

## The Financial Advisor

This is a ***Financial Reporting Program designed to compare Actual Results of a Profit Center (Division) to a Business Plan.*** (The program automatically loads Budgeted Income Statements and Balance Sheets created with our related program *The Business Plan Advisor.*) The user then loads the actual results from their accounting system, and the variance analysis are created. (Or we can create a customized download of financial reports from the user's accounting / financial reporting software.)

The ***Income Statement Variance Analysis*** is designed to clearly segregate any deviation from Business Plan caused by:

- Margin variances
- Unit delivery (or run rate) variances
- Fixed cost (overhead) variances

The ***Balance Sheet Variance Analysis*** shows the impact of variances upon the Division's financial condition, especially cash and the risk profile of the Division couched in terms of Debt to Equity Ratios. These deviations from the Business Plan can help those with Profit Center Responsibility proactively manage their Balance Sheets by focusing on the individual components of the Balance Sheet including inventories, asset turnover rates for each type of inventory, leverage, and cash.

One of the most powerful features of *The Financial Advisor* is the ability to see each project 's actual Income Statement and Balance Sheet compared to Business Plan. These ***Project level Variance Analysis*** are in exactly the same Income Statement and Balance Sheet formats as the Division, thus helping pinpoint precisely which projects are causing the Division to deviate from the Business Plan.

The user can ***see at a glance how each project compares to the others*** with the Summary Income Statements and Balance Sheets. This report is a side by side presentation of every project's Income Statement and Balance Sheet.

Although this program can be used to report actual results vs. budgets created with other software, it works most easily when using when using budgets created with our related programs *The Business Plan Advisor* and *The Feasibility Advisor.*

# Advanced Builders

## Variance Analysis

Year-To-Date: June 1997

Statement of Income (Unaudited)

	Business Plan			Actual		
	Total	%	per Unit	Total	%	per Unit
Number of Closings	89			74		
Housing Revenue	12,590,559	100.0%	141,467	10,277,756	100.0%	138,889
Cost of Sales						
Land Cost	1,405,872	11.2%	15,796	1,123,650	10.9%	15,184
Development Cost	1,255,016	10.0%	14,101	1,046,248	10.2%	14,138
Lot Financing Cost	146,197	1.2%	1,643	124,813	1.2%	1,687
Construction Cost	5,396,193	42.9%	60,631	4,472,481	43.5%	60,439
Construction Fees	479,110	3.8%	5,383	409,560	4.0%	5,535
Field Operations	288,982	2.3%	3,247	251,264	2.4%	3,395
Warranty	62,953	0.5%	707	51,389	0.5%	694
Construction Financing	390,363	3.1%	4,386	402,551	3.9%	5,440
Purchased Houses Premium	-	0.0%	-	-	0.0%	-
Total Cost of Sales	9,424,687	74.9%	105,895	7,881,955	76.7%	106,513
Variable Costs:						
Permanent Loan Points	188,858	1.5%	2,122	155,535	1.5%	2,102
Closing Costs	151,087	1.2%	1,698	127,648	1.2%	1,725
Commission - In House	125,906	1.0%	1,415	154,096	1.5%	2,082
Commission - Co-op	226,630	1.8%	2,546	323,135	3.1%	4,367
Sales Center Installation	131,001	1.0%	1,472	84,740	0.8%	1,145
Total Variable Costs	823,482	6.5%	9,253	845,154	8.2%	11,421
Gross Profit	2,342,391	18.6%	26,319	1,550,647	15.1%	20,955
Selling, General & Administrative						
General and Administrative	474,668	3.8%	5,333	501,669	4.9%	6,779
Advertising	155,289	1.2%	1,745	170,089	1.7%	2,299
Sales Center Maintenance	240,000	1.9%	2,697	190,667	1.9%	2,577
Total S, G & A	869,957	6.9%	9,775	862,425	8.4%	11,654
Housing Operation Income	1,472,434	11.7%	16,544	688,221	6.7%	9,300
Financial Services Net Income	-	0.0%	-	-	0.0%	-
Other Income (Expense):						
Contractor Fee Net Income	-	0.0%	-	-	0.0%	-
Other Income (Expense)	60,000	0.5%	674	15,148	0.1%	205
Interest Income (Expense)	12,000	0.1%	135	5,238	0.1%	71
Land Sales Net Income (Loss)	-	0.0%	-	-	0.0%	-
Abandoned Asset (Expense)	(75,000)	-0.6%	(843)	(125,642)	-1.2%	(1,698)
Total Other Income (Expense)	(3,000)	0.0%	(34)	(105,256)	-1.0%	(1,422)
Income before minority interests	1,469,434	11.7%	16,510	582,965	5.7%	7,878
Minority Interests (Expense)	-	0.0%	-	-	0.0%	-
Pre-Tax Income (Loss)	1,469,434	11.7%	16,510	582,965	5.7%	7,878
Income Tax (Expense) Credit	-	0.0%	-	-	0.0%	-
Net Income (Loss)	1,469,434	11.7%	16,510	582,965	5.7%	7,878

Prepared by: John Smith

Variance - Good/(Bad)		
Total	%	per Unit
(15)		
(2,312,803)	0.0%	(2,578)
282,222	0.2%	612
208,768	-0.2%	(37)
21,384	-0.1%	(44)
923,712	-0.7%	192
69,550	-0.2%	(151)
37,718	-0.1%	(148)
11,564	0.0%	13
(12,187)	-0.8%	(1,054)
-	0.0%	-
1,542,731	-1.8%	(618)
33,324	0.0%	20
23,439	0.0%	(27)
(28,191)	-0.5%	(668)
(96,505)	-1.3%	(1,820)
46,261	0.2%	327
(21,672)	-1.7%	(2,168)
(791,744)	-3.5%	(5,364)
(27,001)	-1.1%	(1,446)
(14,800)	-0.4%	(554)
49,333	0.1%	120
7,531	-1.5%	(1,880)
(784,213)	-5.0%	(7,244)
-	0.0%	-
-	0.0%	-
(44,852)	-0.3%	(469)
(6,762)	0.0%	(64)
-	0.0%	-
(50,642)	-0.6%	(855)
(102,256)	-1.0%	(1,389)
(886,469)	-6.0%	(8,633)
-	0.0%	-
(886,469)	-6.0%	(8,633)
-	0.0%	-
(886,469)	-6.0%	(8,633)

# Advanced Builders

## Variance Analysis

For the period ended: June 1997

Prepared by: John Smith

### Balance Sheet (Unaudited)

	Business Plan		Actual		Variance	
	Total	%	Total	%	Total	%
<b>Assets</b>						
Cash and Cash Equivalents						
Unrestricted	6,282,120	41.9%	(1,142,976)	(10.6%)	(7,425,096)	(52.5%)
Restricted	-	0.0%	-	0.0%	-	0.0%
Cash Equivalents	-	0.0%	(838,995)	(7.7%)	(838,995)	(7.7%)
	6,282,120	41.9%	(1,981,971)	(18.3%)	(8,264,091)	(60.2%)
Receivables	25,789	0.2%	-	0.0%	(25,789)	(0.2%)
Real Estate Inventory						
Raw Land Held for Development	100,000	0.7%	100,000	0.9%	-	0.3%
Development In Progress	2,878,509	19.2%	3,214,216	29.7%	335,707	10.5%
Construction In Progress	4,915,581	32.8%	9,314,406	86.0%	4,398,825	53.2%
Sales Center Installation	175,898	1.2%	99,295	0.9%	(76,603)	(0.3%)
Purchased Houses	-	0.0%	-	0.0%	-	0.0%
	8,069,988	53.9%	12,727,917	117.5%	4,657,929	63.7%
Investments In Affiliates Not Consolidated	-	0.0%	-	0.0%	-	0.0%
Property and Equipment, net	451,638	3.0%	-	0.0%	(451,638)	(3.0%)
Other Assets						
Refundable Deposits	83,500	0.6%	83,500	0.8%	-	0.2%
Goodwill	-	0.0%	-	0.0%	-	0.0%
Deferred Taxes	42,598	0.3%	-	0.0%	(42,598)	(0.3%)
Other	27,899	0.2%	-	0.0%	(27,899)	(0.2%)
	153,997	1.0%	83,500	0.8%	(70,497)	(0.3%)
Total Assets	14,983,532	100.0%	10,829,446	100.0%	(4,154,086)	(0.0%)
<b>Liabilities and Equity</b>						
Debt						
Notes Payable - Acquisition	-	0.0%	-	0.0%	-	0.0%
Notes Payable - Development	1,533,561	10.2%	1,164,694	10.8%	(368,867)	0.5%
Notes Payable - Construction	3,996,803	26.7%	7,241,545	66.9%	3,244,742	40.2%
Subordinated Debt	-	0.0%	-	0.0%	-	0.0%
	5,530,364	36.9%	8,406,239	77.6%	2,875,875	40.7%
Accounts Payable	221,545	1.5%	1,241,253	11.5%	1,019,708	10.0%
Accrued Expenses	526,356	3.5%	-	0.0%	(526,356)	(3.5%)
Deferred Income and Other Liabil	364,958	2.4%	41,600	0.4%	(323,358)	(2.1%)
Income Tax Payable	125,655	0.8%	-	0.0%	(125,655)	(0.8%)
Commitments and Contingencies	-	0.0%	-	0.0%	-	0.0%
Total Liabilities	6,768,878	45.2%	9,689,092	89.5%	2,920,214	44.3%
Minority Interest	-	0.0%	-	0.0%	-	0.0%
Redeemable Preferred Stock, Seri	-	0.0%	-	0.0%	-	0.0%
Shareholders' Equity	8,214,654	54.8%	1,140,354	10.5%	(7,074,300)	(44.3%)
Total Equity	8,214,654	54.8%	1,140,354	10.5%	(7,074,300)	(44.3%)
Total Liabilities and Equity	14,983,532	100.0%	10,829,446	100.0%	(4,154,086)	0.0%
<b>Operating Data:</b>						
Cumulative Housing Start	205		203		(2)	
Cumulative Housing Net Sale	216		207		(9)	
Cumulative House Closing	137		108		(29)	
Sales Contract Backlog	79		99		20	

# Advanced Builders

## Variance Analysis

Prepared by: John Smith

Year-To-Date: June 1997

Statement of Income (Unaudited)

	Las Vegas			Ashton Estates			Dunhill Road			Hampton Court			G & A
	Total	%	per Unit	Total	%	per Unit	Total	%	per Unit	Total	%	per Unit	Total
Number of Closings	74			-			20			54			-
Housing Revenue	10,277,756	100.0%	138,889	-	0.0%	-	2,946,500	100.0%	147,325	7,331,256	100.0%	135,764	-
Cost of Sales													
Land Cost	1,123,650	10.9%	15,184	-	0.0%	-	355,500	12.1%	17,775	768,150	10.5%	14,225	-
Development Cost	1,046,248	10.2%	14,138	-	0.0%	-	271,078	9.2%	13,554	775,170	10.6%	14,355	-
Lot Financing Cost	124,813	1.2%	1,687	-	0.0%	-	38,305	1.3%	1,915	86,508	1.2%	1,602	-
Construction Cost	4,472,481	43.5%	60,439	-	0.0%	-	1,371,360	46.5%	68,568	3,101,121	42.3%	57,428	-
Construction Fees	409,560	4.0%	5,535	-	0.0%	-	100,181	3.4%	5,009	309,379	4.2%	5,729	-
Field Operations	251,264	2.4%	3,395	-	0.0%	-	66,260	2.2%	3,313	185,004	2.5%	3,426	-
Warranty	51,389	0.5%	694	-	0.0%	-	14,733	0.5%	737	36,656	0.5%	679	-
Construction Financing	402,551	3.9%	5,440	-	0.0%	-	167,951	5.7%	8,398	234,600	3.2%	4,344	-
Purchased Houses Premium	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-
Total Cost of Sales	7,881,955	76.7%	106,513	-	0.0%	-	2,385,367	81.0%	119,268	5,496,589	75.0%	101,789	-
Variable Costs:													
Permanent Loan Points	155,535	1.5%	2,102	-	0.0%	-	23,572	0.8%	1,179	131,963	1.8%	2,444	-
Closing Costs	127,648	1.2%	1,725	-	0.0%	-	17,679	0.6%	884	109,969	1.5%	2,036	-
Commission - In House	154,096	1.5%	2,082	-	0.0%	-	29,465	1.0%	1,473	124,631	1.7%	2,308	-
Commission - Co-op	323,135	3.1%	4,367	-	0.0%	-	117,860	4.0%	5,893	205,275	2.8%	3,801	-
Sales Center Installation	84,740	0.8%	1,145	-	0.0%	-	44,240	1.5%	2,212	40,500	0.6%	750	-
Total Variable Costs	845,154	8.2%	11,421	-	0.0%	-	232,816	7.9%	11,641	612,338	8.4%	11,340	-
Gross Profit	1,550,647	15.1%	20,955	-	0.0%	-	328,318	11.1%	16,416	1,222,329	16.7%	22,636	-
Selling, General & Administrative													
General and Administrative	501,669	4.9%	6,779	-	0.0%	-	-	0.0%	-	-	0.0%	-	501,669
Advertising	170,089	1.7%	2,299	36,724	0.0%	-	45,390	1.5%	2,270	87,975	1.2%	1,629	-
Sales Center Maintenance	190,667	1.9%	2,577	27,825	0.0%	-	67,536	2.3%	3,377	95,306	1.3%	1,765	-
Total S, G & A	862,425	8.4%	11,654	64,549	0.0%	-	112,926	3.8%	5,646	183,281	2.5%	3,394	501,669
Housing Operation Income	688,221	6.7%	9,300	(64,549)	0.0%	-	215,392	7.3%	10,770	1,039,048	14.2%	19,242	(501,669)
Financial Services Net Income	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-
Other Income (Expense):													
Contractor Fee Net Income	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-
Other Income (Expense)	15,148	0.1%	205	-	0.0%	-	-	0.0%	-	-	0.0%	-	15,148
Interest Income (Expense)	5,238	0.1%	71	-	0.0%	-	-	0.0%	-	-	0.0%	-	5,238
Land Sales Net Income (Loss)	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-
Abandoned Asset (Expense)	(125,642)	-1.2%	(1,698)	-	0.0%	-	-	0.0%	-	-	0.0%	-	(125,642)
Total Other Income (Expense)	(105,256)	-1.0%	(1,422)	-	0.0%	-	-	0.0%	-	-	0.0%	-	(105,256)
Income before minority interests	582,965	5.7%	7,878	(64,549)	0.0%	-	215,392	7.3%	10,770	1,039,048	14.2%	19,242	(606,925)
Minority Interests (Expense)	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-
Pre-Tax Income (Loss)	582,965	5.7%	7,878	(64,549)	0.0%	-	215,392	7.3%	10,770	1,039,048	14.2%	19,242	(606,925)
Income Tax (Expense) Credit	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-
Net Income (Loss)	582,965	5.7%	7,878	(64,549)	0.0%	-	215,392	7.3%	10,770	1,039,048	14.2%	19,242	(606,925)

# Advanced Builders

## Variance Analysis

Prepared by: John Smith

For the period ended: June 1997

### Balance Sheet (Unaudited)

	Las Vegas		Ashton Estates		Dunhill Road		Hampton Court		G & A	
	Total	%	Total	%	Total	%	Total	%	Total	%
<b>Assets</b>										
Cash and Cash Equivalents										
Unrestricted	(1,142,976)	(10.6%)	(1,142,976)	(72.1%)	-	0.0%	-	0.0%	-	-
Restricted	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Cash Equivalents	(838,995)	(7.7%)	0	0.0%	100,033	1.5%	(332,104)	(10.4%)	(606,925)	(606,925)
	(1,981,971)	(18.3%)	(1,142,976)	(72.1%)	100,033	1.5%	(332,104)	(10.4%)	(606,925)	(606,925)
Receivables	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Real Estate Inventory										
Raw Land Held for Development	100,000	0.9%	100,000	6.3%	-	0.0%	-	0.0%	-	-
Development In Progress	3,214,216	29.7%	1,652,415	104.2%	135,925	2.0%	1,425,876	44.8%	-	-
Construction In Progress	9,314,406	86.0%	923,287	58.2%	6,375,195	95.6%	2,015,924	63.3%	-	-
Sales Center Installation	99,295	0.9%	-	0.0%	56,795	0.9%	42,500	1.3%	-	-
Purchased Houses	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
	12,727,917	117.5%	2,675,702	168.8%	6,567,915	98.5%	3,484,300	109.5%	-	-
Investments In Affiliates Not Consolidated	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Property and Equipment, net	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Other Assets										
Refundable Deposits	83,500	0.8%	52,500	3.3%	-	0.0%	31,000	1.0%	-	-
Goodwill	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Deferred Taxes	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Other	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
	83,500	0.8%	52,500	3.3%	-	0.0%	31,000	1.0%	-	-
<b>Total Assets</b>	<b>10,829,446</b>	<b>100.0%</b>	<b>1,585,226</b>	<b>100.0%</b>	<b>6,667,949</b>	<b>100.0%</b>	<b>3,183,196</b>	<b>100.0%</b>	<b>(606,925)</b>	<b>(606,925)</b>
<b>Liabilities and Equity</b>										
Debt										
Notes Payable - Acquisition	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Notes Payable - Development	1,164,694	10.8%	743,587	46.9%	95,148	1.4%	325,960	10.2%	-	-
Notes Payable - Construction	7,241,545	66.9%	895,588	56.5%	5,100,156	76.5%	1,245,800	39.1%	-	-
Subordinated Debt	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
	8,406,239	77.6%	1,639,175	103.4%	5,195,304	77.9%	1,571,760	49.4%	-	-
Accounts Payable	1,241,253	11.5%	-	0.0%	1,241,253	18.6%	-	0.0%	-	-
Accrued Expenses	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Deferred Income and Other Liabil	41,600	0.4%	10,600	0.7%	16,000	0.2%	15,000	0.5%	-	-
Income Tax Payable	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Commitments and Contingencies	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
<b>Total Liabilities</b>	<b>9,689,092</b>	<b>89.5%</b>	<b>1,649,775</b>	<b>104.1%</b>	<b>6,452,557</b>	<b>96.8%</b>	<b>1,586,760</b>	<b>49.8%</b>	<b>-</b>	<b>-</b>
Minority Interest	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Redeemable Preferred Stock, Seri	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-
Shareholders' Equity	1,140,354	10.5%	(64,549)	(4.1%)	215,392	3.2%	1,596,436	50.2%	(606,925)	(606,925)
<b>Total Equity</b>	<b>1,140,354</b>	<b>10.5%</b>	<b>(64,549)</b>	<b>(4.1%)</b>	<b>215,392</b>	<b>3.2%</b>	<b>1,596,436</b>	<b>50.2%</b>	<b>(606,925)</b>	<b>(606,925)</b>
<b>Total Liabilities and Equity</b>	<b>10,829,446</b>	<b>100.0%</b>	<b>1,585,226</b>	<b>100.0%</b>	<b>6,667,949</b>	<b>100.0%</b>	<b>3,183,196</b>	<b>100.0%</b>	<b>(606,925)</b>	<b>(606,925)</b>

### Operating Data:

Cumulative Housing Start	203	10	91	102	-
Cumulative Housing Net Sale	207	14	93	100	-
Cumulative House Closing	108	-	30	78	-
Sales Contract Backlog	99	14	63	22	-

# Dunhill Road

## Profit Trend Analysis

Period Ending: June 1997

### Statement of Income (Unaudited)

	Year-To-Date		
	Total	%	per Unit
Number of Closings	20		
Housing Revenue	2,946,500	100.0%	147,325
Cost of Sales			
Land Cost	355,500	12.1%	17,775
Development Cost	271,078	9.2%	13,554
Lot Financing Cost	38,305	1.3%	1,915
Construction Cost	1,371,360	46.5%	68,568
Construction Fees	100,181	3.4%	5,009
Field Operations	66,260	2.2%	3,313
Warranty	14,733	0.5%	737
Construction Financing	167,951	5.7%	8,398
Total Cost of Sales	2,385,367	81.0%	119,268
Variable Costs:			
Permanent Loan Points	23,572	0.8%	1,179
Closing Costs	17,679	0.6%	884
Commission - In House	29,465	1.0%	1,473
Commission - Co-op	117,860	4.0%	5,893
Sales Center Installation	44,240	1.5%	2,212
Total Variable Costs	232,816	7.9%	11,641
Gross Profit	328,318	11.1%	16,416
Selling, General & Administrative			
General and Administrative	-	0.0%	-
Advertising	45,390	1.5%	2,270
Sales Center Maintenance	67,536	2.3%	3,377
Total S, G & A	112,926	3.8%	5,646
Housing Operation Income	215,392	7.3%	10,770
Other Income (Expense):			
Contractor Fee Net Income	-	0.0%	-
Other Income (Expense)	-	0.0%	-
Interest Income (Expense)	-	0.0%	-
Real Estate Tax (Expense)	-	0.0%	-
Land Sales Net Income (Loss)	-	0.0%	-
Abandoned Asset (Expense)	-	0.0%	-
Total Other Income (Expense)	-	0.0%	-
Income before minority interests	215,392	7.3%	10,770
Minority Interests (Expense)	-	0.0%	-
Pre-Tax Income (Loss)	215,392	7.3%	10,770
Income Tax (Expense) Credit	-	0.0%	-
Net Income (Loss)	215,392	7.3%	10,770

	Quarter		
	Total	%	per Unit
	15		
Housing Revenue	2,217,375	100.0%	147,825
Cost of Sales			
Land Cost	266,625	12.0%	17,775
Development Cost	203,999	9.2%	13,600
Lot Financing Cost	29,555	1.3%	1,970
Construction Cost	1,050,545	47.4%	70,036
Construction Fees	76,849	3.5%	5,123
Field Operations	50,185	2.3%	3,346
Warranty	11,087	0.5%	739
Construction Financing	143,160	6.5%	9,544
Total Cost of Sales	1,832,005	82.6%	122,134
Variable Costs:			
Permanent Loan Points	14,823	0.7%	988
Closing Costs	11,117	0.5%	741
Commission - In House	22,174	1.0%	1,478
Commission - Co-op	106,923	4.8%	7,128
Sales Center Installation	33,180	1.5%	2,212
Total Variable Costs	188,216	8.5%	12,548
Gross Profit	197,154	8.9%	13,144
Selling, General & Administrative			
General and Administrative	-	0.0%	-
Advertising	26,625	1.2%	1,775
Sales Center Maintenance	33,768	1.5%	2,251
Total S, G & A	60,393	2.7%	4,026
Housing Operation Income	136,761	6.2%	9,117
Other Income (Expense):			
Contractor Fee Net Income	-	0.0%	-
Other Income (Expense)	-	0.0%	-
Interest Income (Expense)	-	0.0%	-
Real Estate Tax (Expense)	-	0.0%	-
Land Sales Net Income (Loss)	-	0.0%	-
Abandoned Asset (Expense)	-	0.0%	-
Total Other Income (Expense)	-	0.0%	-
Income before minority interests	136,761	6.2%	9,117
Minority Interests (Expense)	-	0.0%	-
Pre-Tax Income (Loss)	136,761	6.2%	9,117
Income Tax (Expense) Credit	-	0.0%	-
Net Income (Loss)	136,761	6.2%	9,117

	Month		
	Total	%	per Unit
	13		
Housing Revenue	1,925,354	100.0%	148,104
Cost of Sales			
Land Cost	231,075	12.0%	17,775
Development Cost	177,133	9.2%	13,626
Lot Financing Cost	25,030	1.3%	1,925
Construction Cost	922,056	47.9%	70,927
Construction Fees	65,462	3.4%	5,036
Field Operations	43,069	2.2%	3,313
Warranty	9,627	0.5%	741
Construction Financing	130,168	6.8%	10,013
Total Cost of Sales	1,603,619	83.3%	123,355
Variable Costs:			
Permanent Loan Points	15,403	0.8%	1,185
Closing Costs	11,552	0.6%	889
Commission - In House	19,254	1.0%	1,481
Commission - Co-op	103,564	5.4%	7,966
Sales Center Installation	28,756	1.5%	2,212
Total Variable Costs	178,528	9.3%	13,733
Gross Profit	143,207	7.4%	11,016
Selling, General & Administrative			
General and Administrative	-	0.0%	-
Advertising	14,115	0.7%	1,086
Sales Center Maintenance	11,256	0.6%	866
Total S, G & A	25,371	1.3%	1,952
Housing Operation Income	117,836	6.1%	9,064
Other Income (Expense):			
Contractor Fee Net Income	-	0.0%	-
Other Income (Expense)	-	0.0%	-
Interest Income (Expense)	-	0.0%	-
Real Estate Tax (Expense)	-	0.0%	-
Land Sales Net Income (Loss)	-	0.0%	-
Abandoned Asset (Expense)	-	0.0%	-
Total Other Income (Expense)	-	0.0%	-
Income before minority interests	117,836	6.1%	9,064
Minority Interests (Expense)	-	0.0%	-
Pre-Tax Income (Loss)	117,836	6.1%	9,064
Income Tax (Expense) Credit	-	0.0%	-
Net Income (Loss)	117,836	6.1%	9,064

# Dunhill Road

## Variance Analysis

Year-To-Date: June 1997

### Statement of Income (Unaudited)

Prepared by: John Smith

	Business Plan			Actual			Variance - Good/(Bad)		
	Total	%	per Unit	Total	%	per Unit	Total	%	per Unit
Number of Closings	42			20			(22)		
Housing Revenue	6,163,701	100.0%	146,755	2,946,500	100.0%	147,325	(3,217,201)	0.0%	570
Cost of Sales									
Land Cost	737,381	12.0%	17,557	355,500	12.1%	17,775	381,881	-0.1%	(218)
Development Cost	533,870	8.7%	12,711	271,078	9.2%	13,554	262,792	-0.5%	(843)
Lot Financing Cost	66,566	1.1%	1,585	38,305	1.3%	1,915	28,261	-0.2%	(330)
Construction Cost	2,703,033	43.9%	64,358	1,371,360	46.5%	68,568	1,331,673	-2.7%	(4,210)
Construction Fees	223,509	3.6%	5,322	100,181	3.4%	5,009	123,328	0.2%	313
Field Operations	139,152	2.3%	3,313	66,260	2.2%	3,313	72,892	0.0%	0
Warranty	30,819	0.5%	734	14,733	0.5%	737	16,086	0.0%	(3)
Construction Financing	198,612	3.2%	4,729	167,951	5.7%	8,398	30,661	-2.5%	(3,669)
Total Cost of Sales	4,632,942	75.2%	110,308	2,385,367	81.0%	119,268	2,247,575	-5.8%	(8,960)
Variable Costs:									
Permanent Loan Points	92,456	1.5%	2,201	23,572	0.8%	1,179	68,884	0.7%	1,023
Closing Costs	73,964	1.2%	1,761	17,679	0.6%	884	56,285	0.6%	877
Commission - In House	61,637	1.0%	1,468	29,465	1.0%	1,473	32,172	0.0%	(6)
Commission - Co-op	110,947	1.8%	2,642	117,860	4.0%	5,893	(6,913)	-2.2%	(3,251)
Sales Center Installation	70,281	1.1%	1,673	44,240	1.5%	2,212	26,041	-0.4%	(539)
Total Variable Costs	409,284	6.6%	9,745	232,816	7.9%	11,641	176,468	-1.3%	(1,896)
Gross Profit	1,121,474	18.2%	26,702	328,318	11.1%	16,416	(793,157)	-7.1%	(10,286)
Selling, General & Administrative									
General and Administrative	-	0.0%	-	-	0.0%	-	-	0.0%	-
Advertising	48,429	0.8%	1,153	45,390	1.5%	2,270	3,039	-0.8%	(1,116)
Sales Center Maintenance	90,000	1.5%	2,143	67,536	2.3%	3,377	22,464	-0.8%	(1,234)
Total S, G & A	138,429	2.2%	3,296	112,926	3.8%	5,646	25,503	-1.6%	(2,350)
Housing Operation Income	983,045	15.9%	23,406	215,392	7.3%	10,770	(767,654)	-8.6%	(12,636)
Other Income (Expense):									
Contractor Fee Net Income	-	0.0%	-	-	0.0%	-	-	0.0%	-
Other Income (Expense)	-	0.0%	-	-	0.0%	-	-	0.0%	-
Interest Income (Expense)	-	0.0%	-	-	0.0%	-	-	0.0%	-
Real Estate Tax (Expense)	-	0.0%	-	-	0.0%	-	-	0.0%	-
Land Sales Net Income (Loss)	-	0.0%	-	-	0.0%	-	-	0.0%	-
Abandoned Asset (Expense)	-	0.0%	-	-	0.0%	-	-	0.0%	-
Total Other Income (Expense)	-	0.0%	-	-	0.0%	-	-	0.0%	-
Income before minority interests	983,045	15.9%	23,406	215,392	7.3%	10,770	(767,654)	-8.6%	(12,636)
Minority Interests (Expense)	-	0.0%	-	-	0.0%	-	-	0.0%	-
Pre-Tax Income (Loss)	983,045	15.9%	23,406	215,392	7.3%	10,770	(767,654)	-8.6%	(12,636)
Income Tax (Expense) Credit	-	0.0%	-	-	0.0%	-	-	0.0%	-
Net Income (Loss)	983,045	15.9%	23,406	215,392	7.3%	10,770	(767,654)	-8.6%	(12,636)

# Dunhill Road

## Variance Analysis

Prepared by: John Smith

For the period ended: June 1997

### Balance Sheet (Unaudited)

	Business Plan		Actual		Variance	
	Total	%	Total	%	Total	%
<b>Assets</b>						
Cash and Cash Equivalents						
Unrestricted	1,339,961	36.3%	-	0.0%	(1,339,961)	(36.3%)
Restricted	-	0.0%	-	0.0%	-	0.0%
Cash Equivalents	-	0.0%	100,033	1.5%	100,033	1.5%
	1,339,961	36.3%	100,033	1.5%	(1,239,928)	(34.8%)
Receivables	-	0.0%	-	0.0%	-	0.0%
Real Estate Inventory						
Raw Land Held for Development	-	0.0%	-	0.0%	-	0.0%
Development In Progress	141,591	3.8%	135,925	2.0%	(5,666)	(1.8%)
Construction In Progress	2,159,308	58.5%	6,375,195	95.6%	4,215,887	37.1%
Sales Center Installation	51,874	1.4%	56,795	0.9%	4,921	(0.6%)
	2,352,773	63.7%	6,567,915	98.5%	4,215,143	34.8%
Investments In Affiliates Not Consolidated	-	0.0%	-	0.0%	-	0.0%
Property and Equipment, net	-	0.0%	-	0.0%	-	0.0%
Other Assets						
Refundable Deposits	-	0.0%	-	0.0%	-	0.0%
Goodwill	-	0.0%	-	0.0%	-	0.0%
Deferred Taxes	-	0.0%	-	0.0%	-	0.0%
Other	-	0.0%	-	0.0%	-	0.0%
	-	0.0%	-	0.0%	-	0.0%
<b>Total Assets</b>	<b>3,692,734</b>	<b>100.0%</b>	<b>6,667,949</b>	<b>100.0%</b>	<b>2,975,215</b>	<b>0.0%</b>
<b>Liabilities and Equity</b>						
Debt						
Notes Payable - Acquisition	-	0.0%	-	0.0%	-	0.0%
Notes Payable - Development	239,871	6.5%	95,148	1.4%	(144,723)	(5.1%)
Notes Payable - Construction	1,884,075	51.0%	5,100,156	76.5%	3,216,081	25.5%
	2,123,946	57.5%	5,195,304	77.9%	3,071,357	20.4%
Accounts Payable	-	0.0%	1,241,253	18.6%	1,241,253	18.6%
Accrued Expenses	-	0.0%	-	0.0%	-	0.0%
Deferred Income and Other Liabilities	12,500	0.3%	16,000	0.2%	3,500	(0.1%)
Income Tax Payable	-	0.0%	-	0.0%	-	0.0%
Commitments and Contingencies	-	0.0%	-	0.0%	-	0.0%
<b>Total Liabilities</b>	<b>2,136,446</b>	<b>57.9%</b>	<b>6,452,557</b>	<b>96.8%</b>	<b>4,316,111</b>	<b>38.9%</b>
Minority Interest	-	0.0%	-	0.0%	-	0.0%
Shareholders' Equity	1,556,288	42.1%	215,392	3.2%	(1,340,896)	(38.9%)
<b>Total Equity</b>	<b>1,556,288</b>	<b>42.1%</b>	<b>215,392</b>	<b>3.2%</b>	<b>(1,340,896)</b>	<b>(38.9%)</b>
<b>Total Liabilities and Equity</b>	<b>3,692,734</b>	<b>100.0%</b>	<b>6,667,949</b>	<b>100.0%</b>	<b>2,975,215</b>	<b>(0.0%)</b>