

| APPROVED BUDGET                  |             |                   |                            |                       |                     |
|----------------------------------|-------------|-------------------|----------------------------|-----------------------|---------------------|
|                                  |             | ADDISON           | PLACE                      |                       | 28 units<br>\$ 1152 |
|                                  | 2011 BUDGET | ACTUAL<br>9/30/11 | ESTIMATED 3<br>MONTHS 2011 | ESTIMATED<br>YEAR END | BUDGET 2012         |
| Operating Assessments            | \$ 118,426  | \$ 88,820         | \$ 29,607                  | \$ 118,426            | \$ 123,433          |
| Reserve Assessments              | \$ 10,598   | \$ 7,949          | \$ 2,650                   | \$ 10,598             | \$ 5,592            |
| Special Assessments              | \$ -        | \$ 28,000         | \$ -                       | \$ 28,000             | \$ -                |
| Owner Interest/Late Charges      | \$ -        | \$ -              | \$ -                       | \$ -                  | \$ -                |
| Interest Income Operating        | \$ -        | \$ 758            | \$ 253                     | \$ 1,011              | \$ -                |
| Interest Income Reserves         | \$ -        | \$ 58             | \$ 19                      | \$ 78                 | \$ -                |
| <b>Total Income</b>              | \$ 129,024  | \$ 125,585        | \$ 32,528                  | \$ 158,113            | \$ 129,025          |
| <b>Expenses</b>                  |             |                   |                            |                       |                     |
| <b>Maintenance</b>               |             |                   |                            |                       |                     |
| Repairs & Maintenance            | \$ 1,000    | \$ 392            | \$ 131                     | \$ 523                | \$ 1,000            |
| Irrigation Repairs & Maintenance | \$ 4,000    | \$ 3,349          | \$ 500                     | \$ 3,849              | \$ 4,000            |
| Pool Maintenance                 | \$ 28,500   | \$ 21,420         | \$ 7,140                   | \$ 28,560             | \$ 28,560           |
| Fountain Maintenance             | \$ 2,000    | \$ -              | \$ -                       | \$ -                  | \$ 2,000            |
| Power Wash Curbs / Gutters       | \$ -        | \$ -              | \$ -                       | \$ -                  | \$ 4,000            |
| Holiday Decorations              | \$ -        | \$ -              | \$ -                       | \$ -                  | \$ 1,300            |
| <b>Utilities</b>                 |             |                   |                            |                       |                     |
| Electric                         | \$ 3,000    | \$ 1,809          | \$ 603                     | \$ 2,413              | \$ 3,000            |
| Water & Sewer                    | \$ 10,000   | \$ 2,819          | \$ 940                     | \$ 3,759              | \$ 8,000            |
| <b>Administrative</b>            |             |                   |                            |                       |                     |
| Administration Fee               | \$ 800      | \$ -              | \$ -                       | \$ -                  | \$ -                |
| Management Fee                   | \$ 6,550    | \$ 4,912          | \$ 1,637                   | \$ 6,550              | \$ 6,550            |
| Office Expenses                  | \$ 400      | \$ 946            | \$ 315                     | \$ 1,261              | \$ 1,200            |
| Property Insurance               | \$ 4,500    | \$ 3,005          | \$ 1,002                   | \$ 4,007              | \$ 4,500            |
| Professional Fees Legal          | \$ 2,000    | \$ 3,733          | \$ 1,244                   | \$ 4,977              | \$ 2,000            |
| Accounting / Audit Fees          | \$ 300      | \$ -              | \$ -                       | \$ -                  | \$ 300              |
| Contingency                      | \$ 9,815    | \$ -              | \$ -                       | \$ -                  | \$ 2,361            |
| Corporate Annual Fee             | \$ 61       | \$ 61             | \$ -                       | \$ 61                 | \$ 61               |
| <b>Paver Project</b>             |             |                   |                            |                       |                     |
| Paver Project                    | \$ -        | \$ -              | \$ 105,475                 | \$ 105,475            | \$ -                |
| Reserve Contrib to Pavers        | \$ -        | \$ -              | \$ (13,700)                | \$ (13,700)           | \$ -                |
| <b>Landscape</b>                 |             |                   |                            |                       |                     |
| Landscape Maintenance            | \$ 40,500   | \$ 30,475         | \$ 10,158                  | \$ 40,633             | \$ 40,500           |
| Tree Trimming                    | \$ 5,000    | \$ 3,745          | \$ 1,248                   | \$ 4,993              | \$ 5,600            |
| Mulch                            | \$ 7,800    | \$ -              | \$ 8,000                   | \$ 8,000              | \$ 8,000            |
| Plantings                        | \$ 500      | \$ -              | \$ -                       | \$ -                  | \$ 500              |
| <b>Total Operating Expenses</b>  | \$ 126,726  | \$ 76,667         | \$ 124,694                 | \$ 201,361            | \$ 123,433          |
| Reserve Interest                 | \$ -        | \$ 58             | \$ 19                      | \$ -                  | \$ -                |
| Reserve Funding                  | \$ 10,598   | \$ 7,949          | \$ 2,650                   | \$ 10,598             | \$ 5,592            |
| <b>Total Common Expenses</b>     | \$ 137,324  | \$ 84,674         | \$ 127,363                 | \$ 211,959            | \$ 129,025          |
| <b>Profit/(Loss)</b>             | \$ (8,300)  | \$ 40,911         | \$ (94,835)                | \$ (53,846)           | \$ -                |

APPROVED BUDGET

Board of Director's Budget Reserves For Capital Expenditures And Deferred Maintenance  
For the Period January 1, 2012 through December 31, 2012

28 Units

| Item                          | Estimated<br>Life When<br>New (Years) | Estimated<br>Replacement<br>Cost | 2012<br>Estimated<br>Remaining<br>Life (Years) | 8/31/2011<br>Current<br>Reserve<br>Balance | Add'l<br>Reserve<br>Funding<br>4th quarter | Year End<br>Estimated<br>Reserve<br>Balance | Additional<br>Reserves<br>Required | Annual<br>Funding<br>Required<br>2012 | Board<br>Approved<br>Funding<br>2012 |
|-------------------------------|---------------------------------------|----------------------------------|--|--|--|---|------------------------------------|---------------------------------------|--------------------------------------|
| Reserve - Pavers              | 20                                    | \$ 10,000                        | 20   | \$ -                                       | \$ -                                       | \$ -  | \$ 10,000                          | \$ 500                                | \$ 500                               |
| Reserve - General Maintenance | 10                                    | \$ 10,000                        | 6  | \$ 3,750                                   | \$ 250                                     | \$ 4,000                                    | \$ 6,000                           | \$ 1,000                              | \$ 1,000                             |
| Reserve - Monument / Fountain | 20                                    | \$ 30,000                        | 16   | \$ 4,342                                   | \$ 395                                     | \$ 4,737                                    | \$ 25,263                          | \$ 1,579                              | \$ 1,579                             |
| Reserve - Irrigation System   | 30                                    | \$ 50,000                        | 17   | \$ 6,650                                   | \$ 629                                     | \$ 7,278                                    | \$ 42,722                          | \$ 2,513                              | \$ 2,513                             |
| Reserve - Interest            |                                       |                                  |  | \$ 121                                     | \$ -                                       | \$ 121                                      | \$ (121)                           |                                       |                                      |
| <b>Totals</b>                 |                                       | \$ 100,000                       |  | \$ 14,863                                  | \$ 1,273                                   | \$ 16,136                                   | \$ 83,864                          | \$ 5,592                              | \$ 5,592                             |

WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS

## APPROVED BUDGET

## ADDISON PLACE

Reserve & Operating Assessment Schedules  
For the Period January 1, 2012 through December 31, 2012

|                      | ANNUALLY           | QUARTERLY          |
|----------------------|--------------------|--------------------|
| OPERATING ASSESSMENT | \$ 4,408.30        | \$ 1,102.08        |
| RESERVE ASSESSMENT   | \$ 199.71          | \$ 49.93           |
| <b>TOTAL:</b>        | <b>\$ 4,608.02</b> | <b>\$ 1,152.00</b> |

### *2011 ASSESSMENT FOR REFERENCE*

|                      | ANNUALLY           | QUARTERLY          |
|----------------------|--------------------|--------------------|
| OPERATING ASSESSMENT | \$ 4,229.50        | \$ 1,057.38        |
| RESERVE ASSESSMENT   | \$ 378.50          | \$ 94.63           |
| <b>TOTAL:</b>        | <b>\$ 4,608.00</b> | <b>\$ 1,152.00</b> |