


FIRST PROPERTIES LLC


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February, 2006

Dear Owner:

Section 18(a)(7) of the Illinois Condominium Property Act states:

“the board of managers shall annually supply to all unit owners an itemized accounting of the common expenses for the preceding year actually incurred or paid, together with an indication of which portions were for reserves, capital expenditures, or repairs or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess of deficit of income over expenditures plus reserves.”

Enclosed, please find said report.

Sincerely,

First Properties, LLC

Vanguard Lofts Condominium Association
2005 End of Year Cash Flow Report

| | <u>Year to Date</u> | <u>%</u> |
|---|-----------------------|---------------|
| INCOME | | |
| Assessment fees | \$ 283,608.71 | 91.42 |
| Special assessments | \$ 267.45 | 0.09 |
| Segregated Special Assessments | \$ 5,512.63 | 1.78 |
| Bill-to-Owner Clearing Account | \$ 99.00 | 0.03 |
| Scavenger reimbursement | \$ 5,282.78 | 1.7 |
| Member prepayments | \$ (3,722.53) | -1.2 |
| Late fees | \$ 1,320.77 | 0.43 |
| Commercial revenue | \$ 17,600.00 | 5.67 |
| Interest earned | \$ 469.16 | 0.15 |
| TOTAL INCOME | \$ 310,239.97 | 100 |
| EXPENSES | | |
| <i>Administrative</i> | | |
| Accounting fees | \$ 1,408.68 | 0.45 |
| Legal fees | \$ 22,125.37 | 7.13 |
| Bank Charges | \$ 108.80 | 0.04 |
| Photocopying | \$ 1,004.84 | 0.32 |
| Management fees | \$ 25,200.00 | 8.12 |
| Postage | \$ 1,398.36 | 0.45 |
| Misc. administrative expenses | \$ 3,016.72 | 0.97 |
| Total Administrative | \$ 54,262.77 | 17.49 |
| <i>Utilities</i> | | |
| Electricity - common | \$ 23,397.64 | 7.54 |
| Heating fuel | \$ 45,610.53 | 14.7 |
| Water and sewer | \$ 4,374.70 | 1.41 |
| Telephone | \$ 1,848.17 | 0.6 |
| Alarm monitoring | \$ 1,579.04 | 0.51 |
| Scavenger | \$ 7,751.83 | 2.5 |
| Total Utilities | \$ 84,559.91 | 27.26 |
| <i>Mechanical Systems-Rep./Mtce.</i> | | |
| Boiler/HVAC system | \$ 11,889.25 | 3.83 |
| Elevator mtce. & repairs | \$ 4,912.80 | 1.58 |
| Plumbing | \$ 4,346.78 | 1.4 |
| Roof maintenance/leak repair | \$ 3,610.00 | 1.16 |
| Masonry/Tuckpointing | \$ 3,100.00 | 1 |
| Other repairs | \$ 355.00 | 0.11 |
| Total Mech. Systems-Rep./Mtce. | \$ 28,213.83 | 9.09 |
| <i>Property Maintenance & Repairs</i> | | |
| Janitor | \$ 23,778.00 | 7.66 |
| Handyman | \$ 24,278.90 | 7.83 |
| Janitorial services - contract | \$ 2,000.00 | 0.64 |
| Exterminating | \$ 1,080.00 | 0.35 |
| Carpet/floor cleaning | \$ 3,460.25 | 1.12 |
| Painting | \$ 17,300.00 | 5.58 |
| Fire safety/security system | \$ 2,202.35 | 0.71 |
| Grounds maintenance | \$ 2,110.79 | 0.68 |
| Snow removal | \$ 10,915.00 | 3.52 |
| Hardware and supplies | \$ 4,511.74 | 1.45 |
| Window washing | \$ 2,650.00 | 0.85 |
| Other maintenance and repairs | \$ 23,915.73 | 7.71 |
| Total Property Maintenance | \$ 118,202.76 | 38.1 |
| <i>Taxes, Insurance, Fees</i> | | |
| Income Tax | \$ 606.02 | 0.2 |
| Property insurance | \$ 27,772.50 | 8.95 |
| Inspection/engineering fees | \$ 1,244.00 | 0.4 |
| License and registration fees | \$ 3,370.00 | 1.09 |
| Total Taxes, Insurance, Fees | \$ 32,992.52 | 10.63 |
| <i>Financing</i> | | |
| Construction loan interest | \$ 2,206.20 | 0.71 |
| Total Acquisition/Financing | \$ 2,206.20 | 0.71 |
| TOTAL EXPENSES. | \$ 320,437.99 | 103.29 |
| NET INCOME | \$ (10,198.02) | -3.29 |
| ADJUSTMENTS | | |
| CASH-Segregated Special Assess | \$ (3,581.47) | |
| CASH-Primary Reserve | \$ 6,959.98 | |
| CASH-Secondary Reserve | \$ 32,946.36 | |
| Capital improvements | \$ (39,535.82) | |
| Notes receivable - assessment | \$ 57,091.31 | |
| NOTE-Construction loan | \$ (33,871.40) | |
| Transfer to reserves | \$ (46,342.94) | |
| TOTAL ADJUSTMENTS | \$ (26,333.98) | |
| CASH FLOW | \$ (36,532.00) | |