

James R. Spear
Certified Public Accountant

49 Bell Rock Plaza
Suite E
Sedona, Arizona 86351
(928) 284-1830
jrscpa1@msn.com

Independent Accountant's Compilation Report

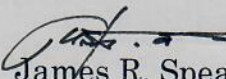
To the Board of Directors
Oak Creek Estados Condominium Management Corp
Sedona, Arizona 86351

I have compiled the accompanying Statement of Financial Position of Oak Creek Estados Condominium Management Corp as of July 31, 2018 and the related Statement of Revenues & Expenses for the Seven Month Period then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with U.S. generally accepted accounting principles.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America, including the Statement of Cash Flows. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.


James R. Spear CPA CGMA FABFA

August 22, 2018
Sedona, Arizona

Member

American Institute of Certified Public Accountants
Arizona Society of Certified Public Accountants
Fellow, American Board of Forensic Accounting

Oak Creek Estados Condominium Management Corp
Statement of Financial Position
July 31, 2018

	Jul 31, 18
ASSETS	
Current Assets	
Checking/Savings	
Chase Checking-1915	25,111.52
Chase Insurance Reserve	15,323.50
Chase Reserve Savings-9554	174,709.80
Petty Cash	700.00
Total Checking/Savings	215,844.82
Accounts Receivable	
Accounts Receivable	4,868.21
Total Accounts Receivable	4,868.21
Other Current Assets	
Undeposited Funds	(0.12)
Total Other Current Assets	(0.12)
Total Current Assets	220,712.91
Fixed Assets	
Capital Improvements	
BBQ 2018 - Cost	2,135.02
Beams	
Beams - Bldg - Depreciation	(4,863.75)
Beams - Bldg - Original Cost	32,436.75
Total Beams	27,573.00
Boiler	
Boiler E & F/G - Depreciation	(8,581.40)
Boiler E & F/G - Original Cost	49,248.21
Total Boiler	40,666.81
Catwalks	
Cat Walks C&G Bldg 2018 - Cost	3,831.30
Catwalks A, B, F - Depreciation	(14,182.56)
Catwalks A, B, F -Original Cost	21,945.33
Catwalks D & E 2015 Cost	14,889.00
Catwalks D & E Depreciation	(9,532.56)
Catwalks G, H, C - Depreciation	(1,125.00)
Catwalks G, H, C -Original Cost	21,089.32
Total Catwalks	36,914.83

Oak Creek Estados Condominium Management Corp
Statement of Financial Position
July 31, 2018

	Jul 31, 18
Clubhouse Furnace	
Clubhouse Furnace - Acc Dep	(1,062.31)
Clubhouse Furnace - Other	1,708.00
	645.69
Total Clubhouse Furnace	645.69
Concrete	
Perimeter Road, 2018 Cost	67,384.02
	67,384.02
Total Concrete	67,384.02
Grounds	
2015 Gravel Cost	568.34
2015 Gravel Dep	(363.00)
Basin	
Basin -Original Cost	1,974.74
Basin - Depreciation	(1,264.00)
	710.74
Total Basin	710.74
Landscaping	
2014 Landscaping Cost	11,274.04
2014 Landscaping Dep	(3,943.81)
2015 Landscaping Cost	2,504.05
2015 Landscaping Dep	(1,375.69)
	8,458.59
Total Landscaping	8,458.59
Total Grounds	9,374.67
Lighting	
Bldg Fixtures - 2015	2,657.11
Bldg Fixtures - 2016	7,684.94
Bldg Fixtures - Phase I - Dep	(153.56)
Bldg Fixtures - Phase II - Dep	(851.75)
	9,336.74
Total Lighting	9,336.74
Paint Bldgs , Structures, Walls	
Paint - 2015 Bldg A - Cost	21,000.00
Paint - 2015 Bldg A - Dep	(1,050.00)
Paint - 2015 Bldgs F & G - Cost	41,000.00
Paint - 2015 Bldgs F & G - Dep	(2,423.00)
Paint - 2016 Bldg D & E - Cost	34,728.00
Paint - 2016 Bldg D & E Dep	(265.00)
Paint - 2016 Bldg H Cost	16,873.00
Paint - 2016 Bldg H Dep	(128.00)
Paint - 2017 Bldg B Cost	14,354.00
Paint - 2017 Bldg B Dep	(585.81)
Paint - 2017 Bldg C Cost	15,500.00
Paint - 2017 Bldg C Dep	(706.19)
Paint - Perimeter Wall Cost	7,996.00
Paint - Perimeter Walls Dep	(250.19)

Oak Creek Estados Condominium Management Corp
Statement of Financial Position
July 31, 2018

	Jul 31, 18
Paint - Wood Trim - Cost	44,019.90
Paint - Wood Trim - Dep	(3,202.00)
Painting 2016 Dep	(2,707.19)
Total Paint Bldgs , Structures, Walls	184,153.52
Parking - Curb & Line Painting	5,992.53
Parking Depreciation	(2,110.94)
Pool	
Pool - 2014 Furniture - Cost	474.95
Pool - 2015 Furniture - Cost	3,943.40
Pool - Deck - Depreciation	(671.31)
Pool - Furniture - Depreciation	(3,358.00)
Total Pool	389.04
Roofs	
Roofs - 2015 Garage - Cost	24,821.52
Roofs - 2015 Garage - Dep	(2,896.75)
Roofs - 2016 Garages - Cost	34,268.36
Roofs - 2016 Garages -Dep	(2,336.81)
Roofs - 2017 Garages - Cost	20,179.91
Roofs - 2017 Garages - Dep	(1,471.25)
Roofs - 2017 Sprayfoam Cost	8,174.00
Roofs - 2017 Sprayfoam Dep	(19.00)
Tile Roofs - Clubhouse - Cost	6,664.16
Tile Roofs 2013 - Cost	13,033.94
Tile Roofs 2013 - Depreciation	(1,836.50)
Tile Roofs 2014 - Cost	10,121.18
Tile Roofs 2014 - Depreciation	(4,384.81)
Tile Roofs 2015 - Cost	8,610.94
Tile Roofs 2015 - Dep	(899.56)
Tile Roofs 2016 - Cost	7,130.65
Tile Roofs 2016 - Dep	(464.06)
Tile Roofs 2017 - Cost	10,586.96
Tile Roofs 2017 - Dep	(483.36)
Tile Roofs 2018 - Cost	13,885.40
Tile Roofs 2018 - Dep	(443.62)
Tile Roofs Stairwell 2017 Cost	5,612.48
Tile Roofs Stairwell 2017 Dep	(77.00)
Tile Roofs Stairwells 2013 Cost	3,709.02
Tile Roofs Stairwells 2013 Dep	(567.69)
Total Roofs	150,918.11
Signs	
Signs - Community - Cost	2,337.48
Signs - Community - Dep	(1,122.56)
Signs - Entrance - Cost	3,340.64
Signs - Entrance - Depreciation	(3,195.00)
Total Signs	1,360.56

Oak Creek Estados Condominium Management Corp
Statement of Financial Position
July 31, 2018

	Jul 31, 18
Spa/Swim Spa	
Spa New -2016 - Cost	46,447.00
Spa New 2016 - Dep	(2,674.25)
Swim Spa - Heater - Cost	2,282.78
Swim Spa - Heater - Dep	(2,431.19)
	43,624.34
Total Spa/Swim Spa	43,624.34
Vents	
Vents - 2016	3,833.00
Vents - Dryer Phase I - Cost	6,577.75
Vents - Dryer Phase I - Dep	(1,175.50)
	9,235.25
Total Vents	9,235.25
Total Capital Improvements	587,593.19
Capital Improvements - OCE	
Accumulated Depreciation	(157,493.24)
Roofs - 2012 Sprayfoam Cost	203,584.30
Capital Improvements - OCE - Other	211,844.00
	257,935.06
Total Capital Improvements - OCE	257,935.06
Total Fixed Assets	845,528.25
TOTAL ASSETS	1,066,241.16
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	1,155.45
Prepaid Dues/Fees	39,214.80
	40,370.25
Total Other Current Liabilities	40,370.25
Total Current Liabilities	40,370.25
Total Liabilities	40,370.25
Equity	
Opening Balance Equity	243,669.40
Retained Earnings	722,674.67
Net Income	59,526.84
	1,025,870.91
Total Equity	1,025,870.91
TOTAL LIABILITIES & EQUITY	1,066,241.16

Oak Creek Estados Condominium Management Corp
Statement of Revenues & Expenses
For the Period Ending ...

	Jul 18	Jan - Jul ...
Ordinary Income/Expense		
Income		
Income		
Amenity Keys	225.00	508.28
Disclosure Fee	500.00	500.00
HOA Dues	36084.51	259997.55
Late Fees	0.00	477.42
Long Term Rental Fees	75.00	425.00
Real Estate Resale Fee	0.00	1,000.00
Short/Vacation Term Rentals	1,275.00	5,405.00
Transfer Fee	80.00	240.00
Income - Other	0.00	660.27
Total Income	38,239.51	269213.52
Returned Check Charges	0.00	12.00
Total Income	38,239.51	269225.52
Gross Profit	38,239.51	269225.52
Expense		
Automobile Expense	0.00	742.74
Bad Debt Expense	0.00	8,090.30
Bank Service Charges	0.00	62.00
Cash Advance Repayment	0.00	0.00
Contract/Temp Staffing	2,506.50	2,506.50
Depreciation Expense	3,570.97	23,887.74
Dues and Subscriptions	0.00	0.00
Employee Cell Phones	33.26	242.14
Gifts	0.00	460.00
Inaccurate Data Transfers	0.00	(691.71)
Income Tax	0.00	50.00
Insurance Expense	7,318.74	22,957.40
Licenses, Permits & Inspections	0.00	148.00
Mailing	0.00	49.99
Office Supplies	0.00	1,110.02
Payroll Expenses	4,318.50	35,512.83
Payroll Tax Expenses	371.97	2,786.77
Professional Fees		
Accounting Services	462.50	3,245.00
Legal Fees	0.00	918.30
Permits & Inspection Services	0.00	720.00
QuickBooks Payroll Services	0.00	453.07
Total Professional Fees	462.50	5,336.37
Reimbursements to Owners	0.00	646.03

Oak Creek Estados Condominium Management Corp
Statement of Revenues & Expenses

For the Period Ending ...

	<u>Jul 18</u>	<u>Jan - Jul ...</u>
Repairs and Maintenance		
Boiler	0.00	2,871.77
Cooler	0.00	1,389.64
General Maintenance	1,934.15	8,426.85
Insect Service	0.00	1,160.00
Inside Unit Repair	0.00	2,736.86
Landscaping and Groundskeeping	466.08	1,170.09
Landscaping Services	4,545.00	22,545.00
Office and Clubhouse	181.15	556.20
Pool and Spa Maintenance	583.89	4,741.99
Roofs	0.00	79.21
Sidewalks	0.00	915.36
	<hr/>	<hr/>
Total Repairs and Maintenance	7,710.27	46,592.97
Small Tools & Equipment	238.39	1,263.51
Telephone Expense	119.20	1,142.16
Utilities		
Electric	1,790.31	11,719.91
Gas	1,589.52	25,030.10
Sewer	0.00	530.72
Trash Removal Services	0.00	3,859.05
Water	0.00	13,639.13
	<hr/>	<hr/>
Total Utilities	3,379.83	54,778.91
Workers Compensation Insurance	0.00	2,078.00
	<hr/>	<hr/>
Total Expense	30,030.13	209,752.67
Net Ordinary Income	8,209.38	59,472.85
Other Income/Expense		
Other Income		
Interest Income	0.00	53.99
	<hr/>	<hr/>
Total Other Income	0.00	53.99
	<hr/>	<hr/>
Net Other Income	0.00	53.99
	<hr/>	<hr/>
Net Income	<u>8,209.38</u>	<u>59,526.84</u>