PO Box 390244 Omaha, Nebraska 68139-0244

October 15, 2004

We would like to respond to questions from several members of the Woodlands Homeowners Association. They expressed concerns about the purpose and responsibilities of their Association. We felt this letter, to every member of the Association, would be the best way to communicate the answers.

Your Association is responsible for the care and maintenance of the common area improvements in The - Woodlands. These improvements consist of, but are not limited to:

- The monument, monument lighting, sprinkler, landscaping and lawn areas at the subdivision entrance at 193rd and Q Streets
- The sprinkler, landscaping and lawn areas at the subdivision entrance at 192nd Street and Orchard Avenue
- The landscaping in the traffic circle at 194th and Orchard Avenues
- The landscaping and lawn in Outlot A located at the Southwest comer of Weir Street and 194th Avenue

The investment required for the care and maintenance of these improvements is funded by annual dues from each Association member. In a gesture of good will, HearthStone Homes, Inc. has paid your Association dues from the original closing date of your home through December 31, 2004.

We will send you additional information about your Association before the first of December. Some of the topics will include the 2005 budget, the 2005 annual meeting and 2005 dues

There are three references you can consult for additional information about your Association. HearthStone Homes, Inc. provided copies of these documents to the original purchaser of each home. Your Association can provide additional copies of the documents at a nominal cost to cover postage and handling. The references are:

- Pages 5 through 10 of the Declaration of Covenants, Conditions, Restrictions and Easements for Woodlands
- The Articles of Incorporation of Woodlands Homeowners Association, Inc.
- The By-Laws of Woodlands Homeowners Association, Inc.

Your Woodlands Homeowners Association, Inc. has retained the services of SkyPark Business Solutions, Inc. to manage the affairs of the Association. Please contact SkyPark Business Solutions with any questions or concerns you may have in regard to your Association.

Sincerely,

Scott Kinkaid, President

Bridlewood Homeowners Association, Inc.

cott Kinkaid

John Kier

SkyPark Business Solutions, Inc.

The meeting time has changed.

## Notice of Meeting of Woodlands Homeowners Association, Inc.

An annual meeting of the members of Woodlands Homeowners Association, Inc. will be held in the Cafeteria of Rohwer Elementary School, 17701 F Street, Omaha, Nebraska 68135, on Thursday, January 20, 2005 at 8:00 PM.

The purposes of the meeting are as follows:

Election of Association Directors

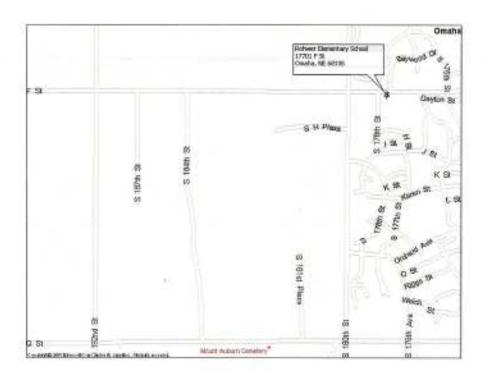
Ratification of the 2005 Association Budget

Questions and Answers

Scott Kinkaid, Vice-President

Scott Kinkaid

Woodlands Homeowners Association, Inc.



## Woodlands Homeowners Association, Inc.

PO Box 390244 Omaha, Nebraska 68139-0244 (402) 933-7355 Woodlands@SkyParkSolutions.com

## 2005 Budget Notes Woodlands Homeowners Association, Inc.

The enclosed 2005 Budget Summary shows a deficit of \$1,336.37. The Budget is based on the expenses paid in 2004. The Directors of your Association are confident that the landscape and lawn maintenance expenses for 2005 will be less than those of 2004. Therefore the Association income from Dues should cover all the expenses.

Scott Kinkaid, Vice-President

Scott Kinkaid

Woodlands Homeowners Association, Inc.

## Woodlands Homeowners Association, Inc. 2005 Budget Summary January through December 2005

	Jan - Dec 05
Ordinary Income/Expense Income 4100 · Income	42.000.00
4110 · Dues 4120 · Reimbursement	13,608.00 0.00
Total 4100 · Income	13,608.00
Total Income	13,608.00
Expense 6060 · Utilities 6065 · Water 6070 · Electricity	1,225.00 288.00
Total 6060 · Utilities	1,513.00
6090 · Office Supplies 6150 · Bank Service Charges 6180 · Dues and Subscriptions 6240 · Postage and Delivery 6270 · Printing and Reproduction 6300 · Miscellaneous Expense 6330 · Professional Fees 6335 · Legal Fees 6340 · Accounting 6345 · Management Fees	120.00 30.00 0.00 380.00 0.00 0.00 0.00 200.00 5,964.84
Total 6330 · Professional Fees	6,164.84
6530 · Insurance 6535 · Liability Insurance	686.53
Total 6530 · Insurance	686.53
6560 · Repairs & Maintenance 6565 · Monument Maintenance 6570 · Sprinkler System Repairs 6575 · Landscaping Maintenance 6580 · Lawn Maintenance 6585 · Electrical Repairs	0.00 250.00 3,000.00 2,600.00 200.00
Total 6560 · Repairs & Maintenance	6,050.00
6620 · Contributions 6650 · Licenses and Permits 6710 · Interest Expense	0.00 0.00 0.00
Total Expense	14,944.37
Net Ordinary Income	-1,336.37
Other Income/Expense Other Income 7010 · Interest Income 7030 · Other Income 8010 · Other Expenses	0.00 0.00 0.00
Total Other Income	0.00
Net Other Income	0.00