

PAYROLL ACCOUNT  
BANK RECONCILIATION

Bank statement Date: 3/31/2010 Balance on Statement: \$0.00

Plus deposits in transit (a):

<u>Deposit Date</u>	<u>Deposit Amount</u>
---------------------	-----------------------

_____	_____
_____	_____
_____	_____
_____	_____

TOTAL DEPOSITS IN TRANSIT

0.00

Less Outstanding Checks (a):

<u>Check Date</u>	<u>Check Amount</u>
-------------------	---------------------

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

TOTAL OUTSTANDING CHECKS:

0.00

Bank statement Adjustments:

0.00

Explanation of Adjustments-

--

ADJUSTED BANK BALANCE:

\$0.00

\* It is acceptable to replace this form with a similar form

\*\* Please attach a detailed explanation of any bank statement adjustment

I. CASH RECEIPTS AND DISBURSEMENTS  
C. (TAX ACCOUNT)

1. TOTAL RECEIPTS PER ALL PRIOR TAX ACCOUNT REPORTS	0.00
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR TAX ACCOUNT REPORTS	0.00
3. BEGINNING BALANCE:	0.00
4. RECEIPTS DURING CURRENT PERIOD: (Transferred from General Account)	0.00
5. BALANCE:	0.00
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD TOTAL DISBURSEMENTS THIS PERIOD:***	0.00
7. ENDING BALANCE:	0.00

8. TAX Account Number(s):

#023-854732

Depository Name & Location:

City National Bank

18111 Von Karman, Suite 100

Irvine, CA 92612

## TOTAL DISBURSEMENTS FROM TAX ACCOUNT FOR CURRENT PERIOD

[illegible]

TAX ACCOUNT  
BANK RECONCILIATION

Bank statement Date: 3/31/2010 Balance on Statement: \$0.00

Plus deposits in transit (a):

Deposit Date

Deposit Amount


TOTAL DEPOSITS IN TRANSIT

0.00

Less Outstanding Checks (a):

Check Date

Check Amount


TOTAL OUTSTANDING CHECKS:

0.00

Bank statement Adjustments:

0.00

Explanation of Adjustments-

--

ADJUSTED BANK BALANCE:

\$0.00

\* It is acceptable to replace this form with a similar form

\*\* Please attach a detailed explanation of any bank statement adjustment

ENDING BALANCES FOR THE PERIOD:

General Account:	105,916.27
Payroll Account:	0.00
Tax Account:	0.00

**\*\*Petty Cash (from below):**

0.00

105,916.27

## Amount

0.00

Page

6  
270

## II. STATUS OF PAYMENTS TO SECURED CREDITORS, LESSORS AND OTHER PARTIES TO EXECUTORY CONTRACTS

[illegible]

(1) UCC filing never released Cameo as guarantor, even though the underlying project was subsequently cleared of the liability.

### III. TAX LIABILITIES

FOR THE REPORTING PERIOD:

Gross Sales Subject to Sales Tax:	0.00
-----------------------------------	------

Total Wages Paid: 0.00

	Total Post-Petition Amounts Owing	Amount Delinquent	Date Delinquent Amount Due
Federal Withholding			
State Withholding			
FICA- Employer's Share			
FICA- Employee's Share			
Federal Unemployment			
Sales and Use			
Real Property			
Other:			
<b>TOTAL:</b>	0.00	0.00	

#### IV. AGING OF ACCOUNTS PAYABLE AND RECEIVABLE

	*Accounts Payable Post-Petition	Accounts Receivable	
		Pre-Petition	Post-Petition
30 days or less	0.00		
31 - 60 days	0.00		
61 - 90 days	0.00		500.00
91 - 120 days	0.00		
Over 120 days	0.00	215,162.27	2,533.66
<b>TOTAL:</b>	<b>0.00</b>	<b>215,162.27</b>	<b>3,033.66</b>

## V. INSURANCE COVERAGE

	Name of Carrier	Amount of Coverage	Policy Expiration Date	Premium Paid Through (Date)
	Landmark America Ins.	02M Per General Agg	8/17/2010	8/17/2010
	Landmark America Ins.	01M Each Occurrence		
	Landmark America Ins.	02M Products Completed		
	Landmark America Ins.	01M Personal Injury & Advertising		
	Landmark America Ins.	050K Fire Damage Limit		
Commercial excess	Landmark America Ins.	0 \$ 5,000,000.00	8/17/2010	8/17/2010
Worker's Compensation	CompWest Ins. Co	\$ 1,000,000.00	7/1/2010	Paid Monthly
Casualty				
Vehicle				
Others: Directors & Officers	Houston Casualty Co.	\$ 10,000,000.00	6/1/2010	6/1/2010

## VI. UNITED STATES TRUSTEE QUARTERLY FEES (TOTAL PAYMENTS)

<b>Quarterly Period Ending (Date)</b>	<b>Total Disbursements</b>	<b>Quarterly Fees</b>	<b>Date Paid</b>	<b>Amount Paid</b>	<b>Quarterly Fees Still Owing</b>
30-Sep-2008	204,137.31	1,950.00	7-Oct-2008	1,950.00	0.00
31-Dec-2008	530,520.24	4,875.00	30-Jan-2009	4,875.00	0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
		6,825.00		6,825.00	0.00

\* Post-Petition Accounts Payable SHOULD NOT include professionals' fees and expenses which have been incurred but not yet awarded by the court. Post-Petition Accounts Payable SHOULD include professionals' fees and expenses authorized by Court Order but which remain unpaid as of the close of the period report

## VII SCHEDULE OF COMPENSATION PAID TO INSIDERS

[illegible]

### VIII. SCHEDULE OF OTHER AMOUNTS PAID TO INSIDERS

[illegible]

\* Please indicate how compensation was identified in the order (e.g. \$1,000/week, \$2,500/month)



**IX. PROFIT AND LOSS STATEMENT**  
(ACCRUAL BASIS ONLY)

	Current Month	Cumulative Post-Petition
<b>Income</b>		
Rental Income	-	45,849.50
K-1 Income(Loss) from Partnerships	-	(3,529,013.00)
Other Revenues	477.00	5,590.45
Net Sales/Revenue	477.00	(3,477,573.05)
<b>Gross Profit</b>	477.00	(3,477,573.05)
Other Operating Income (Itemize)	-	0.00
<b>Operating Expenses:</b>		
Payroll - Insiders	-	228,923.04
Payroll Taxes	-	16,434.80
Payroll Service Fee	-	1,876.50
Medical & Dental Insurance	2,921.70	48,805.02
Workers Compensation	-	79.00
Bank Charges	656.66	8,210.56
Computer Equipment	13,402.72	124,576.82
Insurance	-	34,827.78
License & Bonds	-	2,188.26
Postage & Courier	-	(6.78)
Professional Fees	9,000.00	22,000.00
Real Property Taxes	-	68.17
Rent Expense	-	5,023.00
Telephone and Utilities	-	0.00
Travel	-	8,176.53
G Companies Management G&A Allocation	42,780.67	875,101.50
Miscellaneous Operating Expenses (Itemize)	-	0.00
Total Operating Expenses	68,761.75	1,376,284.20
Net Gain/(Loss) from Operations	(68,284.75)	(4,853,857.25)
<b>Non-Operating Income:</b>		
Interest Income	-	0.00
Net Gain on Sale of Assets (Itemize)	-	0.00
Other (Itemize): State Tax Refund	-	8,400.00
Total Non-Operating income	-	8,400.00
<b>Non-Operating Expenses:</b>		
Interest Expense	-	0.00
Legal and Professional (Itemize)		
BMC Group	636.86	49,914.15
Winthrop Couchot	-	221,226.57
The Lobel Firm	12,142.80	208,469.09
Irell & Manella	71,078.99	815,100.12
Haskell & White	12,489.37	151,310.28
FTI Consulting	-	471,784.33
GlassRatner	500.60	370,112.03
Deloitte	-	525,934.16
SulmeyerKupetz	23,292.06	521,241.52
Stutman, Treister & Glatt	-	129,495.52
Croudace & Dietrich	-	4,194.85
US Trustees Office	-	6,825.00
State Taxes	-	2,400.00
Loss on Terminated/Disposed Projects	-	126,253.79
Other (Itemize)	-	0.00
Total Non-Operating Expenses	120,140.68	3,604,261.41
<b>NET INCOME/(LOSS)</b>	(188,425.43)	(8,449,718.66)

(Attach exhibit listing all itemizations required above)

**X. BALANCE SHEET**  
(ACCRUAL BASIS ONLY)

ASSETS	Current Month End	
Current Assets:		
Unrestricted Cash	105,916.27	
Restricted Cash	0.00	
Accounts Receivable	218,195.93	
Prepaid Expenses & Deposits	193,008.78	
Notes Receivable	464,674.55	
Other (Itemize)	0.00	
Total Current Assets		981,795.53
Furniture, Fixtures & Equipment	118,195.04	
Accumulated Depreciation/Depletion	(74,128.02)	
Net Property, Plant, and Equipment		44,067.02
Investments in Partnerships, Joint Ventures & Businesses		(11,934,078.83)
Other Assets (Net of Amortization):		
Due from Insiders	0.00	
Other (Itemize)	0.00	
Total Other Assets		0.00
<b>TOTAL ASSETS</b>		<b>(10,908,216.28)</b>
<b>LIABILITIES</b>		
Post-petition Liabilities:		
Accounts Payable	12,500.00	
Taxes Payable	0.00	
Notes Payable	0.00	
BK Professional Fees	1,344,362.89	
Secured Debt	0.00	
Other (Itemize)	0.00	
Total Post-petition Liabilities		1,356,862.89
Pre-petition Liabilities:		
Secured Liabilities	0.00	
Priority Liabilities	0.00	
Unsecured Liabilities	20,510,998.19	
Other (Itemize): sub-lease security deposit	0.00	
Total Pre-petition Liabilities		20,510,998.19
<b>TOTAL LIABILITIES</b>		<b>21,867,861.08</b>
<b>EQUITY:</b>		
Pre-petition Owners' Equity	(24,326,358.70)	
Post-petition Profit/(Loss)	(8,449,718.66)	
Direct Charges to Equity	0.00	
<b>TOTAL EQUITY</b>		<b>(32,776,077.36)</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>(10,908,216.28)</b>

XI. QUESTIONNAIRE

1. Has the debtor-in-possession made any payments on its pre-petition unsecured debt, except as have been authorized by the court? If "Yes", explain below: No Yes  
X
2. Has the debtor-in-possession during this reporting period provided compensation or remuneration to any officers, directors, principals, or other insiders without appropriate authorization? If "Yes", explain below: No Yes  
X
3. State what progress was made during the reporting period toward filing a plan of reorganization  
A revised Plan & Disclosure Statement was filed on February 22, 2010.
4. Describe potential future developments which may have a significant impact on the case:  
Disclosure Statement Approval Hearing has been rescheduled for April 21, 2010.
5. Attach copies of all Orders granting relief from the automatic stay that were entered during the reporting period. (N/A)
6. Did you receive any exempt income this month, which is not set forth in the operating report? If "Yes", please set forth the amounts and sources of the income below. No Yes  
X
- I, James C. Gianulias, Chairman of Cameo Homes,  
declare under penalty of perjury that I have fully read and understood the foregoing debtor-in-possession operating report and that the information contained herein is true and complete to the best of my knowledge.

4/14/10  
Date

[Signature]  
Principal for debtor-in-possession

# CITY NATIONAL BANK

The way up.

Page 1 (24)

Account #: 23854716

This statement: March 31, 2010  
Last statement: February 26, 2010

Contact us:  
800 773-7100

Orange CO Airport Office  
18111 Von Karman Ave., Ste. 100  
Irvine CA 92612

cnb.com

023 0830L  
CAMEO HOMES, DIP  
CASE NO. 8:08-13151-RK  
OPERATING ACCOUNT  
1105 QUAIL ST  
NEWPORT BEACH CA 92660

MAKE A DIFFERENCE! SIGN UP FOR ONLINE STATEMENTS ONLY AND CITY NATIONAL WILL DONATE A TREE ON YOUR BEHALF. LEARN MORE ABOUT THE MANY BENEFITS OF ONLINE STATEMENTS AT CNB.COM/ONLINESTATEMENTS.

## Checking Account

### Account Summary

Account number	23854716
Minimum balance	\$68,127.46
Average balance	\$134,812.65
Avg. collected balance	\$119,504.00

### Account Activity

Beginning balance (2/26/2010)		\$252,076.60
<b>Credits</b>		
Deposits (2)	+ 169,924.26	
Electronic cr (0)	+ 0.00	
Other credits (0)	+ 0.00	
<b>Total credits</b>		<b>+\$169,924.26</b>
<b>Debits</b>		
Checks paid (24)	- 87,624.37	
Electronic db (11)	- 189,228.55	
Other debits (1)	- 656.66	
<b>Total debits</b>		<b>-\$277,509.58</b>
<b>Ending balance (3/31/2010)</b>		<b>\$144,491.28</b>

## DEPOSITS

Date	Description	Reference	Credits
3-23	Deposit		533.00
3-23	Deposit		169,391.26

## CHECKS PAID

Number	Date	Amount	Number	Date	Amount	Number	Date	Amount	Number	Date	Amount
1216	3-1	2,776.14	1232	3-3	9,192.00	1239	3-17	800.00	1246	3-18	17,679.66
1226	3-2	2,500.00	1233	3-10	5,355.13	1240	3-17	900.00	1247	3-30	1,889.19
1227	3-2	800.00	1234	3-5	11,362.68	1241	3-17	800.00	1248	3-26	4,947.37
1228	3-1	3,073.36	1235	3-5	2,707.82	1242	3-17	2,500.00	* Skip in check sequence		
1229	3-5	20.00	1236	3-17	900.00	1243	3-25	800.00			
1230	3-5	2,894.74	1237	3-17	800.00	1244	3-24	800.00			
1231	3-2	7,326.28	1238	3-17	800.00	1245	3-23	6,000.00			

## ELECTRONIC DEBITS

Date	Description	Debits
3-1	Olcm Wire Out-Dom	3,731.80
3-1	Olcm Wire Out-Dom	12,673.68
3-1	Olcm Wire Out-Dom	16,855.05

Exhibit  
Page

6  
277



CAMEO HOMES, DIP  
March 31, 2010

Page 2  
Account #: 23854716

**ELECTRONIC DEBITS (Continued)**

Date	Description	Debits
3-1	Olcm Wire Out-Dom	63,107.17✓
3-1	Intrnl Tsfr Debit	14,393.63✓
3-30	Olcm Wire Out-Dom	1,083.42✓
3-30	Olcm Wire Out-Dom	3,375.06✓
3-30	Olcm Wire Out-Dom	4,740.91✓
3-30	Olcm Wire Out-Dom	51,189.57✓
3-30	Intrnl Tsfr Debit	7,501.38✓
3-30	Intrnl Tsfr Debit	10,576.88✓

**OTHER DEBITS**

Date	Description	Reference	Debits
3-23	Acct Analysis Chg ANALYSIS ACTIVITY FOR 02/10		656.66

**DAILY BALANCES**

Date	Amount	Date	Amount	Date	Amount	Date	Amount
2-26	252,076.60	3-5	98,662.25	3-23	231,395.06	3-30	144,491.28
3-1	135,465.77	3-10	93,307.12	3-24	230,595.06		
3-2	124,839.49	3-17	85,807.12	3-25	229,795.06		
3-3	115,647.49	3-18	68,127.46	3-26	224,847.69		

Thank you for banking with Orange CO Airport Office

Exhibit 6  
Page 278

# CITY NATIONAL BANK

The way up.

Page 1 (1)

Account #: 23854724

This statement: March 31, 2010  
Last statement: February 26, 2010

Contact us:  
800 773-7100

Orange CO Airport Office  
18111 Von Karman Ave., Ste. 100  
Irvine CA 92612

023  
CAMEO HOMES, DIP  
CASE NO. 8:08-13151-RK  
PAYROLL ACCOUNT  
1105 QUAIL ST  
NEWPORT BEACH CA 92660

0830L

cnb.com

MAKE A DIFFERENCE! SIGN UP FOR ONLINE STATEMENTS ONLY AND CITY NATIONAL WILL DONATE A TREE ON YOUR BEHALF. LEARN MORE ABOUT THE MANY BENEFITS OF ONLINE STATEMENTS AT CNB.COM/ONLINESTATEMENTS.

## Checking Account

### Account Summary

Account number	23854724
Minimum balance	\$0.00
Average balance	\$40.73
Avg. collected balance	\$40.00

### Account Activity

Beginning balance (2/26/2010)	\$56.00
Credits	+ \$0.00
Debits	
Checks paid (1)	- 56.00
Electronic db (0)	- 0.00
Other debits (0)	- 0.00
Total debits	- \$56.00
Ending balance (3/31/2010)	\$0.00

## CHECKS PAID

Number	Date	Amount	Number	Date	Amount	Number	Date	Amount	Number	Date	Amount
1001	3-23	56.00									

## DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount	Date	Amount
2-26	56.00	3-23	.00				

Thank you for banking with Orange CO Airport Office

Exhibit 6  
Page 279

**CITY NATIONAL BANK**

The way up.



Page 1 (0)

Account #: 23854732

This statement: March 31, 2010  
Last statement: February 26, 2010

Contact us:  
800 773-7100

Orange CO Airport Office  
18111 Von Karman Ave., Ste. 100  
Irvine CA 92612

cnb.com

023  
CAMEO HOMES, DIP  
CASE NO. 8:08-13151-RK  
TAX ACCOUNT  
1105 QUAIL ST  
NEWPORT BEACH CA 92660

0830N

MAKE A DIFFERENCE! SIGN UP FOR ONLINE STATEMENTS ONLY AND CITY NATIONAL WILL DONATE A TREE ON YOUR BEHALF. LEARN MORE ABOUT THE MANY BENEFITS OF ONLINE STATEMENTS AT [CNB.COM/ONLINESTATEMENTS](http://CNB.COM/ONLINESTATEMENTS).

**Checking Account**

**Account Summary**

Account number	23854732
Minimum balance	\$0.00
Average balance	\$0.00
Avg. collected balance	\$0.00

**Account Activity**

Beginning balance (2/26/2010)	\$0.00
Credits	+ \$0.00
Debits	- \$0.00
Ending balance (3/31/2010)	\$0.00

\*\* No activity this statement period \*\*

Thank you for banking with Orange CO Airport Office

Exhibit 6  
Page 280