

January 25, 2009

8729 Paddle Wheel Drive  
Raleigh, NC 27615

To the Board of Directors of the Harps Mill Woods HOA:

I have reviewed the Association's cash disbursements and collection of dues for the year ended December 31, 2008. During my review I tracked each payment from the invoice received by the Association to the clearing of its corresponding check through the account with North State Bank. I also reconciled the amount of cash deposited with North State Bank to the number of units in the development. I found no irregularities or weaknesses in the way both processes are handled. It is also my opinion that a strong system of records retention is in place.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Paul W. Dennis", with a small flourish at the end.

Paul W. Dennis, CPA