENDING CASH - JCG	<u>186,818</u>	<u>241,588</u>	<u>354,892</u>

CAMEO HOMES
Projected Cash Flow

	<u>Jul-08</u>	<u>Aug-08</u>	<u>Sep-08</u>
BEGINNING CASH	5,737	34,619	76,178
SOURCES OF CASH - CAMEO			
Membership Interest Property Distributions	136,332	188,052	208,834
Partial return of Issa Phoenix retainer	75,000		
TOTAL SOURCES	<u>211,332</u>	<u>188,052</u>	<u>208,834</u>
USES OF CASH - CAMEO			
<u>PAYROLL</u>			
Salaries	44,500	44,500	44,500
Payroll Taxes	2,781	2,781	2,781
Payroll Service Fee	50	50	50
TOTAL PAYROLL	<u>47,331</u>	<u>47,331</u>	<u>47,331</u>
<u>GENERAL & ADMIN.</u>			
Accounting	-	-	-
Advertising/Marketing	-	-	-
Auto Expense	-	-	-
Bank Charges	-	-	-
Computer Equipment Lease	4,000	4,000	4,000
Dues & Subscriptions	-	-	-
Entertainment	-	-	-
License & Bonds	-	-	-
Maintenance & Repairs	-	-	-
Office Overhead & Supplies	-	-	-
Professional Fees	-	-	-
Postage/Courier	-	-	-
Travel	-	-	-
Telephone	-	-	-
Other	-	-	-
TOTAL GENERAL & ADMIN	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
TOTAL CAMEO G&A	<u>51,331</u>	<u>51,331</u>	<u>51,331</u>
Professional Fees (30%)	105,000	45,000	30,000
G Company Management Allocation (30%)	26,119	50,162	48,362
Project Capital Contributions	-	-	-
TOTAL USES	<u>182,450</u>	<u>146,493</u>	<u>129,693</u>
NET CASH FLOW	28,882	41,559	79,141
ENDING CASH - CAMEO	<u><u>34,619</u></u>	<u><u>76,178</u></u>	<u><u>155,319</u></u>

G COMPANIES MANAGEMENT
 Projected Cash Flow

	<u>Jul-08</u>	<u>Aug-08</u>	<u>Sep-08</u>
BEGINNING CASH	180,734	50,000	50,000
SOURCES OF CASH - G CO MGMT			
Allocation from JCG (70%)	60,943	117,044	112,844
Allocation from Cameo Homes (30%)	26,119	50,162	48,362
TOTAL SOURCES	87,062	167,205	161,205
USES OF CASH - G CO MGMT			
Salaries & Wages	97,472	68,919	68,919
Payroll Taxes	6,112	4,322	4,322
401K Employer Matching	265	265	265
Retention Agreement Expense	-	-	-
Payroll Service Fee	250	250	250
Payroll 401K Service Fee	463	463	463
DIRECT PAYROLL	104,562	74,218	74,218
Payroll per pay period	52,281	37,109	37,109
Consulting Fees	33,917	21,000	15,000
Workers Compensation	4,060	3,100	3,100
Health Insurance	26,899	20,530	20,530
Other Employment Fees	750	750	750
INDIRECT PAYROLL	65,626	45,380	39,380
RENT EXPENSE			
1105 Quail - Corporate Offices	22,116	22,116	22,116
1200 Quail #250	1,617	1,617	1,617
sub-lease	(1,694)	(1,694)	(1,694)
1200 Quail #260	3,406	3,406	3,406
sub-lease	(3,406)	(3,406)	(3,406)
3975 Birch (warehouse)	3,150	3,150	3,150
storage	235	235	235
TOTAL RENT	25,424	25,424	25,424
GENERAL & ADMIN			
Mileage Reimbursement	500	500	500
Auto Other	500	500	500
Computer Expense	4,000	4,000	4,000
Dues & Subscriptions	450	450	450
Equipment Lease	1,034	1,034	1,034
Insurance	-	-	-
Internet Service	1,500	1,500	1,500
Office Supplies & Expense	5,000	5,000	5,000
Postage & Delivery	1,900	1,900	1,900
Professional Fees	3,000	3,000	3,000
Telephone	2,500	2,500	2,500
Utilities	1,500	1,500	1,500
Travel & Entertainment	300	300	300
TOTAL GENERAL & ADMIN	22,184	22,184	22,184
TOTAL USES	217,796	167,205	161,205
NET CASH FLOW	(130,734)	-	-
ENDING CASH - G CO MGMT	50,000	50,000	50,000

Distributable Project Cash Flow

Project	<u>Jul-08</u>	<u>Aug-08</u>	<u>Sep-08</u>	Ownership	
				<u>JCG</u>	<u>Cameo</u>
Piccadilly Square	-	48,160	52,309	25.261%	24.239%
Park Mesa Villas	150,000	158,639	173,297	18.750%	18.375%
Brooklake	120,000	108,544	115,255		49.500%
Villa Buena	75,000	64,449	71,919	25.261%	24.239%
Parkewood Village	125,000	115,552	99,615	16.667%	16.333%
Palm Island	26,000	165,039	143,857	64.000%	
River Knolls	4,000	7,388	11,684	85.000%	14.000%
Emerald Isle	100,000	70,137	92,535	69.000%	
Silverhawk	-	-	-	55.250%	1.000%
Vista Pointe 144	-	-	-	74.000%	1.000%
Silverado 492	-	-	-	74.000%	1.000%
Grand Isle 453	-	-	-	74.000%	1.000%
La Quinta Retail/Lofts	-	-	-	55.250%	
Crown Building	45,000	31,633	28,284		20.000%
Lucas Gianulias	20,000	33,887	34,387	50.000%	
Greenhaven Plaza	3,000	10,488	14,874	25.000%	
Grass Valley Shop Ctr	-	50,329	65,451	0.010%	98.990%
Coast Business Center	65,000	97,617	78,988	20.733%	1.867%
Dana Center GP	5,000	3,459	4,829	50.000%	
Dana Center LP	17,000	11,394	15,296	49.500%	
East Coast Properties	100,000	100,000	100,000	25.000%	
JCG distributions	217,086	309,928	318,607		
Cameo distributions	136,332	188,052	208,834		

Profit & Loss Variance
Mesa Management
Silverado Apartments
As of
JUNE 30, 2008

QCGL450
MM
SVA

Cur. Period: 06/08
Sel. Period: 06/08

Project SQ FT
Project UNITS

0
0

	Actual												Budget		Revised Total	Original Budget
	211	233	242	268	278	282	303	318	333	348	363	378	378			
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Dec-08	Total		
6000 RENTAL INCOME	42,89%	47,38%	49,19%	54,47%	56,60%	57,32%	61,58%	64,63%	67,68%	70,73%	73,78%	76,83%	76,83%			
6010 GROSS POTENTIAL RENT	308,883	340,879	354,046	392,084	408,714	412,566	443,289	465,234	487,179	509,124	531,069	553,014	553,014	5,203,891	5,438,400	
LOSS RENT (EMP/MODEL)	(8,350)	(7,661)	(5,528)	(11,157)	(8,350)	(8,350)	(8,350)	(8,350)	(8,350)	(8,350)	(8,350)	(8,350)	(8,350)	(99,516)		
DELINQUENCY	(17,297)	(10,293)	(4,083)	(18,762)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	(146,435)		
RENT CONCESSION	(26,046)	(35,816)	(43,082)	(34,563)	(44,149)	(59,709)	(50,249)	(63,744)	(57,239)	(60,734)	(64,229)	(67,724)	(67,724)	(597,263)		
TOTAL RENTAL INCOME	257,000	287,089	301,373	327,602	342,215	332,507	372,680	391,140	409,590	428,040	446,490	464,940	464,940	4,380,877	5,438,400	
6099-990																
6100 OTHER ONSITE FACILITY INCOME																
6110 WASHER & DRYERS	1,639	1,489	1,667	1,363	1,595	1,094	3,960	4,185	4,410	4,635	4,860	5,265	5,265	36,162	46,350	
6115 PET RENT	828	836	915	944	925	850	880	930	980	1,030	1,090	1,170	1,170	11,368	10,300	
6120 PARKING	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6130 GARAGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6140 STORAGE	3,402	3,061	1,754	3,834	3,752	3,019	-	-	-	-	-	-	-	18,842	-	
6150 REFRIGERATORS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6160 FURNITURE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6170 EMS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6180 BARS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6199-990																
TOTAL OTHER ONSITE FACILITY INCOME	5,869	5,406	4,336	6,141	6,272	4,963	4,840	5,115	5,390	5,665	5,940	6,435	6,435	66,372	56,650	
6199-990																
TOTAL RENTAL INCOME	262,869	292,495	305,709	333,743	348,487	337,470	377,530	396,255	414,980	433,705	452,430	471,375	471,375	4,427,048	5,495,050	
6199-998																
OTHER SITE INCOME	1,350	1,800	1,371	575	1,400	1,135	1,750	1,500	1,350	1,100	975	975	975	15,281	14,525	
6200 APPLICATION FEE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6210 CLUBHOUSE RENTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6220 COMPUTER ROOM	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6240 FAN INSTALLATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6250 LAUNDRY CARDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6260 OVERNIGHT GUEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6270 ACTIVITY FEE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6280 DEPOSIT FORFEIT	15	1,623	2,086	79	1,378	3,219	200	200	200	200	200	200	200	9,600	2,400	
6290 LATE CHARGES	570	1,050	1,248	1,077	1,950	1,361	150	150	150	150	150	150	150	8,158	1,800	
6300 LEASE CANCELLATION FEE	949	-	187	-	2,667	5,731	-	-	-	500	-	-	-	10,034	1,500	
6310 LEGAL FEES	-	-	570	-	630	585	-	-	250	-	-	-	-	2,285	1,000	
6320 NSF CHECK CHARGES	140	315	245	210	210	315	105	105	70	70	35	35	35	1,855	915	
6399-990																
TOTAL OTHER SITE INCOME	3,024	4,788	5,707	1,941	8,235	12,346	2,205	1,955	2,020	2,020	1,360	1,610	1,610	47,211	22,140	

Mesa Management
Silverado Apartments
As of
JUNE 30, 2008

QCGL450
MM
SVA

Cur. Period: 06/08
Sell. Period: 06/08

Project SQ. FT
Project UNITS

0
0

	Actual												Budget		Revised Total	Original Budget
	211	233	242	258	278	282	303	318	333	348	363	378	Dec-08	Nov-08		
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08				
6500 UTILITY INCOME																
6510 RUBBISH	2,453	2,774	3,119	1,856	3,184	3,074	1,957	2,068	2,180	2,291	2,402	2,602	29,980	22,907		
6520 SEWER	1,953	2,131	2,344	1,291	2,078	2,079	1,883	1,778	1,874	1,969	2,065	2,237	23,182	19,894		
6530 WATER	2,371	3,353	4,310	2,759	4,136	3,997	3,203	3,385	3,567	3,749	3,931	4,259	43,031	37,492		
6540 GAS	-	-	-	-	1,374	-	-	-	-	-	-	-	1,374	-		
6550 Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
6560 UTILITY ADMIN FEE	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
6598-980	6,477	8,258	9,773	5,916	10,772	9,150	6,843	7,232	7,620	8,009	8,398	9,098	97,547	80,093		
6800 MISCELLANEOUS INCOME																
6810 INTEREST	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
6820 LAUNDRY ROOM	2,920	2,817	2,856	2,204	2,225	1,114	2,640	2,790	2,940	3,090	3,240	3,510	32,346	30,900		
6830 VENDING MACHINES	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
6840 TELEPHONE COMMISSIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
6850 CABLE COMMISSIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
6880 MISC. INCOME	153	147	157	188	161	-	-	-	-	-	-	-	774	-		
6898-980	3,073	2,964	3,013	2,360	2,386	1,114	2,640	2,790	2,940	3,090	3,240	3,510	33,120	30,900		
6990-980	275,443	308,505	324,202	343,960	368,880	360,080	389,218	408,232	427,560	446,824	465,428	485,593	4,804,828	5,628,183		
7000 ADVERTISING & PROMOTION																
7010 ADVERTISING	21,354	28,666	4,016	4,116	2,987	8,987	10,300	10,300	10,300	10,300	10,300	10,300	129,906	123,600		
7020 PUBLIC RELATIONS	931	117	379	953	501	853	300	300	300	300	300	300	5,634	3,600		
7030 FLAGS	-	-	-	-	-	-	-	2,200	-	-	-	-	2,200	4,400		
7040 SIGNS	2,434	-	-	922	-	182	-	-	-	-	-	-	3,538	-		
7050 BROCHURES	-	-	-	-	-	-	-	2,500	-	-	-	-	2,500	5,000		
7060 MODELS	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
7098-980	24,719	28,783	4,395	5,981	3,488	10,022	10,600	15,300	10,600	10,600	10,600	10,600	143,678	136,600		
7100 PAYROLL EXPENSE																
7120 BUSINESS MANAGER	5,443	5,443	5,443	4,421	5,443	-	5,715	5,715	5,715	5,715	5,715	5,715	60,483	67,764		
7130 ASST MANAGER	3,172	3,062	5,387	3,042	1,448	-	3,200	3,200	3,200	3,200	3,200	3,200	35,311	38,400		
7130 MAINTENANCE	11,622	11,708	10,797	10,736	10,835	-	10,824	10,824	10,824	10,824	10,624	10,624	119,443	128,294		
7140 RESIDENT RELATIONS	8,074	8,746	9,897	10,530	10,419	-	7,600	7,500	7,500	7,500	7,500	7,500	93,788	90,000		

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Mesa Management
Silverado Apartments
As of
JUNE 30, 2008

QCGL460
MM
SVA

Cur. Period: 06/08
Self. Period: 06/08

Project SQ.FT
Project UNITS

0
0

	Actual												Budget			Revised		Original Budget
	211	233	242	268	278	282	303	318	333	348	363	378	Dec-08	Nov-08	Dec-08 Total			
7150	584	1,810	(2,322)	(1,558)	(1,558)	860	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217	328	14,511	
7160	1,914	152	(111)	(476)	(378)	2,420	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	21,017	33,156	
7170	4,148	3,439	3,272	2,374	2,358	-	2,339	2,339	2,339	2,339	2,339	2,339	2,339	2,339	2,339	29,820	27,893	
7180	-	-	-	-	-	-	203	203	203	203	203	203	203	203	203	1,217	2,418	
7190	-	-	-	-	-	-	87	87	87	87	87	87	87	87	87	522	1,044	
7200	-	-	-	-	-	-	750	750	750	750	750	750	750	750	750	1,379	2,879	
7210	300	-	-	(175)	-	-	89	89	89	89	89	89	89	89	89	303	356	
7220	411	278	178	334	136	-	160	160	160	160	160	160	160	160	160	2,295	1,920	
7230	550	1,850	2,100	3,800	1,275	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	14,275	10,700	
7299-980	35,048	33,969	34,739	33,028	29,978	3,280	35,799	34,960	34,960	35,678	34,310	34,310	34,310	34,310	34,310	379,959	417,335	
7300	7,750	8,869	7,120	5,767	3,422	6,795	9,750	9,750	9,750	9,200	9,200	9,500	9,500	9,500	9,500	94,873	113,500	
7310	-	2,504	2,860	2,189	1,763	1,860	3,788	3,788	3,788	3,788	3,788	3,788	3,788	3,788	3,788	45,461	45,461	
7320	11,453	9,722	9,387	9,722	10,057	10,727	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	77,868	33,600	
7330	4,633	4,716	4,811	5,650	6,411	6,988	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	65,009	63,600	
7340	15	15	-	24	22	12	-	-	-	-	-	-	-	-	-	88	-	
7350	15	15	-	24	22	12	-	-	-	-	-	-	-	-	-	88	-	
7398-980	23,851	23,826	24,178	23,352	21,875	26,182	21,638	21,638	21,638	21,088	21,088	21,388	21,388	21,388	21,388	271,545	256,161	
7400	-	-	-	300,805	-	-	-	-	-	-	-	-	-	-	-	642,002	642,002	
7410	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7420	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7430	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7440	1,948	-	1,220	-	314	-	-	-	-	-	-	-	-	-	-	3,482	117,890	
7450	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7460	-	-	-	800	-	-	-	-	-	-	-	-	-	-	-	800	-	
7499-980	1,948	-	1,220	301,405	-	314	-	-	-	-	-	-	-	-	-	646,284	759,892	
7500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7510	-	-	-	-	-	-	60	60	60	60	60	60	60	60	60	431	720	
7520	-	-	-	(70)	141	-	-	-	-	-	-	-	-	-	-	-	-	
7530	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7540	339	264	264	269	264	264	350	350	350	350	350	350	350	350	350	3,784	4,200	
7550	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7560	-	-	180	176	-	-	553	553	553	553	553	553	553	553	553	3,674	6,636	

Mesa Management
Silverado Apartments
As of
JUNE 30, 2008

QCGL450
MM
SVA

Cur. Period: 06/08
Sel. Period: 06/08

Project SQ. FT. 0
Project UNITS 0

	Actual												Budget			Revised		Original	
	211	233	242	266	278	282	303	316	333	348	363	378	Dec-08	Nov-08	Oct-08	Dec-08 Total	Budget		
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08							
7570 LANDSCAPE MAINTENANCE	5,600	5,600	5,433	10,457	4,857	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	65,547	87,200	
7580 POOL AND SPA	720	730	730	1,060	1,240	920	820	920	920	920	720	720	720	720	720	720	10,550	9,640	
7590 RUBBISH / TRASH REMOVAL	2,221	2,563	2,833	4,974	5,226	5,226	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	42,243	37,200	
7600 SURVEILLANCE MONITORING	783	-	81	(67)	-	-	398	398	398	398	398	398	398	398	398	398	3,185	4,776	
7610 UNIFORM EXPENSE	490	323	281	188	192	147	100	100	100	100	100	100	100	100	100	100	2,221	1,200	
7620 PARAMEDIC FEES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7699-990 TOTAL FIXED MAINT. EXP	10,153	9,480	9,802	17,017	11,920	6,557	11,181	11,181	11,181	11,181	10,981	10,981	10,981	10,981	10,981	10,981	131,615	131,572	
7700 VARIABLE MAINTENANCE EXPENSE																			
7710 APARTMENT CLEANING	2,757	2,621	1,645	2,150	1,814	309	1,800	1,800	1,800	1,200	1,200	1,200	1,200	1,200	1,200	1,200	20,286	16,800	
7720 GLASS MIRRORS & SCREENS	65	-	-	-	902	-	35	35	35	35	35	35	35	35	35	35	1,177	420	
7730 PAINTING	1,451	1,545	1,290	3,647	1,978	55	2,250	2,250	2,250	1,500	1,500	1,500	1,500	1,500	1,500	1,500	21,214	21,000	
7740 APPLIANCE REPAIRS	(250)	-	135	55	17	66	80	80	80	80	80	80	80	80	80	80	503	960	
7750 CARPET CLEANING/REPAIR	820	1,720	855	1,135	1,350	-	1,755	1,950	1,950	1,755	1,385	975	975	975	975	975	15,630	15,210	
7760 CARPET REPLACEMENTS	-	-	-	974	1,870	-	-	-	-	-	-	-	-	-	-	-	2,844	-	
7770 CEILING FANS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7780 CERAMIC REPAIRS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7790 CERAMIC REPLACEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7800 COUNTERTOP REPAIR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7810 COUNTERTOP REPLACEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7820 HVAC REPAIR	-	-	-	(34)	216	376	1,000	1,000	-	-	-	-	-	-	-	-	2,580	3,000	
7830 VERTICAL REPAIRS	-	-	-	-	23	65	65	65	65	65	65	65	65	65	65	65	478	780	
7840 VERTICAL REPLACEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7850 VINYL REPAIRS	470	50	-	-	-	-	100	100	100	100	100	100	100	100	100	100	1,120	1,200	
7860 VINYL REPLACEMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7870 WATER HEATERS - REPAIRS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29	-	
7880 WATER HEATERS - REPLACEMENT	-	-	-	28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7890 KEYS & LOCKS	347	55	-	686	20	480	100	100	100	100	100	100	100	100	100	100	2,188	1,200	
7900 ELECTRICAL-VACANTS	2,112	1,881	1,982	1,912	909	2,299	1,120	960	800	840	480	480	480	480	480	480	15,288	14,272	
7910 GAS-VACANTS	426	4,528	2,758	2,423	1,733	2,072	1,260	1,080	900	720	540	540	540	540	540	540	18,657	16,056	
7920 BALCONY/STAIRWAY REPAIRS & MAINT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7930 ELECTRICAL	4	-	-	120	277	129	300	300	300	300	300	300	300	300	300	300	2,331	3,600	
7940 ELEVATOR REPAIRS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7950 FIRE, LIFE AND SAFETY PROTECTION	838	-	-	806	-	465	75	75	75	75	75	75	75	75	75	75	4,884	3,225	
8115 CLEANING SUPPLIES	-	-	-	200	-	200	200	200	200	200	200	200	200	200	200	200	1,600	2,400	
8125 GATE MAINT & REMOTES	-	207	-	-	-	-	-	380	380	380	380	380	380	380	380	380	967	1,520	
8135 LIGHT BULBS & FIXTURES	-	233	186	19	-	34	300	300	300	300	300	300	300	300	300	300	2,272	3,600	

Exhibit B
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Mesa Management
Silverado Apartments
As of
JUNE 30, 2008

OCQL450
MM
SVA

Cur. Period: 06/08
Set. Period: 06/08

Project SQ. FT.
Project UNITS

0
0

	Actual												Budget				Revised Dec-08 Total	Original Budget
	211	233	242	288	278	282	303	318	333	348	363	378	378	378				
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08						
8145 PLUMBING	81	-	82	86	-	221	150	150	150	150	150	150	1,370	1,800				
8155 PAINTING COMMON AREA	-	-	-	-	-	185	-	-	500	-	-	500	1,185	2,000				
8165 RECREATIONAL SUPPLIES & MAINT	-	-	424	260	43	982	100	100	100	100	100	100	2,289	1,200				
8175 W/D LAUNDRYROOM SUPPLIES	298	330	31	-	-	50	50	50	50	50	50	50	959	600				
8298-980 TOTAL VARIABLE MAINT. EXPENSE	9,419	13,170	9,411	14,468	11,151	7,898	10,740	10,595	10,135	7,370	6,840	8,843	119,841	110,843				
8300 MANAGEMENT FEES																		
8310 MANAGEMENT FEES	12,982	14,421	15,277	16,307	17,487	17,960	22,164	23,282	24,359	25,456	26,553	27,651	243,889	182,780				
8398-980 TOTAL MANAGEMENT FEES	12,982	14,421	15,277	16,307	17,487	17,960	22,164	23,282	24,359	25,456	26,553	27,651	243,889	182,780				
8400 GENERAL & ADMINISTRATIVE EXP.																		
8410 ACCOUNTING FEES	-	-	-	-	500	-	-	-	-	-	-	-	500	-				
8430 BAD DEBT/DEBT RECOVERY EXPENSE	-	-	-	-	1,411	557	-	-	-	-	-	-	1,968	-				
8435 BANK CHARGES	38	52	52	48	33	-	10	10	10	10	10	10	10	120				
8440 COPIER SUPPLIES	1,031	1,736	-	118	651	-	100	100	100	100	100	100	4,136	1,200				
8460 CREDIT EXPENSE	766	-	2,153	696	674	-	500	500	500	500	500	500	8,138	6,000				
8470 DONATIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
8480 DUJES & SUBSCRIPTIONS	(1,134)	-	-	(312)	-	41	100	100	100	100	100	100	(805)	1,200				
8500 VEHICLE EXPENSE / EMPLOYEE MILEAGE	2,455	-	463	(1,533)	37	139	-	-	-	-	-	-	176	-				
8510 ENTERTAINMENT & PROMO	4,783	734	150	1,329	228	619	250	250	250	250	250	250	3,732	3,000				
8530 LEGAL FEES	21	214	465	(25)	429	310	250	250	250	250	250	250	9,872	2,000				
8570 OFFICE SUPPLIES	408	-	-	(37)	-	-	-	-	-	-	-	-	2,914	3,000				
8580 OTHER G & A EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	371	-				
8600 PENALTIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
8610 POSTAGE/FREIGHT	320	81	185	(62)	94	79	100	100	100	100	100	100	1,297	1,200				
8620 PRINTING	582	294	785	68	61	-	150	150	150	150	150	150	2,691	1,800				
8640 RESIDENT ACTIVITIES/PROGRAMS	-	-	21	(152)	-	-	200	200	200	200	200	200	2,869	4,200				
8650 TELEPHONE	929	821	1,197	392	962	1,026	1,200	1,200	1,200	1,200	1,200	1,200	12,527	14,400				
8698-980 TOTAL G & A EXPENSES	10,209	3,932	5,471	531	5,079	5,486	2,860	2,860	3,360	2,860	2,860	5,160	50,668	38,120				
8700 TOTAL EXPENSES	128,339	125,481	104,493	412,089	100,757	77,698	114,983	119,797	118,234	114,234	454,431	118,934	1,987,479	2,033,303				
8800 NET OPERATING INCOME	147,104	183,024	219,709	(68,139)	269,123	282,382	274,235	288,435	311,327	332,560	10,997	368,659	2,617,447	3,594,880				
9000 DEBT SERVICES																		

Mesa Management
Silverado Apartments
As of
JUNE 30, 2008

QCGL450
MM
SVA

Cur. Period: 06/08
Sel. Period: 06/08

	211	233	242	268	278	282	303	318	Budget				378	Revised Dec-08 Total	Original Budget	
									Jan-08	Feb-08	Mar-08	Apr-08				May-08
9010 PRINCIPAL 1ST MORTGAGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9020 PRINCIPAL 2ND MORTGAGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9030 PRINCIPAL 3RD MORTGAGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9040 INTEREST 1ST MORTGAGE	391,289	391,289	366,044	391,622	379,000	391,622	378,667	391,289	391,289	391,289	378,667	391,289	378,667	4,620,733	4,619,733	
9050 INTEREST 2ND MORTGAGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9060 INTEREST 1RD MORTGAGE	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	800,000	800,000	
9099-980 TOTAL DEBT SERVICES	457,956	457,956	432,711	458,289	445,667	458,289	445,333	457,956	457,956	457,956	445,333	457,956	445,333	5,420,733	5,419,733	
9099-990 NET CASH FLOW	(310,852)	(274,932)	(213,002)	(526,427)	(176,544)	(175,906)	(171,099)	(169,520)	(146,629)	(112,743)	(446,959)	(78,674)	(2,803,266)	(1,824,854)		
9100 DEPRECIATION & NON-CASH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9110 DEPRECIATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9120 AMORTIZATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9130 PRINCIPAL CREDIT 1ST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9140 PRINCIPAL CREDIT 2ND	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9150 PRINCIPAL CREDIT 3RD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9199-980 TOTAL DEPRECIATION & NON-CASH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9199-990 NET INCOME	(310,852)	(274,932)	(213,002)	(526,427)	(176,544)	(175,906)	(171,099)	(169,520)	(146,629)	(112,743)	(446,959)	(78,674)	(2,803,266)	(1,824,854)		

Profit & Loss Variance
 Mesa Management
 Vista Pointe
 As of
 JUNE 30, 2008

QCGL450
 MM
 VPA

Cur. Period: 06/08
 Sel. Period: 06/08

Project SQ FT 0
 Project UNITS 0

	72	78	82	88	89	96	109	115	121	127	137	137	Revised Total	Original Budget
	Actual						Budget							
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08		
6000 RENTAL INCOME	50.00%	54.17%	56.94%	61.11%	66.75%	66.67%	75.69%	79.86%	84.03%	86.19%	95.14%	95.14%		
6010 RENT	114,120	123,630	129,970	139,480	156,915	152,160	172,765	182,275	191,785	201,295	217,145	217,145	1,998,685	2,188,043
LOSS RENT (EMP/MODEL)	(4,470)	(4,470)	(4,470)	(4,470)	(4,470)	(4,470)	(4,470)	(4,470)	(4,470)	(4,470)	(4,470)	(4,470)	(53,640)	
DELINQUENCY	(7,997)	(1,935)	-	(11,385)	-	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(42,317)	
RENT CONCESSION	(16,851)	(13,021)	(17,148)	(19,264)	(36,414)	(31,285)	(18,145)	(19,555)	(20,985)	(22,375)	(24,725)	(24,725)	(264,473)	
6099-980 TOTAL RENTAL INCOME	84,802	104,204	108,352	104,361	116,031	113,405	147,150	155,250	163,350	171,450	184,950	184,950	1,638,295	2,166,443
6100 OTHER ONSITE FACILITY INCOME														
6110 WASHER & DRYERS	570	550	819	585	630	450	1,128	1,190	1,252	1,314	1,418	1,418	11,325	14,397
6115 PET	175	147	202	225	251	250	164	173	182	191	206	206	2,369	2,496
6120 PARKING	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6130 GARAGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6140 STORAGE	-	-	-	400	-	-	-	-	-	-	-	-	400	-
6150 REFRIGERATORS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6160 FURNITURE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6170 EMS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6180 BARS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6199-980														
6199-980 TOTAL OTHER ONSITE FACILITY	745	697	1,021	1,210	881	700	1,292	1,363	1,434	1,505	1,623	1,623	14,094	16,892
6199-989 TOTAL RENTAL INCOME	85,547	104,901	109,373	105,571	116,912	114,105	148,442	156,613	164,784	172,955	186,573	186,573	1,652,349	1,992,112
6200 OTHER SITE INCOME														
6210 APPLICATION FEE	400	575	425	100	700	250	650	750	600	500	425	350	5,725	5,750
6220 CLUBHOUSE RENTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6230 COMPUTER ROOM	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6240 FAN INSTALLATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6250 LAUNDRY CARDS	-	-	680	640	590	-	50	50	50	50	50	50	2,210	600
6260 OVERNIGHT GUEST	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6270 ACTIVITY FEE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6280 DEPOSIT FORFEIT	200	-	25	495	480	521	100	-	100	-	100	-	2,021	500
6280 LATE CHARGES	450	450	300	635	600	300	225	225	150	150	150	150	3,785	1,875
6300 LEASE CANCELLATION FEE	-	-	-	-	-	-	-	-	500	-	-	-	1,000	2,000

Profit & Loss Variance
Mesa Management
Vista Pointe
As of
JUNE 30, 2008

QCGL450
MM
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Cur. Period: 06/08
Sel. Period: 06/08

Project SQ FT 0
Project UNITS 0

	Actual												Budget		Revised		Original Budget
	72	78	82	88	98	96	109	115	121	127	137	137	Dec-08	Nov-08	Oct-08	Total	
8310 LEGAL FEES	105	-	-	-	-	35	105	105	750	105	70	70	750	-	-	1,500	3,000
8320 NSF CHECK CHARGES	-	-	-	180	70	-	105	105	-	-	-	-	-	-	-	-	840
8399-980	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8399-990 TOTAL OTHER SITE INCOME	1,155	1,025	1,430	2,050	2,440	1,106	1,130	1,860	1,505	770	795	1,870	1,870	795	1,870	17,156	14,565
6500 UTILITY INCOME	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6510 RUBBISH	827	892	972	879	1,235	1,157	818	863	908	953	1,028	1,028	1,028	1,028	1,028	11,357	10,433
6520 SEWER	503	677	705	624	875	842	2,200	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	17,925	20,400
6530 WATER	728	1,242	1,213	980	1,517	1,478	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	13,158	10,200
6540 GAS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6550 ELECTRICITY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6560 UTILITY ADMIN FEE	-	-	28	58	253	5	-	-	-	-	-	-	-	-	-	-	343
6599-980	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6599-990 TOTAL UTILITY INCOME	1,858	2,811	2,918	2,541	3,879	3,482	4,018	4,163	4,208	4,253	4,328	4,328	4,328	4,328	4,328	42,794	41,033
6800 MISCELLANEOUS INCOME	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6810 INTEREST	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-	100
6820 LAUNDRY ROOM	370	530	490	590	500	620	1,050	1,150	1,250	1,350	1,350	1,350	1,350	1,350	1,350	10,600	11,700
6830 VENDING MACHINES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6840 TELEPHONE COMMISSIONS	-	-	25	-	-	-	25	25	25	25	25	25	25	25	25	175	300
6850 CABLE COMMISSIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6860 OTHER INCOME	51	60	63	72	75	81	-	-	-	-	-	-	-	-	-	-	402
6899-980	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6899-990 TOTAL MISCELLANEOUS INCON	421	590	578	662	675	701	1,075	1,175	1,275	1,375	1,375	1,375	1,375	1,375	1,375	11,277	12,000
6990-980 TOTAL INCOME	88,981	109,327	114,299	110,824	123,906	119,384	154,664	163,830	171,771	179,352	193,071	194,146	194,146	194,146	194,146	1,723,566	2,059,710
7000 ADVERTISING & PROMOTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7010 ADVERTISING	12,023	25,477	6,224	3,971	2,703	1,200	6,000	6,000	4,000	4,000	2,500	2,500	2,500	2,500	2,500	80,598	101,950
7020 PUBLIC RELATIONS	17	105	122	723	419	380	525	525	525	525	525	525	525	525	525	4,915	6,300
7030 FLAGS	4,489	-	-	-	-	-	2,200	-	-	-	-	-	-	-	-	8,889	6,600
7040 SIGNS	622	-	-	305	-	-	-	-	-	-	-	-	-	-	-	927	-
7050 BROCHURES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,500

Profit & Loss Variance
Mesa Management
Vista Pointe
As of
JUNE 30, 2008

QCGL450
MM
VPA

Cur. Period: 06/08
Sel. Period: 06/08

Project SQ FT 0
Project UNITS 0

	72	78	82	88	99	96	109	115	121	Budget			Revised Total	Original Budget
										Jan-08	Feb-08	Mar-08		
7060 MODELS													68	
7099-980 TOTAL ADVERTISING & PROMO	17,151	25,582	6,346	5,048	3,122	1,599	10,725	8,525	4,525	4,525	5,225	3,025	95,398	121,150
7100 PAYROLL EXPENSE														
7110 BUSINESS MANAGER	4,533	4,533	4,333	4,333	4,333	-	4,333	4,550	4,550	4,550	4,550	4,550	49,148	53,081
7120 MAINTENANCE	3,947	3,467	4,427	6,247	6,517	624	5,720	5,893	5,893	5,893	5,893	5,893	60,414	69,505
7130 AST MGR. / RES REL	5,660	5,708	5,368	3,322	3,140	893	4,853	4,853	4,853	4,853	4,853	4,853	53,208	58,236
7140 WORKERS COMPENSATION I	-	-	-	-	-	198	671	688	688	688	688	688	4,310	8,137
7150 HEALTH & MEDICAL	(1,059)	(175)	(175)	(87)	87	865	1,134	1,134	1,134	1,134	1,134	1,134	6,260	12,894
7160 PAYROLL TAXES	1,797	1,529	1,283	1,401	1,404	132	1,289	1,323	1,323	1,323	1,323	1,323	15,431	15,641
7170 401K PLAN	-	-	-	-	-	-	112	115	115	115	115	115	685	1,356
7180 401K PLAN ADMIN. FEE	-	-	-	-	-	-	87	87	87	87	87	87	522	1,044
7190 EMPLOYEE RECRUITMENT - /	-	-	-	-	-	-	-	-	750	-	-	750	1,500	3,000
7200 EMPLOYMENT SCREENING	264	340	-	-	-	-	-	-	89	-	-	89	782	366
7210 P/R PROCESSING COSTS	298	-	206	183	183	-	110	110	110	110	110	110	1,530	1,320
7240 CORPORATE ADMINISTRATIVE	-	-	-	-	-	-	-	-	-	-	-	-	-	5,400
7250 MISC DEDUCTIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7260 OTHER SALARIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7299-980 TOTAL PAYROLL EXPENSES	15,440	15,402	15,422	15,399	15,665	2,710	18,309	18,753	19,592	18,753	18,753	19,592	193,791	229,970
7300 UTILITIES														
7310 ELECTRIC - HOUSE METERS	2,873	2,515	2,470	2,581	2,339	2,660	3,000	3,000	3,000	3,000	3,000	3,000	33,438	34,000
7320 GAS - HOUSE METERS	1,011	1,012	1,642	1,664	1,228	1,105	1,100	1,100	1,100	1,100	1,100	1,100	14,260	13,200
7330 SEWER & STORM DRAIN	1,821	5,012	3,036	3,145	3,253	-	2,282	2,282	2,282	2,282	2,282	2,282	29,859	27,384
7340 WATER	1,447	2,034	1,914	2,484	2,699	-	2,500	2,500	2,500	2,500	2,500	2,500	25,578	30,000
7350 CABLE TV	48	-	85	-	-	2	-	-	-	-	-	-	136	-
7399-980 TOTAL UTILITIES	7,201	10,573	9,147	9,874	9,517	3,767	8,882	8,882	8,882	8,882	8,882	8,882	103,371	104,564
7400 TAXES/INSURANCE/LICENSE & FEES														

Profit & Loss Variance
 Mesa Management
 Vista Pointe
 As of
 JUNE 30, 2008

QCGL450
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Cur. Period: 06/08
 Sel. Period: 06/08

Project SQ FT 0
 Project UNITS 0

	72	78	82	88	89	96	109	115	121	127	137	137	Revised	Original
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Total	Budget
			Actual						Budget					
7410 REAL PROPERTY TAXES	-	-	-	118,422	-	61,530	-	-	-	-	120,791	-	300,743	239,213
7420 PERSONAL PROPERTY TAX	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7430 INSURANCE	-	-	-	-	-	-	-	-	-	-	-	-	-	28,800
7440 LICENSE & FEES	1,005	-	-	-	-	188	-	-	-	-	-	-	1,203	-
7450 ASSOCIATION DUES	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7460 STATE TAXES	-	-	-	800	-	-	-	-	-	-	-	-	800	-
7499-980	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7499-990 TOTAL TAXES, INSURANCE & FI	1,005	-	-	118,222	-	61,728	-	-	-	-	120,791	-	302,746	268,013
7500 FIXED MAINTENANCE EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7510 ANSWERING SERVICE	-	-	-	-	-	-	60	60	60	60	60	60	60	720
7520 BEEPER SERVICE	-	-	-	-	141	-	-	-	-	-	-	-	-	-
7530 BOILER SERVICE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7540 COPIER	47	-	-	-	-	-	282	282	282	282	282	282	1,739	3,384
7550 ELEVATOR SERVICE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7560 EXTERMINATOR	581	151	151	151	-	-	279	279	279	279	279	279	2,708	3,348
7570 LANDSCAPE MAINTENANCE	5,900	-	2,950	5,158	2,207	560	2,500	2,500	2,500	2,500	2,500	2,500	31,775	31,350
7580 POOL AND SPA	360	360	970	360	460	-	360	360	360	360	360	360	4,670	4,320
7590 RUBBISH / TRASH REMOVAL	1,358	1,235	1,250	1,250	1,250	1,483	1,350	1,350	1,350	1,350	1,350	1,350	15,927	16,200
7600 SURVEILLANCE MONITORING	187	81	674	81	-	-	338	338	338	338	338	338	3,031	4,056
7610 UNIFORM EXPENSE	117	11	81	93	-	-	25	25	25	25	25	25	778	600
7620 PARAMEDIC FEES	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7699-980	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7699-990 TOTAL FIXED MAINT. EXP	8,530	1,838	6,076	7,093	4,284	2,043	5,194	5,194	5,194	5,294	5,194	5,194	61,129	63,978
7700 VARIABLE MAINTENANCE EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7710 APARTMENT CLEANING	1,211	535	1,479	734	370	755	600	800	600	400	400	400	8,084	5,600
7720 GLASS MIRRORS & SCREENS	-	-	-	-	-	-	450	200	105	70	35	35	895	1,405
7730 PAINTING	510	700	246	770	-	598	750	750	750	500	500	500	6,574	7,000
7740 APPLIANCE REPAIRS	-	15	-	127	-	27	40	40	40	40	40	40	908	1,480
7760 CARPET CLEANING/REPAIR	140	543	60	435	270	145	585	650	650	585	1,455	325	5,843	7,070
7780 CEILING FANS	43	-	-	-	-	-	-	-	-	-	-	-	43	-
7790 CERAMIC REPAIRS	-	-	-	-	-	-	-	-	-	-	-	-	39	-

Profit & Loss Variance
Mesa Management
Vista Pointe
As of
JUNE 30, 2008

QCGL450
MM
VPA

Cur. Period: 06/08
Sel. Period: 08/08

Project SQ.FT 0
Project UNITS 0

	72	78	82	88	99	96	108	115	121	127	137	137	Budget		Revised	Original
													Actual	Budget		
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Total	Total	Budget	
7800 CERAMIC REPLACEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7820 COUNTERTOP REPLACEMENT	-	-	-	-	-	-	500	500	-	-	-	-	-	1,689	-	1,500
7830 HVAC REPAIRS	156	-	-	-	-	33	-	-	-	-	-	-	-	-	-	-
7840 HVAC REPLACEMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7850 VERTICAL REPAIRS	-	-	-	-	-	-	35	35	35	35	35	35	210	-	-	420
7880 VERTICAL REPLACEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7870 VINYL REPAIRS	-	-	-	-	-	-	50	50	50	50	50	50	300	-	-	600
7880 VINYL REPLACEMENT	-	-	-	-	-	104	-	-	-	-	-	-	104	-	-	-
7890 WATER HEATERS - REPAIRS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7900 WATER HEATERS - REPLACE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7910 KEYS & LOCKS	176	96	35	313	70	149	25	25	25	25	25	25	989	-	-	300
7920 ELECTRICAL-VACANTS	1,382	1,154	511	774	534	683	280	232	184	136	56	56	5,982	-	-	2,696
7930 GAS-VACANTS	981	93	907	836	636	660	315	261	207	153	63	63	5,185	-	-	3,033
7950 TREE, LAWNS & SHRUBS	-	-	-	-	-	-	-	-	250	-	-	250	500	-	-	1,000
7960 BALCONY/STAIRWAY REPAIR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7970 ELECTRICAL	15	-	2	525	-	-	100	100	100	100	100	100	1,142	-	-	1,200
7980 ELEVATOR REPAIRS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8000 FIRE, LIFE AND SAFETY PRO'	33	-	-	-	-	21	25	25	25	25	25	25	204	-	-	300
8010 FURNITURE RENTAL EXPENS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8020 GATE MAINT & REMOTES	-	-	-	132	117	48	-	-	380	-	-	380	1,058	-	-	1,520
8030 LIGHT BULBS & FIXTURES	82	126	37	289	72	51	150	150	150	150	150	150	1,557	-	-	1,800
8040 MONUMENTS/DIRECTIONAL S	-	-	-	-	83	-	-	-	-	-	-	-	83	-	-	-
8050 PLUMBING EXPENSE	119	-	-	292	-	358	100	100	100	100	100	100	1,369	-	-	1,200
8090 PAINTING COMMON AREA	26	-	-	-	48	14	350	-	-	350	-	-	788	-	-	1,400
8100 RECREATIONAL SUPPLIES &	-	-	-	735	63	-	-	-	-	-	-	-	798	-	-	-
8110 W/D LAUNDRYROOM SUPPLI	97	-	-	-	-	6	50	50	50	50	50	50	403	-	-	600
8115 CLEANING SUPPLIES	-	-	-	-	-	-	100	100	100	100	100	100	600	-	-	1,200
8150 VEHICLE EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8160 OTHER MAINT SUPPLIES	297	(15)	67	126	284	466	75	75	75	75	85	75	1,665	-	-	910
81800 INDOOR PLANT MAINTENANC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8298-980	5,278	3,247	3,344	6,127	2,631	4,017	4,580	3,943	4,376	2,944	3,769	2,759	47,015	-	-	42,234
8299-980 TOTAL VARIABLE MAINT. EXPEI	5,278	3,247	3,344	6,127	2,631	4,017	4,580	3,943	4,376	2,944	3,769	2,759	47,015	-	-	42,234

Exhibit
Page 26

Profit & Loss Variance
 Mesa Management
 Vista Points
 As of
 JUNE 30, 2008

QCGL450
 MM
 VPA

Cur. Period: 06/08
 Sel. Period: 06/08

Project SQ. FT
 Project UNITS

0
 0

	Actual												Revised Total	Original Budget
	72	78	82	88	99	96	109	115	121	127	137	137		
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08		
8300 MANAGEMENT FEES	4,288	5,147	5,459	5,311	5,947	7,489	7,422	7,831	8,239	8,648	9,329	9,329	84,439	59,763
8399-980 MANAGEMENT FEES	4,288	5,147	5,459	5,311	5,947	7,489	7,422	7,831	8,239	8,648	9,329	9,329	84,439	59,763
8400 GENERAL & ADMINISTRATIVE EXP.														
8410 ACCOUNTING FEES	-	-	-	-	(200)	-	-	-	-	-	-	-	-	-
8430 BAD DEBT/DEBT RECOVERY	-	-	-	-	-	-	-	-	-	-	-	-	(200)	-
8440 BANK CHARGES	18	118	25	25	29	25	10	10	10	10	10	10	300	120
8435 CREDIT EXPENSE	951	232	370	217	56	323	360	360	360	360	360	360	4,309	4,320
8460 COPIER SUPPLIES	66	37	11	37	37	226	25	25	25	25	25	25	564	300
8470 DONATIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8480 DUES & SUBSCRIPTIONS	(332)	-	-	-	-	100	100	100	100	100	100	100	368	1,200
8500 VEHICLE EXPENSE / EMPLOY	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8510 ENTERTAINMENT & PROMO	665	-	126	578	72	100	100	100	100	100	100	100	2,141	1,200
8520 FINANCING EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8530 LEGAL FEES	1,713	-	-	39	-	150	150	150	150	150	150	150	2,802	1,800
8540 MOTOR COACH EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8550 OFFICE EQUIPMENT REPAIR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8570 OFFICE SUPPLIES	165	106	372	196	264	125	125	300	125	125	125	125	2,153	1,675
8580 OTHER G & A EXPENSES	158	-	275	26	-	-	-	-	-	-	-	-	459	-
8610 POSTAGE/FREIGHT	131	48	49	46	26	100	100	100	100	100	100	100	1,000	1,200
8620 PRINTING	276	-	785	114	-	150	150	150	150	150	150	150	2,225	1,800
8640 RESIDENT ACTIVITIES/PROGI	-	-	-	-	-	150	150	150	150	150	150	1,000	1,900	2,650
8650 TELEPHONE	1,083	819	823	788	885	850	850	850	850	850	850	850	10,559	10,200
8699-980 TOTAL G & A EXPENSES	4,895	1,460	2,936	2,067	1,177	2,299	2,120	2,295	2,120	2,120	2,120	2,970	28,579	28,465
8700 TOTAL EXPENSES	63,789	63,249	48,730	170,141	42,343	85,653	57,232	55,423	52,928	51,166	174,063	51,751	916,468	916,158
8800 NET OPERATING INCOME	25,192	46,078	65,589	(59,317)	81,563	33,741	97,432	108,407	118,843	128,187	19,008	142,395	807,088	1,143,552
9000 DEBT SERVICES														

Exhibit 3
 Page 27

CERTIFICATE OF SERVICE

I, Viann Corbin, declare as follows:

I am employed in the County of Orange, State of California; I am over the age of eighteen years and am not a party to this action; my business address is 660 Newport Center Drive, Fourth Floor, California 92660, in said County and State.

On July 25 2008 I served the following document: REPLY IN SUPPORT OF MOTION OF CAMEO HOMES FOR ORDER APPROVING THE SALE OF CERTAIN PARTNERSHIP INTERESTS PURSUANT TO 11 U.S.C. § 363; DECLARATIONS OF SHAWN CONERTY AND JOHN MCFADDEN IN SUPPORT THEREOF on each of the interested parties as follows:

Michael.Hauser@usdoj.gov	Joshua.wayser@kattenlaw.com
mhouston@reedsmith.com	crivas@reedsmith.com

by the following means of service:

<input checked="" type="checkbox"/>	BY ELECTRONIC MAIL: On the date set forth above, from Newport Beach, California, I caused each such document to be transmitted electronically to the parties at the e-mail address indicated. To the best of my knowledge, the transmission was reported as complete, and no error was reported that the electronic transmission was not completed. A return receipt was requested at the time of the transmission of each such document and I did not receive a notice of failure of receipt of each such document.
<input checked="" type="checkbox"/>	I am employed in the office of Winthrop Couchot Professional Corporation; Paul J. Couchot is a member of the bar of this court.
<input checked="" type="checkbox"/>	(FEDERAL) I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 25, 2008 at Newport Beach, California.



 Viann Corbin