

**VENICE BEACH APARTMENTS ONE, INC.**  
**FINANCIAL REPORTS**  
**August 31, 2018**

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STATEMENT OF ASSETS, LIABILITIES & FUND BALANCE

STATEMENT OF REVENUE & EXPENSE

COMPARISON OF ACTUAL TO BUDGET

**Prepared By: Sunstate Association Management Group, Inc.**

09/11/18

**Venice Beach Apartments One, Inc.**  
**Statement of Assets, Liabilities, & Fund Balance**  
As of August 31, 2018

|                                       | Aug 31, 18       |
|---------------------------------------|------------------|
| <b>ASSETS</b>                         |                  |
| Current Assets                        |                  |
| Checking/Savings                      |                  |
| Centennial Bank                       |                  |
| Checking 6669                         | 19,256.32        |
| Reserves 6685                         | 21,206.95        |
| Total Centennial Bank                 | 40,463.27        |
| Total Checking/Savings                | 40,463.27        |
| Accounts Receivable                   |                  |
| Accts Receivable / Prepaids           | 1,384.00         |
| Total Accounts Receivable             | 1,384.00         |
| Total Current Assets                  | 41,847.27        |
| Fixed Assets                          |                  |
| Land Acquisition                      | 43,500.00        |
| Total Fixed Assets                    | 43,500.00        |
| <b>TOTAL ASSETS</b>                   | <b>85,347.27</b> |
| <b>LIABILITIES &amp; EQUITY</b>       |                  |
| Liabilities                           |                  |
| Current Liabilities                   |                  |
| Accounts Payable                      |                  |
| Accounts Payable                      | 2,391.75         |
| Total Accounts Payable                | 2,391.75         |
| Other Current Liabilities             |                  |
| Land Acquisition Loan                 | 46,947.00        |
| Deferred Assessments                  | 10,018.17        |
| Deferred Reserve Income               | 361.83           |
| Total Other Current Liabilities       | 57,327.00        |
| Total Current Liabilities             | 59,718.75        |
| Long Term Liabilities                 |                  |
| Reserves Fund                         |                  |
| Roof Reserve                          | 17,754.46        |
| Capital Improvements Reserve          | 3,381.65         |
| Interest                              | 70.84            |
| Total Reserves Fund                   | 21,206.95        |
| Total Long Term Liabilities           | 21,206.95        |
| Total Liabilities                     | 80,925.70        |
| Equity                                |                  |
| Opening Balance Fund                  | 6,834.61         |
| Retained Earnings                     | (5,095.14)       |
| Net Income                            | 2,682.10         |
| Total Equity                          | 4,421.57         |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b>85,347.27</b> |

**Venice Beach Apartments One, Inc.**  
**Statement of Revenue & Expense - Budget to Actual**  
**August 2018**

09/18/18

Accrual Basis

|                                 | Aug 18           | Budget           | \$ Over Budget  | Jan - Aug 18      | YTD Budget        | \$ Over Budget    | Annual Budget     |
|---------------------------------|------------------|------------------|-----------------|-------------------|-------------------|-------------------|-------------------|
| <b>Ordinary Income/Expense</b>  |                  |                  |                 |                   |                   |                   |                   |
| <b>Income</b>                   |                  |                  |                 |                   |                   |                   |                   |
| Application/Misc Fees           | 0.00             | 0.00             | 0.00            | 50.00             | 0.00              | 50.00             | 0.00              |
| Land Lease                      | 0.00             | 0.00             | 0.00            | 4,800.00          | 4,800.00          | 0.00              | 4,800.00          |
| <b>One Bedroom Income</b>       |                  |                  |                 |                   |                   |                   |                   |
| Assessments-Maintenance Fees    | 4,452.50         | 4,453.67         | (1.17)          | 35,620.00         | 35,629.33         | (9.33)            | 53,444.00         |
| Assessments-Roof Reserves       | 160.83           | 160.83           | 0.00            | 1,286.67          | 1,286.67          | 0.00              | 1,930.00          |
| <b>Total One Bedroom Income</b> | <b>4,613.33</b>  | <b>4,614.50</b>  | <b>(1.17)</b>   | <b>36,906.67</b>  | <b>36,916.00</b>  | <b>(9.33)</b>     | <b>55,374.00</b>  |
| <b>Two Bedroom Income</b>       |                  |                  |                 |                   |                   |                   |                   |
| Assessments-Maintenance Fees    | 5,565.67         | 5,567.17         | (1.50)          | 44,525.33         | 44,537.33         | (12.00)           | 66,806.00         |
| Assessments-Roof Reserves       | 201.00           | 201.00           | 0.00            | 1,608.00          | 1,608.00          | 0.00              | 2,412.00          |
| <b>Total Two Bedroom Income</b> | <b>5,766.67</b>  | <b>5,768.17</b>  | <b>(1.50)</b>   | <b>46,133.33</b>  | <b>46,145.33</b>  | <b>(12.00)</b>    | <b>69,218.00</b>  |
| Operating Interest              | 1.83             | 1.00             | 0.83            | 40.28             | 8.00              | 32.28             | 12.00             |
| Reserves Interest               | 8.10             | 0.00             | 8.10            | 48.10             | 0.00              | 48.10             | 0.00              |
| <b>Total Income</b>             | <b>10,389.93</b> | <b>10,383.67</b> | <b>6.26</b>     | <b>87,978.38</b>  | <b>87,869.33</b>  | <b>109.05</b>     | <b>129,404.00</b> |
| <b>Expense</b>                  |                  |                  |                 |                   |                   |                   |                   |
| Accounting/Tax Prep             | 0.00             | 0.00             | 0.00            | 175.00            | 175.00            | 0.00              | 175.00            |
| Building Repair Expenses        | 0.00             | 833.33           | (833.33)        | 9,174.17          | 6,666.67          | 2,507.50          | 10,000.00         |
| Insurances                      | 2,274.35         | 2,500.00         | (225.65)        | 23,014.96         | 20,000.00         | 3,014.96          | 30,000.00         |
| Landscaping and Irrigation      | 2,972.19         | 2,166.67         | 805.52          | 13,392.00         | 17,333.33         | (3,941.33)        | 26,000.00         |
| Laundry Room Repairs            | 267.88           | 170.83           | 97.05           | 267.88            | 1,366.67          | (1,098.79)        | 2,050.00          |
| Legal Expenses                  | 220.75           | 833.33           | (612.58)        | 7,624.50          | 6,666.67          | 957.83            | 10,000.00         |
| Licenses and Fees               | 0.00             | 11.75            | (11.75)         | 61.25             | 94.00             | (32.75)           | 141.00            |
| Management Fees                 | 675.00           | 675.00           | 0.00            | 5,400.00          | 5,400.00          | 0.00              | 8,100.00          |
| Miscellaneous / Supplies        | 0.00             | 43.33            | (43.33)         | 87.43             | 346.67            | (259.24)          | 520.00            |
| Pest Control                    | 546.00           | 208.33           | 337.67          | 1,638.00          | 1,666.67          | (28.67)           | 2,500.00          |
| Pool Expenses / VBA 2           | 825.80           | 791.67           | 34.13           | 3,590.80          | 6,333.33          | (2,742.53)        | 9,500.00          |
| Postage and Mailings            | 9.34             | 23.00            | (13.66)         | 221.82            | 184.00            | 37.82             | 276.00            |
| Real Property Taxes             | 0.00             | 83.33            | (83.33)         | 0.00              | 666.67            | (666.67)          | 1,000.00          |
| SG Loan Interest                | 0.00             | 83.33            | (83.33)         | 0.00              | 666.67            | (666.67)          | 1,000.00          |
| Utilities, Electric, Water      | 1,459.59         | 1,583.33         | (123.74)        | 12,543.88         | 12,666.67         | (122.79)          | 19,000.00         |
| <b>Total Expense</b>            | <b>9,250.90</b>  | <b>10,007.23</b> | <b>(756.33)</b> | <b>77,191.69</b>  | <b>80,233.02</b>  | <b>(3,041.33)</b> | <b>120,262.00</b> |
| <b>Net Ordinary Income</b>      | <b>1,139.03</b>  | <b>376.44</b>    | <b>762.59</b>   | <b>10,786.69</b>  | <b>7,636.31</b>   | <b>3,150.38</b>   | <b>9,142.00</b>   |
| <b>Other Income/Expense</b>     |                  |                  |                 |                   |                   |                   |                   |
| <b>Other Expense</b>            |                  |                  |                 |                   |                   |                   |                   |
| Proprietary Lease Fee           | 0.00             | 0.00             | 0.00            | 4,800.00          | 4,800.00          | 0.00              | 4,800.00          |
| Transfer to Reserves            | 8.10             | 0.00             | 8.10            | 3,304.59          | 3,256.50          | 48.09             | 4,342.00          |
| <b>Total Other Expense</b>      | <b>8.10</b>      | <b>0.00</b>      | <b>8.10</b>     | <b>8,104.59</b>   | <b>8,056.50</b>   | <b>48.09</b>      | <b>9,142.00</b>   |
| <b>Net Other Income</b>         | <b>(8.10)</b>    | <b>0.00</b>      | <b>(8.10)</b>   | <b>(8,104.59)</b> | <b>(8,056.50)</b> | <b>(48.09)</b>    | <b>(9,142.00)</b> |
| <b>Net Income</b>               | <b>1,130.93</b>  | <b>376.44</b>    | <b>754.49</b>   | <b>2,682.10</b>   | <b>(420.19)</b>   | <b>3,102.29</b>   | <b>0.00</b>       |