

Stratton Holdings, Inc.

**Balance Sheet
As of Sep 30, 2010**

30-Sep-10

ASSETS

Current Assets

Checking/Savings 1,201.11
Total Checking/Savings 1,201.11

Investment Assets

Property/Land 84,900.00
Product Development 5,000.00

Fixed Assets

Computer Equipment 750.00
Software 150.00
Inventory 599.00

Total Current Assets 92,600.11

TOTAL ASSETS

92,600.11

LIABILITIES & EQUITY

Liabilities

Short Term Liabilities

Accrued Old Payables 2,800
Loans Payable 17,800
Loans Payable 12,100
Loans Payable 38,400
Loan from CEO 19,000
Salaries owed 15,000
Property Loan Balance 26,500

Due to Related Parties 38,000

Total Short Term Liabilities 169,600

Other Long Term Liabilities 500,000

Total Long Term Liabilities 500,000

Total Liabilities 669,600

Equity

Capital Stock 701,056,686 par value .0001 70,105.67
Retained Earnings -576,999.89
Paid in Capital 30,000
Net Income -24,089

Total Equity -576,999.89

TOTAL LIABILITIES & EQUITY

92,600.11

Stratton Holdings, Inc.
Profit & Loss
Jul 1 through Sep 30, 2010

Ordinary Income/Expense

Revenues			
	Sales Revenue		659
Expenses			
	Business Development	2,714	
	Interest Expense	5,950	
	Rent Expense	1,755	
	Release Distribution	2,115	
	Salaries	9000	
	Cost Of Sales	90	
	Telephone, Int. & Comm	510.17	
	Bank Service Charge	120	
	Office Expense	1,140.94	
	Travel Expense	494.29	
	Hosting Services	199.92	
	Total Expenses	<u> </u>	<u>-24,089</u>
	Net Income		<u><u>-8,887</u></u>

* On July 30, 2010 STHG issued a convertible note valued at \$30,000 with a one year restriction period