

Schonwit & Associates

Certified Public Accountants

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October 1, 2005

Garden Homes Maintenance Association
c/o Cane, Walker, and Harkins
17821 E. 17th. Street, Suite 140
Tustin, California 92780
Attn: David Cane

We were engaged on August 23, 2005 to assist the Garden Homes Maintenance Association with the administration and counting of the owner ballots regarding a proposed special assessment.

On August 24, 2005, we assembled and mailed 142 envelopes consisting of a 4-page Board letter (converted to 2 pages-double sided), a 2 page ballot (converted to 1 page-double sided), scenario B budget and scenario D budget (converted to 1 page-double sided), and a stamped/return envelope to our office.

During the period from August 24, 2005 through September 30, 2005, we also received 2 separate requests to re-send the ballot envelope. A second ballot envelope, along with a request for a signed affidavit, was sent to these 2 separate owners. We only received 1 of these 2 ballots. For the 1 ballot received, we did receive the requested signed affidavit.

We received a total of 125 ballots, confirming that a quorum was met. We did not receive any duplicate ballots. Of the 125 ballots, we counted 33 yes votes for the special assessment, 91 no votes for the special assessment, and 1 ballot with no indication of a vote. Based upon these counts, the special assessment was not approved. Finally, there were 42 yes votes, 75 no votes, and 8 ballots without an indication of a yes or no vote to approve the acquisition of a bank loan.

Upon your request, we will forward the original ballots to your office.

Sincerely,


Steven Schönwit