PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

DECEMBER 31, 2024

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Unit Owners
Plaza Del Prado
Condominium Association, Inc.

Dear Members:

Qualified Opinion

We have audited the accompanying financial statements of Plaza Del Prado Condominium Association, which comprise the balance sheet as of December 31, 2024, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, except for the effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Plaza Del Prado Condominium Association, as of December 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

We were unable to obtain sufficient appropriate audit evidence regarding the amounts at which security deposits are recorded in the accompanying balance sheet at December 31, 2024 (stated at $281,935).

During our audit, we were unable to obtain sufficient and appropriate evidence regarding the transactions and account balances for special assessment balances for the period ended December 31, 2024. The supporting documentation for this period was incomplete or unavailable, and alternative procedures did not provide adequate audit evidence. As a result, we could not satisfy ourselves as to the accuracy or completeness of the financial information relating to this period. This matter may have a material effect on the financial statements for the year ended December 31, 2024.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Plaza Del Prado Condominium Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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Emphasis of Matter

As described in Note 4 to the financial statements, effective December 31, 2025, the Association was required to obtain a structural integrity reserve study ("SIRS") to comply with Florida Statutes Chapter 718 § 112(2)(f)(2a). The study requires that the existing Replacement Fund Components be allocated into both "Structural" and "Non-Structural" Components based upon the estimates provided in the Independent SIRS Report in accordance with Florida Statute. On November 6, 2024, the Association received this study which indicated that reserves were underfunded, beginning in 2025, the Association should increase funding to $2,167,296. The Association is currently evaluating the impact of the SIRS report and Florida Statues on the presentation of its financial statements.

The Association was unable to obtain coverage for the entire building, in the current year under audit, if there had been a wind event, the wind coverage per unit may have been inadequate, if all units were to suffer damage, the Association could have faced losses. Subsequently, the Association has obtained coverage.

In 2025 the Association signed a contract with M.A. Construction Group, LLC for asphalt repairs in the amount of $546,657.

In 2025 the Association signed a contract with ACM/SMJ for asbestos abatement in the amount of $601,974.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Plaza Del Prado Condominium Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Plaza Del Prado Condominium Association's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Plaza Del Prado Condominium Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Supplementary Information on Future Major Repairs and Replacements be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Detailed Statement of Operating Revenues and Expenses Budget Comparison is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the matters described in the “Basis for Qualified Opinion” section of the auditor’s report, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Gerstle, Rosen & Goldenberg, P.A.

Gerstle, Rosen & Goldenberg, P.A.
Certified Public Accountants
Hollywood, Florida
April 23, 2026

PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.

BALANCE SHEET

December 31, 2024

	OPERATING FUND	REPLACEMENT FUND	SPECIAL ASSESSMENT	TOTAL
ASSETS				
Cash and Cash Equivalents	$ 408,102	$ 89,450	$ 2,318,602	$ 2,816,154
Cash - Security Deposits	254,932			254,932
Accounts Receivable, Net of Allowance For Credit Losses of $ 160,062	161,452		188,116	349,568
Other Receivable	47,592			47,592
Prepaid Expenses	92,654			92,654
Unbilled Special Assessments - 2017			7,890,457	7,890,457
Unbilled Special Assessments - 2023			22,982,764	22,982,764
Utility Deposits	61,167			61,167
Due To/From Funds	(377,449)		377,449	
TOTAL ASSETS	$ 648,450	$ 89,450	$ 33,757,388	$ 34,495,288
LIABILITIES AND FUND BALANCES				
Accounts Payable	$ 246,531	$	$ 104,388	$ 350,919
Retainage Payable			1,222,878	1,222,878
Loan Payable-2017			4,555,547	4,555,547
LIne of Credit - 2023			12,890,258	12,890,258
Security Deposits	281,935			281,935
Prepaid Member Assessments	96,451		63,100	159,551
Contract Liabilities-Deferred Reserves		84,665		84,665
Deferred Special Assessment 2017			4,443,170	4,443,170
Deferred Special Assessment 2023			10,478,047	10,478,047
Deferred Cable Income	116,813			116,813
Prepaid Rental/Lease	1,114			1,114
TOTAL LIABILITIES	742,844	84,665	33,757,388	34,584,897
Fund Balances	(94,394)	4,785	0	(89,609)
TOTAL LIABILITIES AND FUND BALANCES	$ 648,450	$ 89,450	$ 33,757,388	$ 34,495,288

The Accompanying Notes Are An Integral Part Of This Financial Statement.

PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES

Year Ended December 31, 2024

	OPERATING FUND	REPLACEMENT FUND	SPECIAL ASSESSMENT	TOTAL
REVENUES				
Member Assessments	$ 6,790,884	$ 8,353	$	$ 6,799,237
Special Assessment - 2023			13,396,314	13,396,314
Special Assessment 2017			847,214	847,214
Rental Income	18,721			18,721
Interest Income			121	121
Credit Losses	(17,657)			(17,657)
Cable Proceeds	18,690			18,690
FOB Income	12,700			12,700
Insurance Proceeds	32,112			32,112
Interest Income	1,777	1,598		3,375
Late Fee Income	10,962			10,962
Laundry Income	92,619			92,619
Screening Fees Income	1,040			1,040
Miscellaneous Income	21,747			21,747
TOTAL REVENUES	6,983,595	9,951	14,243,649	21,237,195
EXPENSES				
Utilities	1,669,805			1,669,805
Maintenance and Repairs	593,799			593,799
Salaries	1,001,301			1,001,301
Administrative Expenses	237,717			237,717
Contracts	1,847,907			1,847,907
Insurance	1,800,880			1,800,880
Special Assessment Expenses - 2023			13,396,435	13,396,435
Special Assessment 2017 Expenditures			847,214	847,214
Reserve Expenditures		8,353		8,353
TOTAL EXPENSES	7,151,409	8,353	14,243,649	21,403,411
EXCESS REVENUES (EXPENSES)	(167,814)	1,598	0	(166,216)
FUND BALANCES - BEGINNING	73,420	3,187	0	76,607
FUND BALANCES - ENDING	$ (94,394)	$ 4,785	$ 0	$ (89,609)

The Accompanying Notes Are An Integral Part Of This Financial Statement.

PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.

STATEMENT OF CASH FLOWS

Year Ended December 31, 2024

	OPERATING FUND	REPLACEMENT FUND	SPECIAL ASSESSMENT	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
EXCESS REVENUES (EXPENSES)	$ (167,814)	$ 1,598	$ 0	$ (166,216)
ADJUSTMENTS TO RECONCILE EXCESS REVENUES (EXPENSES) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
DECREASE (INCREASE) IN ASSETS:				
Accounts Receivable - Net of Allowance	(90,458)		(21,076)	(111,534)
Other Receivable	(3,193)			(3,193)
Prepaid Expenses	(86,572)			(86,572)
Unbilled Special Assessments - 2017			561,998	561,998
Unbilled Special Assessments - 2023			22,209,816	22,209,816
Due To/From Funds	742,539		(742,539)	0
INCREASE (DECREASE) IN LIABILITIES:				
Accounts Payable	(144,647)		(171,504)	(316,151)
Retainage Payable			793,179	793,179
Security Deposits	7,800			7,800
Prepaid Member Assessments	(6,634)		63,100	56,466
Contract Liabilities-Deferred Reserves		(8,353)		(8,353)
Deferred Special Assessment 2017			(244,041)	(244,041)
Deferred Special Assessment 2023			(33,049,051)	(33,049,051)
Deferred Cable Income	(18,690)			(18,690)
Prepaid Rental/Lease	1,114			1,114
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	233,445	(6,755)	(10,600,118)	(10,373,428)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds From (Payments On) Loan			10,734,645	10,734,645
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	0	0	10,734,645	10,734,645
NET INCREASE (DECREASE) IN CASH	233,445	(6,755)	134,527	361,217
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	429,589	96,205	2,184,075	2,709,869
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 663,034	$ 89,450	$ 2,318,602	$ 3,071,086
SUPPLEMENTAL DISCLOSURES:				
Interest Paid	$ 0	$ 0	$ 0	$ 0
Income Tax Paid				
Federal	$ 0	$ 0	$ 0	$ 0
State	$ 0	$ 0	$ 0	$ 0

The Accompanying Notes Are An Integral Part Of This Financial Statement.

1. ORGANIZATION

Plaza Del Prado Condominium Association, Inc., (the "Association") is a statutory condominium association incorporated on December 28, 1970, in the State of Florida. The Association is responsible for the operation and maintenance of the common property of Plaza Del Prado Condominium Association, Inc., and consists of 621 residential and 3 commercial units located in Aventura, Florida.

2. DATE OF MANAGEMENT'S REVIEW

The Association has evaluated subsequent events through April 23, 2026, the date that the financial statements were available to be issued. Based upon this evaluation, the Association has determined that no subsequent events have occurred which require adjustment to or disclosure in the financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Association uses the accrual method of accounting, i.e., revenues are recognized as earned and expenses are recorded in the period in which they are incurred.

Fund Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund - This fund is used to account for financial resources available for the general operations of the Association.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repairs and replacements.

Special Assessment Fund - This fund is used to accumulate financial resources designated for specific major repairs and replacements.

Member Assessments and Allowance for Credit Losses

Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Member Assessments and Allowance for Credit Losses (Continued)

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments plus late fees and other charges, if applicable, from association members. The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent according to its collection policy. The balances of assessments receivable as of the beginning and end of the year are $238,034 and $349,568 respectively.

The Association treats uncollectible assessments and other charges as credit losses. Methods, inputs, and assumptions used to evaluate when assessments are considered uncollectible include closely monitoring of outstanding assessment balances by management, member payment history of outstanding assessment balances, and susceptibility to factors outside the Association's control. In the event that the Association does not prevail against homeowners with delinquent assessments, an allowance for credit losses of $160,062 has been established as of the date of the Balance Sheet.

Contract Liability (Assessments received in advance - Replacement Fund)

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance – Replacement Fund) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of contract liability (assessments received in advance – Replacement Fund) as of the beginning and end of the year are $93,018 and $84,665 respectively. (See Note 4)

Cash and Cash Equivalents

For presentation purposes, cash and cash equivalents consists primarily of cash, money market accounts, and other highly liquid investments (not allocated to Investments) that are readily convertible into cash and purchased with original maturities of three months or less.

Concentration of Credit Risk

The Association maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to such balances. The Association maintains Insured Cash Sweep accounts which allows the Association, as a depositor, to protect their funds beyond the standard FDIC limits, therefore reducing the risk of cash concentration.

Rental Revenue

The Association leases two commercial units under long-term lease agreements to third-party operators, which include a market, tailor and a hair salon. Rental income totaling $18,721 was collected for the year ended December 31, 2024. All related rental income and expenses are reported in the Statement of Revenues, Expenses, and Changes in Fund Balances.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Real property and common area property acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the owners in common and not by the Association. Capital Expenditures are charged to the designated funds. Generally, personal property purchased by the Association is expensed.

Use of Estimates

The Association uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Prepaid Member Assessments

Prepaid Member Assessments consist of amounts received, which are applicable to subsequent years' assessments. The balances of Prepaid Member Assessments as of the beginning and end of the year are $103,085 and $159,551, respectively.

Fair Value Measurement

Under FASB ASC 820, *Fair Value Measurements and Disclosures*, fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Association has determined that there was no material difference between the carrying value and fair value of its financial assets and liabilities at December 31, 2024; therefore, no adjustment for the effect of FASB ASC 820 was made to the Association's financial statements at December 31, 2024.

Interest Income

The Association recognizes interest income on the Operating Fund, the Replacement Fund and the Special Assessment Fund when earned. The Association's policy is to allocate interest income earned on the Replacement Fund to specific replacement components periodically depending on projected requirements.

4. FUTURE MAJOR REPAIRS AND REPLACEMENTS

In accordance with Florida Statutes Chapter 718 § 112(2)(f)(2a), in addition to annual operating expenses, the budget of the Association must include reserve accounts for capital expenditures and deferred maintenance. These accounts must include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and any other item that has a deferred maintenance expense or replacement cost that exceeds $25,000. The amount to be reserved to the Replacement Fund annually must be computed using a formula based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the reserve item. These accounts, when adopted, are restricted to their intended purpose unless modified by a qualified unit owner vote.

Effective December 31, 2025, the Association was required to obtain a structural integrity reserve study (“SIRS”) to comply with Chapter 718 § 112(2)(f)(2a). The purpose of the SIRS was to obtain an independent estimate of the remaining useful lives and the replacement costs of the Structural and Non-Structural components of common property. This study must be completed at least every 10 years for each building on the condominium property that is three stories or higher in height, as determined by the Florida Building Code. For an Association that is required to obtain a structural integrity reserve study, reserves must be maintained for the structural items identified in the reserve study for which the Association is responsible pursuant to the declaration of condominium. The amount included in the Association budget for such items must be based on the findings and recommendations of the Association’s most recent independent structural integrity reserve study.

At a minimum, the study must include the following items as related to the structural integrity and safety of the common property:

a. Roof
b. Structure (including load-bearing walls and other primary structural members and primary structural systems as those terms are defined in Florida Statutes § 627.706)
c. Fireproofing and fire protection systems
d. Plumbing
e. Electrical systems
f. Waterproofing and exterior painting
g. Windows and exterior doors
h. Any other item that has a deferred maintenance expense or replacement cost that exceeds $25,000 and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs (a)-(g), as determined by the visual inspection portion of the structural integrity reserve study.

For a budget adopted on or after December 31, 2024, members of the Association may not vote to determine to provide no reserves or less reserves than required by this subsection for the aforementioned items listed above. In addition, the members may not vote to use reserve funds, or any interest accruing thereon, for any other purpose other than the replacement or deferred maintenance costs of the aforementioned items listed above.

4. FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)

Florida Statutes provide that each proposed budget may include provisions for reserves for capital improvements and deferred maintenance. These accounts, if adopted, are restricted to their intended purpose unless modified by a qualified unit owner vote. In addition, any special assessments adopted are also restricted to their specific purpose.

At a duly constituted meeting, the Association voluntarily elected to provide for partial funding of the Replacement Fund for the current fiscal year. The funding was based on a study conducted by an independent reserve study specialist in November, 2017, to estimate the remaining useful lives and the replacement costs of the common property components, as disclosed in the Supplementary Information. Actual expenditures, however, may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, the Association has the right to increase regular assessments, levy special assessments, or delay major repairs and replacements until funds are available.

The Association adopted the pooling method, which allows the Association to utilize all available replacement funds for future projects rather than only using funds designated for each individual replacement component.

The Pooled Replacement Fund expenses consist of Site and Grounds, Building Exteriors, Interiors and Amenities.

Expenditures

The Association had expenditures with the following vendors, $8,353 with AB Electric.

The balance of the Replacement Fund at December 31, 2024, consists of the following:

COMPONENTS	BALANCE 12/31/2023	INTEREST/ ASSESSMENTS	EXPENDITURES	BALANCE 12/31/2024
Pooled	$ 93,018	$0	$ (8,353)	$ 84,665
SUB-TOTAL CONTRACT LIABILITY - DEFERRED RESERVES	93,018	0	(8,353)	84,665
Fund Balance - Unallocated Interest	3,187	1,598	0	4,785
SUB-TOTAL FUND BALANCE	3,187	1,598	0	4,785
TOTAL	$ 96,205	$ 1,598	$ (8,353)	$ 89,450

Structural Reserves and Non-Structural Reserves Allocation of Funds – Contingency

Prior to and as of December 20204, the Association previously had a single, pre-existing pool of Reserve Funds, which had been utilized for both “Structural” and “Non-Structural” Replacement Fund Components. During 2025, based upon the estimates provided in the Independent SIRS Report obtained by the Association, the existing pooled funds were allocated into NON SIRS funds, which are restricted for their intended purpose in accordance with Florida Statute. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

5. INCOME TAXES

The Association is subject to federal and state taxation. The Association elected to exclude from taxation exempt function income, in accordance with Section 528 of the Internal Revenue Code, which generally consists of annual revenue from member assessments to maintain the common elements. Consequently, the Association is taxed only on its non-exempt function income at the flat Federal rate of 30%. The Association may be subject to tax on investment income and other non-exempt income, but at different rates. When applicable, interest and penalties will be reported as interest expense and administrative expense, respectively.

The Association has no temporary differences relating to the recognition of income and expenses for financial and tax reporting purposes. Accordingly, no deferred tax assets or liabilities are recorded.

The Association has evaluated its tax positions and concluded that it has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of the Income Taxes Topic of the Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC").

The Association has no income tax returns under examination by the Internal Revenue Service. The Association believes it is no longer subject to income tax examinations for years prior to 2021.

6. SPECIAL ASSESSMENT 2017 / SPECIAL ASSESSMENT 2021 / SPECIAL ASSESSMENT 2023 DEFERRED SPECIAL ASSESSMENT INCOME / UNBILLED SPECIAL ASSESSMENT RECEIVABLE / SUBSEQUENT EVENT

Special Assessment 2017

On November 1, 2017, the Board of Directors approved a special assessment in the amount of $5,482,101. The special assessment was to fund the repayment of the loan to finance the concrete restoration of the east and west garage, planters, exterior building repairs, balconies, painting, lobbies and hallway restoration, rotunda, railings and gates, tennis courts, cameras, furniture, landscaping, other miscellaneous repairs, related costs, soft costs, plus any contingencies related to these projects. The special assessment was to be paid in one lump sum or owners could elect to use loan funds.

In August 2023, the special assessment payments were restructured to coincide with the 2023 Special Assessment loan funding, the payments were amortized over 204 months.

For the year ended December 31, 2024, the Association billed $1,165,171, and incurred expenditures aggregating $ 846,820. The deferred special assessment balance at December 31, 2024, is $4,443,170.

6. SPECIAL ASSESSMENT 2017 / SPECIAL ASSESSMENT 2021 / SPECIAL ASSESSMENT 2023 DEFERRED SPECIAL ASSESSMENT INCOME / UNBILLED SPECIAL ASSESSMENT RECEIVABLE / SUBSEQUENT EVENT

Special Assessment 2017 (Continued)

Unbilled Special Assessment Receivable Special Assessment 2017

As of December 31, 2024, the Association recorded an Unbilled Special Assessment Receivable of $7,890,457 which represents the remaining portion of the installments for owners who choose to pay their share of the assessment in 204 equal monthly installments.

Due to limitations in the documentation and reconciliation procedures, the auditor was unable to obtain sufficient and appropriate audit evidence to verify the completeness and accuracy of these amounts. As a result a qualified opinion was issued on the financial statements.

Special Assessment 2021

During 2021, the Board of Directors approved a special assessment of $1,213,000, billed in accordance with each owner's respective percentage of common ownership in three consecutive monthly payments.
The funds were to replace life safety expense funds from the 2017 special assessment that had been allocated to emergency repairs to the roof, generator and elevator repairs.

Special Assessment 2023

On June 15, 2023, the Board of Directors approved a special assessment in the amount of $25,000,000, billed in accordance with each owner's respective percentage of common ownership. The special assessment is to provide funding for completion of the 40 year restoration project, detailed below and payoff the loan.

Association members had two options of paying, in one lump sum by September 1, 2023, or elect to use loan funds and pay two hundred and forty (240) consecutive equal principal and interest payments, per the percentage of ownership monthly starting September 1, 2023 and ending September 1, 2043. Owners who choose the lump sum will receive a credit for unpaid interest on the loan.

Association members who opted for monthly payments and transfer by sale or other otherwise during the time period will be responsible for all remaining payments at that time.

For the year ended December 31, 2024, the Association billed $2,507,579, incurred expenditures of $13,396,435, and earned interest of $121. The deferred special assessment balance at December 31, 2024, is $10,478,047.

Unbilled Special Assessment Receivable Special Assessment 2023

As of December 31, 2024, the Association recorded an Unbilled Special Assessment Receivable of $22,982,764, which represents the remaining portion of the installments for owners who choose to pay their share of the assessment in 240 equal monthly installments.

Due to limitations in the documentation and reconciliation procedures, the auditor was unable to obtain sufficient and appropriate audit evidence to verify the completeness and accuracy of these amounts. As a result a qualified opinion was issued on the financial statements.

6. SPECIAL ASSESSMENT 2017 / SPECIAL ASSESSMENT 2021 / SPECIAL ASSESSMENT 2023 DEFERRED SPECIAL ASSESSMENT INCOME / UNBILLED SPECIAL ASSESSMENT RECEIVABLE / SUBSEQUENT EVENT (Continued)

<u>Commitments-Special Assessment 2017/2021/2023 - Expenditures</u>

The Association incurred expenses with multiple vendors totaling approximately $846,820. Vendors included the City of Aventura, First Class Parking Systems National Concrete Preservation, Inc., SD Engineering Construction, SLS Consulting, Inc., The Falcon Group, Thermal Concepts, other various vendors, including interest payments of approximately $309,345.

<u>Commitments-Special Assessment 2017/2021/2023</u>

In 2023, the Association signed a contract with National Concrete Preservation, Inc., for Garage Deck Repairs and Waterproofing in the amount of $6,528,930. As of December 31, 2024, the contract increased with change orders to $11,523,543. In addition to accrued expenses of $840,562 at December 31, 2024, the Association is committed to completing the project at an additional cost of approximately $2,952,736. Such projects are subject to change orders and professional fees as work progresses. Subsequent to December 23, 2024, but prior to issuance of these financial statements the contract with change orders has was reduced to $11,151,773, as stated on Application for Payment #0030, in November, 2025.

In 2020, the Association signed a contract with Investcom Construction LLC for West Deck and Garage Restoration in the amount of $2,815,500. In April 2021, the Association reached a settle agreement and agreed to amend the original agreement and scope of work. The contract increased to $2,994,126, with change orders. In addition the Association agreed to pay cost and legal fees of $205,874. As detailed below, (Note 11), a subsequent lawsuit was filed and is in the process of being litigated.

In 2021, the Association signed a contract with National Concrete Preservation, Inc., for light fixture removal, railing replacement and stairwell repairs in the amount of $207,278. As of October, 2024, the contract with change orders has increased to $332,032, as stated on Application for Payment #009. The Association completed the project has of December 31, 2024.

In 2023, the Association signed a contract with Alfresco Air LLC for replacement of the boiler system for the North and South Tower in the amount of $1,448,000. With change orders the project increased to $1,497,450 as of October 2024. Such projects are subject to change orders and professional fees as work progresses.

In 2023, the Association signed a contract with Thermal Concepts for replacement of the eight (8) hallway a/c units for the North and South Tower in the amount of $1,294,318. The Association completed the project as of December 31, 2024.

In 2023, the Association signed a contract with Thermal Concepts for replacement of the cooling towers North and South Tower in the amount of $1,922,940. The Association is committed to completing the project at an additional cost of approximately $191,158. Such projects are subject to change orders and professional fees as work progresses

In 2023, the Association signed a contract with South Coast Restoration & Painting, LLC, for the façade Concrete repair project in the amount of $2,767,000. Subsequently, the contract has increased to $3,523,204, with change orders, as stated on Application #013 dated January 9, 2026. Such projects are subject to change orders and professional fees as work progresses

6. SPECIAL ASSESSMENT 2017 / SPECIAL ASSESSMENT 2021 / SPECIAL ASSESSMENT 2023 DEFERRED SPECIAL ASSESSMENT INCOME / UNBILLED SPECIAL ASSESSMENT RECEIVABLE / SUBSEQUENT EVENT (Continued)

<u>Commitments-Special Assessment 2017/2021/2023</u> (Continued)

In 2023, the Association signed a contract with LG Consultants, LLC, for project management. The contract reflects a fee for Planning (Phase 1) of $17,500, Pre-Construction (Phase 2) monthly fees $22,325, Construction Administration (Phase 3) monthly fees $22,325 and Project Close Out (Phase 4) of $17,500. The Association is committed to funding the contract fees as work progresses.

In 2023, the Association signed a contract with Lite Maintenance, Inc., for installation of light poles and fixtures, templates for contractor, and photometric compliance for the Association in the amount of $83,734. Subsequently, in 2024, the contract was paid in full.

In 2023, the Association signed a contract with The Falcon Group for the engineering inspection fees mechanical work and restoration repairs in the garage, billed hourly. Reimbursable expense, per the agreement, are to be added to invoices. The Association is committed to funding the contract fees as work progresses.

In 2023, the Associations signed a contract with Estrella Plumbing Contractor, Inc., for the main laundry drain stack replacement in the North and South towers in the amount of $179,720. The Association is committed to funding the contract fees as work progresses.

In 2023, the Association entered into a contract with SD Engineering and Construction, Inc., to act as the project manager for the three phases of the West Parking Deck project. The Association is committed to funding the contract fees as work progresses

In 2024, the Association entered into a contract with WDM Electric, Inc., to complete the 40 year inspection electrical repairs and modifications for $920,710. The Association is committed to completing the project at an additional cost of approximately $14,845. Such projects are subject to change orders and professional fees as work progresses.

<u>Retainage</u>

In addition to accrued expenses and accounts payable the payment applications retainage of $1,222,878 is reflected on the balance sheet at December 31, 2024 and is due at the end of each project upon completion and approval from the engineers.

6. SPECIAL ASSESSMENT 2017 / SPECIAL ASSESSMENT 2021 / SPECIAL ASSESSMENT 2023 DEFERRED SPECIAL ASSESSMENT INCOME / UNBILLED SPECIAL ASSESSMENT RECEIVABLE / SUBSEQUENT EVENT (Continued)

The balance of the Special Assessment 2017-2021 Fund at December 31, 2024, consists of the following:

	Deferred S/A Balance 12/31/2023	Activity 2024	Deferred S/A Balance 12/31/2024	S/A Budget
Income				
S/A II -2017 Billed	$7,343,341	$ 690,478	$8,033,819	$10,573,000
S/A 2021 Billed	1,213,000	0	1,213,000	1,213,000
Unbilled Special Assessment	8,452,455	(561,998)	7,890,457	0
S/A Interest Income	0	474,693	474,693	0
Loan Proceeds	0	0	0	1,620,946
Interest Income	472	0	472	2,884,704
Total Income	17,009,268	603,173	17,612,441	16,291,650
Expenses				
S/A-Spent	(3,426,860)	(531,758)	(3,958,618)	0
S/A-Bank Loan Cost	(9,030)	0	(9,030)	0
S/A-Balcony & Railing	(21,549)	0	(21,549)	385,000
S/A-Elevator	(65,429)	0	(65,429)	401,000
S/A-Proj. Manager	(165,491)	0	(165,491)	150,000
S/A-Bldg. Exterior	(1,055,139)	(27,271)	(1,082,410)	750,000
S/A-Electric	(85,284)	0	(85,284)	302,000
S/A-Garage	(2,729,559)	0	(2,729,559)	8,700,000
S/A Spent HVAC R/R	(318,225)	19,229	(298,996)	0
S/A-Landscape/Irrigat.	(49,318)	0	(49,318)	713,750
S/A-Lobby Renov.	(2,085,415)	0	(2,085,415)	2,050,000
S/A-Pool Deck Repair	(158,349)	0	(158,349)	44,000
S/A-Roofs	(400,000)	0	(400,000)	800,000
S/A-Tiki/Tennis/Storage	(52,869)	0	(52,869)	53,900
S/A-Loan Interest	(852,258)	(309,345)	(1,161,603)	0
S/A-Professional and Consulting	(215,087)	2,057	(213,030)	0
S/A-Furniture	0	0	0	120,000
S/A-Landscape/Treehand	0	0	0	51,000
S/A-Plumbing	0	0	0	100,000
S/A-Asbestos Assess.	(6,910)	(126)	(7,036)	6,000
S/A-Engineering	(25,260)	25,260	0	1,514,000
S/A-Bank Service Charges	(25)	0	(25)	0
S/A-Permits	0	(25,260)	(25,260)	0
S/A-Generator	0	0	0	108,000
S/A-Fencing	0	0	0	22,000
S/A-Cameras	0	0	0	21,000
Operating transfer	(600,000)	0	(600,000)	0
Total Expenses	(12,322,057)	(847,214)	(13,169,271)	16,291,650
Total Deferred	$4,687,211	($244,041)	$4,443,170	$0

6. SPECIAL ASSESSMENT 2017 / SPECIAL ASSESSMENT 2021 / SPECIAL ASSESSMENT 2023 DEFERRED SPECIAL ASSESSMENT INCOME / UNBILLED SPECIAL ASSESSMENT RECEIVABLE / SUBSEQUENT EVENT (Continued)

The balance of the Special Assessment 2023 Fund at December 31, 2024, consists of the following:

	Deferred Balance 12/31/2023	Activity 2024	Deferred Balance 12/31/2024	S/A Budget
Income				
Special Assessment - Billed	$ 489,949	$ 1,527,287	$ 2,017,236	$ 20,951,000
Unbilled Special Assessment	45,192,580	(22,209,816)	22,982,764	0
S/A Interest Income	1,299,478	980,292	2,279,770	0
Interest Income	73	121	194	0
Total Income	46,982,080	(19,702,116)	27,279,964	20,951,000
Expenses				
S/A Spent	(2,304,531)	(4,501,043)	(6,805,574)	0
S/A Spent Expenses	0	(5,384,190)	(5,384,190)	0
S/A Spent Boiler	(6,450)	(300,000)	(306,450)	1,500,000
S/A Spent Elevator	(25,899)	2,493	(23,406)	300,000
Other	(200)	(127,484)	(127,684)	0
S/A Spent Project Manager	(211,545)	(123,472)	(335,017)	2,500,000
S/A Spent Seawall	(3,500)	0	(3,500)	630,000
S/A Spent Electric	(50,241)	(78,865)	(129,106)	1,050,661
S/A Spent Engineering	(123,431)	(94,690)	(218,121)	0
S/A Spent Beach Furniture	(2,100)	(5,550)	(7,650)	0
S/A Spent Garage	(14,787)	(204,474)	(219,261)	0
S/A Spent (ELSS)	(163,147)	5,823	(157,324)	0
S/A Spent HVAC R/R	(22,500)	(1,599,167)	(1,621,667)	0
S/A Spent Legal	(17,869)	0	(17,869)	0
S/A Spent Permits	(4,890)	0	(4,890)	0
S/A Spent Plumbing	(311,008)	(221,057)	(532,065)	500,000
S/A Spent Pool Deck Repair	(395)	0	(395)	0
S/A Restroom	(9,900)	0	(9,900)	0
S/A Spent Loan Interest	(25,652)	(474,693)	(500,345)	0
S/A Bad Debt	(79,705)	5,206	(74,499)	0
S/A Spent Professional and Fees	(27,732)	(94,875)	(122,607)	0

Continued on next page:

PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS
Continued

December 31, 2024

6. SPECIAL ASSESSMENT 2017 / SPECIAL ASSESSMENT 2021 / SPECIAL ASSESSMENT 2023 DEFERRED SPECIAL ASSESSMENT INCOME / UNBILLED SPECIAL ASSESSMENT RECEIVABLE / SUBSEQUENT EVENT (Continued)

	Deferred Balance 12/31/2023	Activity 12/31/2024	Deferred Balance 12/31/2024	S/A Budget
Expenses (Continued)				
S/A Spent Concrete Structural	0	0	0	4,600,000
S/A Spent Bonds and Permits	0	0	0	1,500,000
S/A Spent Cooling Towers	0	(191,158)	(191,158)	2,500,000
S/A Spent Security System	0	0	0	200,000
S/A Spent Property Entrance	0	0	0	100,000
S/A Spent Gym	0	(5,824)	(5,824)	20,000
S/A Spent Library	0	0	0	55,000
S/A Spent Marina Room	0	0	0	100,000
S/A Spent Sauna (Men's)	0	0	0	20,000
S/A Spent Common Area Bathrooms	0	0	0	150,000
S/A Spent Salon De Esta	0	0	0	30,000
S/A Spent Auditorium	0	0	0	21,000
S/A Spent Card Room	0	0	0	20,000
S/A Spent Management Office	0	0	0	40,000
S/A Spent Business Center	0	0	0	20,000
S/A Spent Signage Entire Property	0	0	0	40,000
S/A Spent Roof Top Units	0	(3,415)	(3,415)	750,000
S/A Spent Asphalt	0	0	0	300,000
S/A Spent Project Kayak/paddleboard	0	0	0	25,000
S/A Spent Irrigation System	0	0	0	70,000
S/A Spent Valet Services	0	0	0	400,000
S/A Spent Contingency	0	0	0	3,509,339
Total Expenses	(3,405,482)	(13,396,435)	(16,801,917)	20,951,000
Total Deferred Income or (Expenses)	$ 43,527,098	$ (34,348,529)	$ 10,478,047	$0

See independent auditors' report.

7. COMMITMENTS

The Association has various contract services to maintain the common property including management services, cable television service, common area landscaping, security service, maintenance service, janitorial, trash service, water treatment, and pest control. These contracts have different expiration dates and renewal terms.

8. LOAN PAYABLE – POPULAR BANK /SPECIAL ASSESSMENT 2017-2023

During November 2017, the Association ("Borrower") obtained a Line of Credit/Loan of $10,573,000 through and including December 1, 2029, maturity date. The Line of Credit/Loan was secured to fund the Special Assessment 2017 project, which includes concrete restoration of the east and west garage, planters, exterior building repairs, balconies, painting, lobbies and hallway restoration, rotunda, railings and gates, tennis courts, cameras, furniture, landscaping, other miscellaneous repairs, related costs, soft costs, plus any contingencies related to these projects.

For the year ended December 31, 2022, the interest rate was 3.75%. The Association loan balance was $6,676,693 as of December 31, 2022.

On April 17, 2023, the Association ("Borrower") obtained a master loan consisting of Tranche 1, $6,482,101 as a term loan to modify and extend the Borrower's existing loan and Tranche 2 a $25,000,000 non-revolving line of credit from Popular Bank ("Lender"). Tranche 1 will have a fixed 6.43% interest rate. Tranche 2 will have a fixed rate of 6.70%. The new loan (Tranche 2) provided continued funding for 40 year inspection repairs, related cost and operating fund shortfalls from prior years.

Tranche 1 requires consecutive monthly installments beginning June 1, 2023, thru maturity May 1, 2040, of $51,064 applied first to interest at the fixed rate with the balance applied the reduction of principal. The loan matures on May 1, 2040 ("Maturity Date") at which time the unpaid principal balance, if any, together with all interest accrued thereon shall be due and payable. The outstanding loan balance as of December 31, 2024, is $4,555,547.

For the current year ended, the Association had $624,187 of loan payments, consisting of $314,842 of principal and $309,345 of interest.

The principal payments for each year through maturity are as follows:

Year	Principal Payment
2025	329,016
2026	350,806
2027	374,040
2028	398,812
2029	425,237
Thereafter	2,677,636
Total	$4,555,547

See independent auditors' report.

8. LOAN PAYABLE – POPULAR BANK /SPECIAL ASSESSMENT 2017-2023 (Continued)

Tranche 2 requires interest only payments on the outstanding principal balance for the initial 24 months ("Line of Credit Period") beginning June 1, 2023. At the conclusion of the Line of Credit Period, the then outstanding principal balance will convert on June 1, 2025, to a Term Loan, which requires 240 consecutive monthly payments of principal and interest. The loan matures on May 1, 2045 ("Maturity Date") at which time all outstanding principal, if any, together with all interest accrued thereon shall be due and payable. The outstanding line of credit balance as of December 31, 2024, is $12,890,258.

For the current year ended, the Association had interest only payments of $ 474,693.

Throughout the term of the loan, the Borrower shall maintain its existing deposits accounts with the lender with a minimum average monthly balance of at least $500,000.

The unpaid principal balance of the loan may be paid, in whole or in part, at any time without penalty or prepayment premium, if funds sourced from operating and special assessments related to the Project (as defined in the Loan and Security Agreement) (collectively, the "Approved Sources") If a prepayment is derived from a refinancing of this loan payable from another lender, the Association will be subject to a prepayment penalty the greater of: (A) present value of the daily lost cash flow to Lender and the interpolated US Treasury Note/Bond rate for the remaining term of this note; or (B) one percent of the prepaid principal balance.

<u>Subsequent</u>

As of December 31, 2025, the Association has a balance of $4,230,496 on the Tranche 1 portion and $21,528,407 on the Tranche 2 portion of the loan.

9. SECURITY DEPOSITS

The Association collects refundable security deposits from owners who rent their units. These funds are maintained in a separate non-interest bearing checking account and are reflected in the accompanying financial statements as security deposits. For the year ended December 31, 2024, the security deposit balance was $281,935.

Due to limitations in the documentation and reconciliation procedures, the auditor was unable to obtain sufficient and appropriate audit evidence to verify the completeness and accuracy of these deposits. As a result a qualified opinion was issued on the financial statements.

10. DEFICIT FUNDING 2024/DEFICIT OPERATING FUND BALANCE 2024

In the 2024, the Association budgeted $50,000 to replenish the prior year deficit operating fund balance. However, the Association has a current year deficit of $167,814 and a cumulative operating fund balance deficit of $94,394.

11. CONTINGENCIES

Insurance Deductible

The current property insurance policy contains a deductible for hurricane damage. Should the Association incur an uninsured loss, the Association has the right to increase maintenance fees, pass a special assessment or delay repairs until funds are available.

The Association was unable to obtain coverage for the entire building, if there were a wind event, the wind coverage per unit may be inadequate, if all units were to suffer damage, the Association could face losses.

Subsequently, the Association has obtained coverage.

Legal

The Association is from time-to-time subject to complaints and claims, including litigation, arising in the ordinary course of business. Management believes that none of the claims and complaints of which it is currently aware will materially affect its business, financial position, or future operating results with the exception to increase in legal costs which may or may not be covered by the Association's director and officer's insurance, although no assurance can be given with respect to the ultimate outcome of any such claims or with respect to the occurrence of any future claims.

Plaza Del Prado Condominium Association, Inc. adv. Matthew Carcano and Natalia Pinzon Martinez, Miami-Dade Circuit Court Docket No. 2024-006456- CA-01.

The Complaint filed on April 10, 2024 is a claim for water intrusion allegedly sustained on January 11, 2024. Plaza Del Prado submitted this claim to its insurance carrier, and now Adams Coogler, P.A., is defending the case. No information regarding this matter has been presented.

Plaza Del Prado Condominium Association. Inc. adv. Svetlana Naumenko, Miami- Dade Circuit Court Docket No. 2022-024221-CA-01

The Complaint filed on December 21, 2022, is a claim for personal injuries allegedly sustained on December 15, 2021. Plaza Del Prado submitted this claim to its insurance carrier, which is defending the case. We are not aware of any reservation of rights by the insurance carrier at this time. The case was set for trial in May 2025. No information regarding this matter has been presented.

Plaza Del Prado Condominium Association, Inc. adv. Investcom Construction, LLC, Miami-Dade Circuit Court Docket No. 2022-023691-CA-01.

On March 6, 2020, Plaza Del Prado and Investcom entered into a Design and Build Lump Sum Agreement to restore the west deck and garage at Plaza Del Prado. Shortly after work commenced, the Association's Engineer noticed defects which Investcom refused to fix.

In 2021, a settlement was reached, however the terms of which were not fully realized and the Association has found it necessary to continue with further litigation. On May 31, 2023, the court ordered a stay in this case and placed it on inactive status for the purpose of the parties pursuing an arbitration.
Subsequently a Voluntary Dismissal as to Plaza Del Prado was filed on April 1, 2024, and a Motion to reopen the case was filed on May 23, 2024, due to Plaza Del Prado winning an Arbitration case concerning the validity of the lien and amounts paid pursuant to the lien. The Dismissal was vacated on June 18, 2024. The proceedings in this case were stayed by the Third DCA on June 21, 2024.

11. CONTINGENCIES (Continued)

Legal (Continued)

Plaza Del Prado Condominium Association, Inc. adv. Sandra L. Kalanick Miami- Dade Circuit Court Docket
No. 2023-021421-CA-Ol.

The Complaint filed on August 15, 2023, alleges that Plaza Del Prado failed to comply with the Declaration, Articles and Bylaws as well as Florida Statutes Chapter 718, the Florida Condominium Act. Subsequently a Motion for Partial Summary Judgment was filed on behalf of Plaza Del Prado on April 4, 2024, and denied on November 8, 2024. Subsequently, as of the date of these financial statements, the case was dismissed with prejudice and a settlement was reached during 2025.

Effective December 31, 2025, the Association was required to obtain a structural integrity reserve study (“SIRS”) to comply with Florida Statutes Chapter 718 § 112(2)(f)(2a). The study requires that the existing Replacement Fund Components be allocated into both “Structural” and “Non-Structural” Components based upon the estimates provided in the Independent SIRS Report in accordance with Florida Statute. On November 6, 2024, the Association received this study which indicated that reserves were underfunded, beginning in 2025 should increase to $2,167,296. The Association is currently evaluating the impact of the SIRS report and Florida Statues on the presentation of its financial statements.

12. LAUNDRY INCOME

The Association contracts with a third-party provider to operate laundry machines for owner use. The Association receives a quarterly commission from this arrangement.

13. CABLE INCENTIVES

During 2021, the Association received a total of $186,900 in incentives/rebates related to cable services as consideration for entering into an easement/bulk Service Agreement. The balance is being amortized over the 10 year term of the agreement. As of December 31, 2024, the deferred cable incentive balance is $116,813.

14. INSURANCE PROCEEDS

As a result of damage to the entrance, the Association received insurance proceeds totaling $10,000 during the current year.

Separately, a claim was filed related to water damage originating from an owner’s unit. The Association received insurance proceeds of $22,112 in 2025 to reimburse expenses incurred in 2024. Both the related insurance income and expenses have been reported in the financial statements as of December 31, 2024.

15. SUBSEQUENT EVENTS

As of the Report Date, the following subsequent events are reported.

In 2025 the Association signed a contract with M.A. Construction Group, LLC for asphalt repairs in the amount of $546,657.

In 2025 the Association signed a contract with ACM/SMJ for asbestos abatement in the amount of $601,974.

SUPPLEMENTARY INFORMATION

PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION ON
FUTURE MAJOR REPAIRS AND REPLACEMENTS

December 31, 2024
(Unaudited)

The Association has conducted a structural integrity reserve study ("SIRS"), as required by Senate Bill 154, on November 6, 2024 to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on estimates from historical experience. Reserve Study Standards characterizes baseline funding as establishing a reserve-funding goal of never allowing the reserve cash balance to be below zero during the cash flow projections. Actual expenditures may vary from these estimated amounts and the variance may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

The following presents significant information about the components of common property:

	ESTIMATED REMAINING USEFUL LIVES	ESTIMATED CURRENT REPLACEMENT COSTS	2025 FUNDING REQUIREMENT
"SIRS" COMPONENTS			
Waterproofing and Exterior Painting	12 - 21 Years	$ 9,359,741	
Windows and Exterior Doors	8 Years	779,000	
Building Exteriors	5 - 20 Years	17,429,492	
Other SIRS Related Components	16 Years	162,000	
Roof	11 - 17 Years	3,470,000	
Fireproofing and Fire Protection Systems	17 - 25 Years	1,240,000	
Structure	15 - 20 Years	538,674	
Electrical Systems	16 - 18 Years	216,400	
Plumbing	8 - 19 Years	774,000	
2024 Baseline Funding Recommended			$ 1,717,897
TOTAL "SIRS" COMPONENTS		33,969,307	1,717,897
"NON-SIRS" COMPONENTS			
Mechanical/Electrical/Plumbing	3 - 21 Years	538,800	
Interiors and Amenities	0 - 13 Years	7,117,250	
Site and Grounds	5 - 30 Years	320,740	
2024 Baseline Funding Recommended			120,000
TOTAL "NON-SIRS" COMPONENTS		7,976,790	120,000
TOTAL		$ 41,946,097	$ 1,837,897

For the fiscal year ending, December 31, 2025, the Association elected to fund $143,158 to the "SIRS" and $10,000 to the "Non-SIRS" Pooled Replacement Fund Components.

PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.
SUPPLEMENTAL INFORMATION

DETAILED STATEMENT OF OPERATING REVENUES AND EXPENSES
BUDGET COMPARISON

Year Ended December 31, 2024

	ACTUAL	BUDGET (Unaudited)	VARIANCE
REVENUES:			
Member Assessments	$6,790,884	$6,790,874	$10
Rental Income	18,721	13,000	5,721
Credit Losses	(17,657)	(30,000)	12,343
Cable Proceeds	18,690	0	18,690
FOB Income	12,700	12,000	700
Insurance Proceeds	32,112	0	32,112
Interest Income	1,777	580	1,197
Late Fee Income	10,962	8,000	2,962
Laundry Income	92,619	105,000	(12,381)
Screening Fees Income	1,040	2,000	(960)
MISCELLANEOUS INCOME			
Clubhouse Membership	150	600	(450)
Construction Fee Income	1,200	0	1,200
Finance Charges	7,326	0	7,326
Legal Fee Income	1,060	0	1,060
Non-Sufficient Fee Income	2,025	1,000	1,025
Valet Parking	900	0	900
Storage Fees	0	3,000	(3,000)
Violation Income	7,201	8,000	(799)
Trash Fee	1,885	2,900	(1,015)
SUB TOTAL MISCELLANEOUS INCOME	21,747	15,500	6,247
TOTAL REVENUE	6,983,595	6,916,954	66,641
EXPENSES:			
UTILITIES			
Electricity	414,745	400,000	(14,745)
Gas	46,847	46,955	108
Fuel	7,728	800	(6,928)
Telephone	8,836	11,000	2,164
Water & Sewer	1,191,649	700,000	(491,649)
TOTAL UTILITIES	1,669,805	1,158,755	(511,050)

PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.
SUPPLEMENTAL INFORMATION

DETAILED STATEMENT OF OPERATING REVENUES AND EXPENSES
BUDGET COMPARISON

Year Ended December 31, 2024

	ACTUAL	BUDGET (Unaudited)	VARIANCE
EXPENSES (Continued)			
MAINTENANCE AND REPAIRS			
Building Repairs	27,471	40,000	12,529
Bridge Maintenance	2,978	0	(2,978)
Boiler Maintenance	1,562	1,000	(562)
Doors	9,215	5,000	(4,215)
Entry Gate Repairs	21,640	22,500	860
Electrical Supplies & Repair	24,355	16,500	(7,855)
Elevator Repair	14,457	85,000	70,543
Elevator Inspection	9,872	4,000	(5,872)
Fire Safety Equipment	13,013	5,000	(8,013)
Fire Sprinkler Repair	1,850	3,000	1,150
Generator	11,151	2,000	(9,151)
Golf Carts	2,790	500	(2,290)
Gym Supplies	75	1,000	925
HVAC Maintenance & Repairs	17,850	30,000	12,150
Janitorial Supplies	914	0	(914)
Lights Bulbs	1,221	5,000	3,779
Painting	6,441	10,000	3,559
Plumbing Repairs/Supplies	316,990	85,000	(231,990)
Pool Repairs/Supplies	12,925	5,700	(7,225)
Roof	13,690	3,000	(10,690)
Signage	11,039	5,000	(6,039)
Maintenance Supplies	29,038	22,000	(7,038)
Trash Chute Maintenance & Repairs	43,262	16,000	(27,262)
TOTAL MAINTENANCE AND REPAIRS	593,799	367,200	(226,599)
SALARIES			
Payroll & Benefits	1,001,301	912,450	(88,851)
TOTAL SALARIES	1,001,301	912,450	(88,851)

See Independent Auditior's Report

PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.
SUPPLEMENTAL INFORMATION

DETAILED STATEMENT OF OPERATING REVENUES AND EXPENSES
BUDGET COMPARISON

Year Ended December 31, 2024

	ACTUAL	BUDGET (Unaudited)	VARIANCE
EXPENSES (Continued)			
ADMINISTRATIVE EXPENSES			
Accounting	12,500	7,000	(5,500)
Annual Condo Association Fees	2,484	2,484	0
Bank Charges	4,412	2,000	(2,412)
Computer Expense	3,072	2,000	(1,072)
Deficit	0	50,000	50,000
G&A-Fees	649	0	(649)
Legal Fees	119,366	105,000	(14,366)
Legal Fees - Collections	26,664	4,000	(22,664)
Licenses/Permits	22,465	12,000	(10,465)
Office Supplies & Expenses	21,150	15,000	6,150
Office Supplies	2,369	0	(2,369)
Printing & Postage	12,381	12,000	(381)
Sales Tax	4,395	4,000	(395)
Social Functions	5,810	5,000	(810)
Violations	0	10,000	10,000
TOTAL ADMINISTRATIVE EXPENSES	237,717	230,484	(7,233)
CONTRACTS			
Cable TV	508,653	505,116	(3,537)
Carpet Cleaning	3,140	2,964	(176)
Elevator Contract	45,381	47,112	1,731
Equipment Lease	12,289	4,200	(8,089)
Equipment	642	10,020	9,378
Fitness Center	29,709	29,123	(586)
Fire Alarm System	11,878	8,604	(3,274)
Generator	3,855	1,440	(2,415)
HVAC System	192,820	192,840	20
Janitorial Services	332,472	332,472	0
Grounds Maintenance Contract	33,520	28,440	(5,080)
Management Services	112,623	88,919	(23,704)
Overhead Fee KWPM	5,432	0	(5,432)
Web Hosting & Internet	2,100	0	(2,100)
Pest Control	39,194	28,140	(11,054)
Pool Contract	26,650	19,440	(7,210)
AC Chemical Treatment	7,062	7,704	642
Roof	2,750	3,600	850
Security Services	407,292	442,000	34,708
Trash Removal	69,258	77,880	8,622
Tree Trimming	1,188	4,993	3,805
Uniforms	0	2,000	2,000
TOTAL CONTRACTS	1,847,907	1,837,006	(10,901)

PLAZA DEL PRADO
CONDOMINIUM ASSOCIATION, INC.
SUPPLEMENTAL INFORMATION

DETAILED STATEMENT OF OPERATING REVENUES AND EXPENSES
BUDGET COMPARISON

Year Ended December 31, 2024

	ACTUAL	BUDGET (Unaudited)	VARIANCE
EXPENSES (Continued)			
INSURANCE			
Insurance Expense	1,800,880	2,411,059	610,179
TOTAL INSURANCE	1,800,880	2,411,059	610,179
Total Operating Expenses	7,151,409	6,916,954	(234,455)
Excess Operating Revenues (Expenses	($167,814)	$0	($167,814)