

# SOKOL & SOKOL

CERTIFIED PUBLIC ACCOUNTANTS

July 21, 2026

BRAD A. SOKOL, C.P.A.  
GABRIEL MENDOZA, C.P.A.

MEMBER  
American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants

To the Board of Directors  
Sailpointe Homeowners' Association, Inc.  
5200 Blue Lagoon Drive, Suite 1000  
Miami, FL 33126

We are pleased to confirm our understanding of the services we are to provide for Sailpointe Homeowners' Association, Inc. (the "Association") for the year ended December 31, 2026.

We will perform a compilation engagement with respect to the financial statements of the Association, which comprise the annual balance sheet and the related statements of revenues, expenses, and changes in fund balances, and cash flows for the year ended December 31, 2026, and the related notes to the financial statements. The required supplementary information about future major repairs and replacements of common property accompanying the compiled financial statements, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The required supplementary information will be subject to our compilation engagement; however, we will not audit or review the required supplementary information and, accordingly, will not express an opinion, a conclusion, nor provide any form of assurance on it. In addition, if applicable, the supplementary schedule of expenses will be presented with the financial statements. Such supplementary information is the responsibility of management, but will be subject to our compilation engagement.

## **Our Responsibilities**

The objective of our engagement is to apply accounting and financial reporting expertise to assist you in the presentation 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 in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our compilation engagement in accordance with the Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants and comply with the AICPA's *Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

## **Your Responsibilities**

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to assist you in the presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

- 1) The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.

- 2) The preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America.
- 3) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.
- 4) The prevention and detection of fraud.
- 5) To ensure that the Association complies with the laws and regulations applicable to its activities.
- 6) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- 7) To provide us with—
  - a) access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) additional information that we may request from you for the purpose of the compilation engagement.
  - c) unrestricted access to persons within the Association of whom we determine it necessary to make inquiries.

### **Our Report**

As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

You must include our compilation report in any document containing financial statements that indicates that we have performed a compilation engagement on such financial statements and, prior to the inclusion of the report, ask our permission to do so.

We will furnish you with an electronic file of the compiled financial statements upon completion of our engagement.

### **Other Relevant Information**

We will prepare the federal and state (if applicable) income tax returns for the Association for the fiscal year ended December 31, 2026.

The Association is responsible for making all management decisions and performing all management functions, and for designating an individual with suitable skill, knowledge, or experience to oversee any bookkeeping services, tax services, or other services we provide. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

We will advise you on income tax matters upon which you specifically request our advice. We will use professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible. You have the final responsibility for the tax returns and, therefore, you should review them carefully before you sign them, including the allocations of expenses against taxable income. The law provides various penalties that may be imposed when taxpayers understate their tax liability. Any tax, penalties, and interest imposed by the taxing authorities are the sole responsibility of the taxpayer.

In estimating our fee, we have assumed that you will maintain a complete set of double entry books and records and provide us with a balanced trial balance as of December 31, 2026, and any schedules or copies of documents that we require. In addition, all subsidiary accounts will reconcile with control accounts, all

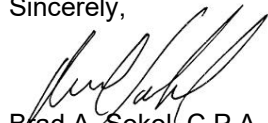
bank accounts will be reconciled, and a detailed assessments receivable account will be maintained and balanced.

We estimate that our fees for these services will be \$1,450. If an 1120H is filed and no tax provision and related services are required, there will be no additional fees, however if a tax provision calculation and related services are required there will be additional fees of up to \$500. If a form 1120 and F1120 are required there will be an additional fee of \$750. In the event of any special assessment, there will be additional fees of up to \$500 each depending on the complexity of the assessment. If there is a change in Management company or a change in accounting software, there will be additional fees related to the increased administrative time and audit procedures. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the compilation. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not issued our report. You will be obligated to compensate us for all time expended through the date of termination.

You will be responsible for all attorney's fees and costs necessitated by non-payment for the services rendered. If any lawsuit arises out of our professional relationship, and we shall prevail, then you will pay all attorney's fees and costs connected therewith. You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentation to us.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge and agree with the terms of our engagement as described in this letter, please sign below and return it to us.

Sincerely,



Brad A. Sokol, C.P.A.  
SOKOL & SOKOL  
Certified Public Accountants  
Pinecrest, Florida

RESPONSE:

This letter correctly sets forth the understanding of Sailpointe Homeowners' Association, Inc.

Officer Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# SOKOL & SOKOL

CERTIFIED PUBLIC ACCOUNTANTS

BRAD A. SOKOL, C.P.A.  
GABRIEL MENDOZA, C.P.A.

MEMBER  
*American Institute of Certified Public Accountants*  
*Florida Institute of Certified Public Accountants*

July 21, 2026

Carmen Carrero  
Sailpointe Homeowners' Association, Inc.  
5200 Waterford District Dr., 10<sup>th</sup> Fl  
Miami, FL 33126

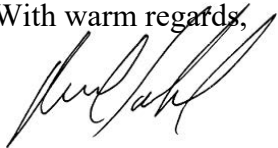
Dear Carmen,

This electronic file contains the following:

- Adjusted trial balance
- Adjusting journal entries
- 2025 Compiled Financial Statements

Once again, thank you for all of your assistance. Please call if you have any questions.

With warm regards,



Brad Sokol, C.P.A.  
SOKOL & SOKOL  
Certified Public Accountants

cc: cpaaudits.south@fsresidential.com

Client: **SAILPOINTHOA - Sailpointe Homeowners' Association, Inc.**  
Engagement: **12/31/25 Compilation**  
Period Ending: **12/31/2025**  
Trial Balance: **2100.00 - CIRATB**

| Account    | Description                    | 1st PP-Adj   | UNADJ        | JE Ref # | AJE        | ADJ          |
|------------|--------------------------------|--------------|--------------|----------|------------|--------------|
|            |                                | 12/31/2024   | 12/31/2025   |          |            | 12/31/2025   |
| 10010-22   | Cash-Operating                 | 127,323.00   | 118,852.00   |          |            | 118,852.00   |
| 10200-00   | Due To/(From) Reserves         | 11,439.00    | 11,435.00    |          |            | 11,435.00    |
| 10300-AF   | Accounts Receivable            | (1,133.00)   | (1,133.00)   |          |            | (1,133.00)   |
| 10300-LF   | Accounts Receivable            | (928.00)     | (1,298.00)   |          |            | (1,298.00)   |
| 10300-MM   | Accounts Receivable            | 20,903.00    | 15,867.00    |          |            | 15,867.00    |
| 10300-OT   | Accounts Receivable            | 2,795.00     | 1,680.00     |          |            | 1,680.00     |
| 10300-VF   | Accounts Receivable            | (100.00)     | (100.00)     |          |            | (100.00)     |
| 10330-85   | Other Receivables              | 3,606.00     | 3,606.00     |          |            | 3,606.00     |
| 10390-00   | Allowance/Bad Debts            | (4,608.00)   | (6,912.00)   |          |            | (6,912.00)   |
| 10500-00   | Prepaid Insurance              | 5,653.00     | 6,897.00     |          |            | 6,897.00     |
| 10549-00   | A/P Clearing                   | 0.00         | 376.00       |          |            | 376.00       |
| 10550-00   | A/R Clearing                   | 87.00        | 87.00        |          |            | 87.00        |
| 12010-22   | Cash-Reserves                  | 275,822.00   | 338,154.00   |          |            | 338,154.00   |
| 12045-00   | Due(To)/From Operating         | (11,439.00)  | (11,435.00)  |          |            | (11,435.00)  |
| 19010-00   | Utility Deposits               | 317.00       | 317.00       |          |            | 317.00       |
| 20000-00   | Accounts Payable               | 0.00         | 0.00         |          | (3,222.00) | (3,222.00)   |
|            |                                |              |              | AJE - 1  | (3,222.00) |              |
| 20010-00   | Accrued Expenses               | (3,290.00)   | (2,960.00)   |          |            | (2,960.00)   |
| 20100-LF   | Prepaid Assessments            | 10.00        | 10.00        |          |            | 10.00        |
| 20100-MM   | Prepaid Assessments            | (17,013.00)  | (20,742.00)  |          |            | (20,742.00)  |
| 20159-00   | Deferred Revenue               | (18,290.00)  | (13,413.00)  |          |            | (13,413.00)  |
| 30000-00   | Reserve                        | (37,486.00)  | (62,482.00)  |          |            | (62,482.00)  |
| 30000-126  | Reserve                        | (123,480.00) | (136,080.00) |          |            | (136,080.00) |
| 30000-172d | Reserve                        | (5,397.00)   | (6,129.00)   |          |            | (6,129.00)   |
| 30000-45   | Reserve                        | (50,133.00)  | (63,465.00)  |          |            | (63,465.00)  |
| 30000-65   | Reserve                        | (11,946.00)  | (12,018.00)  |          |            | (12,018.00)  |
| 30080-00   | Reserve-Interest               | (35,942.00)  | (46,546.00)  |          |            | (46,546.00)  |
| 38880-00   | Fund Balance                   | (125,614.00) | (126,770.00) |          |            | (126,770.00) |
| 40000-00   | Owner Assessments              | (179,280.00) | (179,280.00) |          |            | (179,280.00) |
| 40002-00   | Reserve Income                 | (51,732.00)  | (51,732.00)  |          |            | (51,732.00)  |
| 40011-00   | Late Fee Income                | (1,890.00)   | (1,450.00)   |          |            | (1,450.00)   |
| 40025-00   | Returned Check Fees            | (420.00)     | (480.00)     |          |            | (480.00)     |
| 40030-00   | Screening Fees                 | (647.00)     | (1,000.00)   |          |            | (1,000.00)   |
| 40060-00   | Gate/Key Cards                 | (150.00)     | (300.00)     |          |            | (300.00)     |
| 40080-00   | Interest Income                | (132.00)     | (122.00)     |          |            | (122.00)     |
| 40081-00   | Reserve Interest               | (8,687.00)   | (10,604.00)  |          |            | (10,604.00)  |
| 40090-00   | Miscellaneous Income           | (1,253.00)   | (1.00)       |          |            | (1.00)       |
| 40115-01   | Administrative Fee             | (780.00)     | (800.00)     |          |            | (800.00)     |
| 40115-02   | Administrative Fee             | (1,820.00)   | (2,100.00)   |          |            | (2,100.00)   |
| 40115-03   | Administrative Fee             | 0.00         | (190.00)     |          |            | (190.00)     |
| 42020-00   | Cable Income                   | (6,910.00)   | (4,877.00)   |          |            | (4,877.00)   |
| 50005-00   | Accounting Fees                | 1,250.00     | (1,772.00)   |          | 3,222.00   | 1,450.00     |
|            |                                |              |              | AJE - 1  | 3,222.00   |              |
| 50011-00   | Master Assessments             | 14,860.00    | 0.00         |          |            | 0.00         |
| 50012-00   | Bad Debts                      | 2,304.00     | 2,304.00     |          |            | 2,304.00     |
| 50015-00   | Bank Charges                   | 350.00       | 350.00       |          |            | 350.00       |
| 50045-00   | Legal Fees                     | 0.00         | 2,400.00     |          |            | 2,400.00     |
| 50050-00   | License,Taxes,Permit           | 848.00       | 0.00         |          |            | 0.00         |
| 50053-00   | Corporate Annual Rep           | 61.00        | 123.00       |          |            | 123.00       |
| 50054-00   | Management Collected Late Fees | 200.00       | 0.00         |          |            | 0.00         |
| 50081-00   | Printing And Postage           | 3,035.00     | 4,850.00     |          |            | 4,850.00     |
| 50110-00   | Miscellaneous                  | 0.00         | 671.00       |          |            | 671.00       |
| 50113-00   | Coupon/Statement Chg           | 10.00        | 0.00         |          |            | 0.00         |
| 52031-00   | Liability Insurance            | 10,956.00    | 11,756.00    |          |            | 11,756.00    |
| 52032-00   | Umbrella Insurance             | 2,064.00     | 2,708.00     |          |            | 2,708.00     |
| 52035-00   | Directors & Officers           | 1,499.00     | 1,557.00     |          |            | 1,557.00     |
| 52036-00   | Fidelity Bond                  | 359.00       | 315.00       |          |            | 315.00       |
| 52063-00   | Workers Comp Ins.              | 530.00       | 1,507.00     |          |            | 1,507.00     |
| 54050-00   | Electricity                    | 3,247.00     | 3,516.00     |          |            | 3,516.00     |
| 54070-00   | Water & Sewer                  | 8,142.00     | 518.00       |          |            | 518.00       |
| 60075-00   | Janitorial Contract            | 9,000.00     | 9,000.00     |          |            | 9,000.00     |
| 60085-00   | Lake/Pond Maint                | 876.00       | 904.00       |          |            | 904.00       |
| 60090-00   | Lawn Maintenance               | 43,875.00    | 52,275.00    |          |            | 52,275.00    |
| 60095-00   | Lawn Spray & Fertil            | 4,750.00     | 5,700.00     |          |            | 5,700.00     |
| 61000-00   | Management Services            | 42,429.00    | 37,578.00    |          |            | 37,578.00    |
| 61020-00   | Pool/Spa Service               | 4,175.00     | 4,150.00     |          |            | 4,150.00     |
| 61021-00   | Pool Attendant                 | 4,950.00     | 3,150.00     |          |            | 3,150.00     |
| 61055-00   | Trash Removal                  | 1,990.00     | 1,200.00     |          |            | 1,200.00     |
| 70032-00   | R&M-Common Area                | 0.00         | 1,175.00     |          |            | 1,175.00     |

| Account           |                      | Description | 1st PP-Adj | UNADJ      | JE Ref # | AJE      | ADJ        |
|-------------------|----------------------|-------------|------------|------------|----------|----------|------------|
|                   |                      |             | 12/31/2024 | 12/31/2025 |          |          | 12/31/2025 |
| 70060-00          | R&M-General          |             | 1,728.00   | 31,060.00  |          |          | 31,060.00  |
| 70095-00          | R&M-Pool/Spa/Fountai |             | 1,150.00   | 450.00     |          |          | 450.00     |
| 70135-00          | Landscaping Extras   |             | 0.00       | 9,970.00   |          |          | 9,970.00   |
| 70138-00          | Tree Trimming        |             | 27,488.00  | 17,881.00  |          |          | 17,881.00  |
| 70289-00          | Contingency          |             | 0.00       | 376.00     |          |          | 376.00     |
| 70298-00          | Prior Year Expense   |             | 0.00       | (870.00)   |          |          | (870.00)   |
| 80000-00          | Reserve Transfers    |             | 51,732.00  | 51,732.00  |          |          | 51,732.00  |
| 80001-00          | Reserve Interest     |             | 8,687.00   | 10,604.00  |          |          | 10,604.00  |
| Total             |                      |             | 0.00       | 0.00       |          | 0.00     | 0.00       |
| Net (Income) Loss |                      |             | (1,156.00) | 14,202.00  |          | 3,222.00 | 17,424.00  |

Client: **SAILPOINTHOA - Sailpointe Homeowners' Association, Inc.**  
Engagement: **12/31/25 Compilation**  
Period Ending: **12/31/2025**  
Trial Balance: **2100.00 - CIRATB**  
Workpaper: **2200.01 - Adjusting Journal Entries Report**  
Fund Level: **All**  
Index: **All**

| Account                                   | Description      | W/P Ref   | Debit           | Credit          |
|-------------------------------------------|------------------|-----------|-----------------|-----------------|
| <b>Adjusting Journal Entries</b>          |                  |           |                 |                 |
| <b>Adjusting Journal Entries JE # 1</b>   |                  | <b>GL</b> |                 |                 |
| To correct accounting fees at 12/31/2025. |                  |           |                 |                 |
| 50005-00                                  | Accounting Fees  |           | 3,222.00        |                 |
| 20000-00                                  | Accounts Payable |           |                 | 3,222.00        |
| <b>Total</b>                              |                  |           | <b>3,222.00</b> | <b>3,222.00</b> |
| <b>Total Adjusting Journal Entries</b>    |                  |           | <b>3,222.00</b> | <b>3,222.00</b> |
| <b>Total All Journal Entries</b>          |                  |           | <b>3,222.00</b> | <b>3,222.00</b> |

# SOKOL & SOKOL

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CERTIFIED PUBLIC ACCOUNTANTS

## **SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

### **FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2025**

MEMBER: *American Institute of Certified Public Accountants* *Florida Institute of Certified Public Accountants*

8207 S.W. 124 Street, Pinecrest, Florida 33156 (305) 273-0008

[www.sokolandsokol.com](http://www.sokolandsokol.com)

# **SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

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## **Financial Statements December 31, 2025**

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BRAD A. SOKOL, C.P.A.  
GABRIEL MENDOZA, C.P.A.

MEMBER  
American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants

## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
Sailpointe Homeowners Association, Inc.  
Miami, Florida

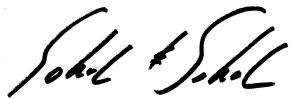
Management is responsible for the accompanying financial statements of Sailpointe Homeowners Association, Inc., which comprise the balance sheet as of December 31, 2025, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

### *Supplementary Information*

The supplementary information contained in the schedule of operating expenses on page 12 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the information about future major repairs and replacements of common property on page 13 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis 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. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any form of assurance on such information.



SOKOL & SOKOL  
Certified Public Accountants

July 17, 2026

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

**Balance Sheet  
December 31, 2025**

|                                         | Operating<br>Fund | Future Major<br>Repairs and<br>Replacements<br>Fund | Total             |
|-----------------------------------------|-------------------|-----------------------------------------------------|-------------------|
|                                         | <u>          </u> | <u>          </u>                                   | <u>          </u> |
| <b>ASSETS</b>                           |                   |                                                     |                   |
| Cash and cash equivalents               | \$ 118,852        | \$ 338,158                                          | \$ 457,010        |
| Assessments receivable, net             | 8,104             | -                                                   | 8,104             |
| Other assets                            | 3,693             | -                                                   | 3,693             |
| Prepaid expenses, principally insurance | 6,897             | -                                                   | 6,897             |
| Utility deposits                        | 317               | -                                                   | 317               |
| Due from (to) other fund                | 11,438            | (11,438)                                            | -                 |
|                                         | <u>          </u> | <u>          </u>                                   | <u>          </u> |
| Total Assets                            | <u>\$ 149,301</u> | <u>\$ 326,720</u>                                   | <u>\$ 476,021</u> |
|                                         |                   |                                                     |                   |
| <b>LIABILITIES AND FUND BALANCES</b>    |                   |                                                     |                   |
| <b>Liabilities</b>                      |                   |                                                     |                   |
| Accounts payable and accrued expenses   | \$ 5,810          | \$ -                                                | \$ 5,810          |
| Assessments collected in advance        | 20,732            | -                                                   | 20,732            |
| Deferred revenue - cable                | 13,413            | -                                                   | 13,413            |
| Deferred reserve revenue                | -                 | 280,174                                             | 280,174           |
|                                         | <u>          </u> | <u>          </u>                                   | <u>          </u> |
| Total Liabilities                       | 39,955            | 280,174                                             | 320,129           |
|                                         |                   |                                                     |                   |
| <b>Fund Balances</b>                    | <u>109,346</u>    | <u>46,546</u>                                       | <u>155,892</u>    |
|                                         |                   |                                                     |                   |
| Total Liabilities and Fund Balances     | <u>\$ 149,301</u> | <u>\$ 326,720</u>                                   | <u>\$ 476,021</u> |

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

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**Statement of Revenues and Expenses and Changes in Fund Balances  
For the Year Ended December 31, 2025**

|                                                      | Operating<br>Fund        | Future Major<br>Repairs and<br>Replacements<br>Fund | Total                    |
|------------------------------------------------------|--------------------------|-----------------------------------------------------|--------------------------|
|                                                      | <u>          </u>        | <u>          </u>                                   | <u>          </u>        |
| <b>REVENUES</b>                                      |                          |                                                     |                          |
| Assessments                                          | \$ 179,280               | \$ -                                                | \$ 179,280               |
| Assessment related charges                           | 6,020                    | -                                                   | 6,020                    |
| Commission - cable                                   | 4,877                    | -                                                   | 4,877                    |
| Interest                                             | 122                      | 10,604                                              | 10,726                   |
| Other                                                | 301                      | -                                                   | 301                      |
|                                                      | <u>          </u>        | <u>          </u>                                   | <u>          </u>        |
| Total Revenues                                       | <u>190,600</u>           | <u>10,604</u>                                       | <u>201,204</u>           |
| <b>EXPENSES</b>                                      |                          |                                                     |                          |
| Administrative and general (Schedule)                | 12,148                   | -                                                   | 12,148                   |
| Contract services (Schedule)                         | 113,957                  | -                                                   | 113,957                  |
| Insurance                                            | 17,843                   | -                                                   | 17,843                   |
| Repairs and maintenance (Schedule)                   | 60,042                   | -                                                   | 60,042                   |
| Utilities (Schedule)                                 | 4,034                    | -                                                   | 4,034                    |
|                                                      | <u>          </u>        | <u>          </u>                                   | <u>          </u>        |
| Total Expenses                                       | <u>208,024</u>           | <u>-</u>                                            | <u>208,024</u>           |
| <b>Excess (Deficiency) of Revenues over Expenses</b> | (17,424)                 | 10,604                                              | (6,820)                  |
| <b>Fund Balances - Beginning of Year</b>             | <u>126,770</u>           | <u>35,942</u>                                       | <u>162,712</u>           |
| <b>Fund Balances - End of Year</b>                   | <u><u>\$ 109,346</u></u> | <u><u>\$ 46,546</u></u>                             | <u><u>\$ 155,892</u></u> |

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

**Statement of Cash Flows  
For the Year Ended December 31, 2025**

|                                                                 | Operating<br>Fund        | Future Major<br>Repairs and<br>Replacements<br>Fund | Total                    |
|-----------------------------------------------------------------|--------------------------|-----------------------------------------------------|--------------------------|
| <b>Cash Flows from Operating Activities</b>                     |                          |                                                     |                          |
| Assessments and related charges                                 | \$ 195,550               | \$ 51,732                                           | \$ 247,282               |
| Interest income                                                 | 122                      | 10,604                                              | 10,726                   |
| Other income                                                    | 301                      | -                                                   | 301                      |
| Payments made for Association expenses                          | <u>(204,448)</u>         | <u>-</u>                                            | <u>(204,448)</u>         |
| Net Cash Provided by (Used for)<br>Operating Activities         | <u>(8,475)</u>           | <u>62,336</u>                                       | <u>53,861</u>            |
| <b>Cash Flows from Financing Activities</b>                     |                          |                                                     |                          |
| Net interfund borrowings                                        | <u>4</u>                 | <u>(4)</u>                                          | <u>-</u>                 |
| Net Cash Provided by (Used for)<br>Financing Activities         | <u>4</u>                 | <u>(4)</u>                                          | <u>-</u>                 |
| <b>Net Increase (Decrease) in Cash<br/>and Cash Equivalents</b> | (8,471)                  | 62,332                                              | 53,861                   |
| <b>Cash and Cash Equivalents - Beginning of Year</b>            | <u>127,323</u>           | <u>275,826</u>                                      | <u>403,149</u>           |
| <b>Cash and Cash Equivalents - End of Year</b>                  | <u><u>\$ 118,852</u></u> | <u><u>\$ 338,158</u></u>                            | <u><u>\$ 457,010</u></u> |

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

**Statement of Cash Flows (Continued)**  
**For the Year Ended December 31, 2025**

|                                                                                                                                               | Operating<br>Fund        | Future Major<br>Repairs and<br>Replacements<br>Fund | Total                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------------------------------------------|-------------------------|
| <b>Reconciliation of Excess (Deficiency) of Revenues<br/>over Expenses to Net Cash<br/>Provided by (Used for) Operating Activities</b>        |                          |                                                     |                         |
| Excess (Deficiency) of Revenues over Expenses                                                                                                 | \$ (17,424)              | \$ 10,604                                           | \$ (6,820)              |
| <b>Adjustments to Reconcile Excess (Deficiency) of<br/>Revenues over Expenses to Net Cash<br/>Provided by (Used for) Operating Activities</b> |                          |                                                     |                         |
| (Increase) decrease in assets:                                                                                                                |                          |                                                     |                         |
| Assessments receivable, net                                                                                                                   | 8,825                    | -                                                   | 8,825                   |
| Prepaid expenses, principally insurance                                                                                                       | (1,244)                  | -                                                   | (1,244)                 |
| Increase (decrease) in liabilities:                                                                                                           |                          |                                                     |                         |
| Accounts payable and accrued expenses                                                                                                         | 2,516                    | -                                                   | 2,516                   |
| Assessments collected in advance                                                                                                              | 3,729                    | -                                                   | 3,729                   |
| Deferred revenue - cable                                                                                                                      | (4,877)                  | -                                                   | (4,877)                 |
| Deferred reserve revenue                                                                                                                      | -                        | 51,732                                              | 51,732                  |
| <b>Net Cash Provided by (Used for)<br/>Operating Activities</b>                                                                               | <u><u>\$ (8,475)</u></u> | <u><u>\$ 62,336</u></u>                             | <u><u>\$ 53,861</u></u> |

# SAILPOINTE HOMEOWNERS ASSOCIATION, INC.

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## Notes to Financial Statements For the Year Ended December 31, 2025

### NOTE 1 – ORGANIZATION

Sailpointe Homeowners Association, Inc. (the “Association”) was incorporated on February 21, 2003 as a not-for-profit corporation in the State of Florida for the purpose of operating and administering the common areas of a residential community in Miami, Florida. The community consists of 180 residential units.

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATTERS

**Financial Statements** – The accompanying financial statements were prepared pursuant to the requirements of Florida Statutes and in accordance with accounting principles generally accepted in the United States of America.

**Basis of Presentation** – The Association uses the accrual basis of accounting. This method of accounting recognizes revenues when earned, regardless of when received, and expenditures when incurred, regardless of when paid. 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. The performance obligations related to the future major repairs and replacements, and any other special purpose funds are satisfied when the funds are utilized for their designated purposes. A deferred liability is recorded when the Association accumulates funds in advance of the satisfaction of the related performance obligation.

**Maintenance assessments** – Maintenance assessments are based upon a budget established by the Board of Directors. Assessments are levied against the unit owners for their proportionate share of common expenses and, if applicable, reserves for future major repairs and replacements. Special assessments may also be imposed from time to time.

**Fund Accounting** – The Association uses fund accounting, which requires that funds, such as operating funds, and funds designated for future major repairs and replacements (“reserves”) and other special purposes, be classified separately for accounting and reporting purposes. Disbursements from the operating fund are generally at the discretion of the Board of Directors (the “Board”). Disbursements from the future major repairs and replacements fund and other special purpose fund may generally be made only for their designated purposes.

**Property and Equipment** – Common areas owned by the Association are reserved for the use of the owners and/or are required to be maintained as common areas under the Declaration and/or governmental restrictions; therefore, the sale of such common areas for revenue is remote. Accordingly, such common areas are not recorded in the financial records of the Association. The Association capitalizes, at cost, real and personal property to which it has title, based on a threshold established by the Board.

**Cash and Cash Equivalents** – For purposes of the accompanying statement of cash flows, the Association considers demand deposit and money market accounts to be cash and cash equivalents.

**Use of Estimates** – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

---

### **Notes to Financial Statements (Continued) For the Year Ended December 31, 2025**

#### **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATTERS (Continued)**

**Use of Estimates** – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Interest Earned** – The Association allocates interest earned by the future major repairs and replacements fund to the future major repairs and replacements fund.

#### **NOTE 3 – DATE OF MANAGEMENT’S REVIEW**

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through July 17, 2026, the date that the financial statements were available to be issued.

#### **NOTE 4 – CONCENTRATION OF CREDIT RISK FROM DEPOSIT ACCOUNT BALANCES**

Financial instruments, which potentially subject the Association to concentration of credit risk, consist principally of deposit account balances in excess of the Federal Deposit Insurance Corporation (“FDIC”) insured limit of \$250,000 per depositor, per insured bank. The Association generally limits its exposure by placing its deposits with reputable financial institutions. At December 31, 2025, the Association’s deposit account balances exceeded the FDIC coverage limit by approximately \$207,000. The Association has not incurred losses related to these funds.

#### **NOTE 5 – ASSESSMENTS RECEIVABLE**

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association may retain legal counsel and place a lien on the property of any unit owners whose assessments are delinquent. The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association’s control. As of December 31, 2025, the maintenance assessments receivable is stated net of allowances for credit losses of approximately \$6,912. The net balances of maintenance assessments receivable in the operating fund as of the beginning and end of the year were \$16,929 and \$8,104, respectively.

#### **NOTE 6 – FUTURE MAJOR REPAIRS AND REPLACEMENTS**

The Association is not obligated, by its documents, to establish and maintain adequate reserve funds in order to fund future major repairs and replacements of common area improvements. Additionally, Florida Statutes Section 720.303(6) provides that the Board is not obligated to include reserves in the budget unless a majority of the entire membership approves having statutory reserves. If a majority of the entire membership does not approve statutory reserves, then the board has the discretion to include reserve accounts in the budget each year and such reserves may be funded and used however the board determines.

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

**Notes to Financial Statements (Continued)**  
**For the Year Ended December 31, 2025**

**NOTE 6 – FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)**

The reserves were not affirmatively approved by the membership. Accordingly, the Association is not subject to the reserve requirements of Florida Statute Section 720.303(6).

THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

In 2024, the Association conducted an informal study to estimate the remaining useful lives and the replacement costs of the components of common property. The study was based on both current and historical information provided by management. The funding plan is based on the straight-line method, not including consideration of inflation and interest factors. As recommended by the study, the Association's 2025 budget includes funding for reserves of \$51,732. Actual expenditures may vary from the estimated amounts as disclosed in the supplemental information and the variations may be material. Therefore, amounts accumulated in the future major repairs and replacements fund may not be adequate to meet all future needs for major repairs and replacements. 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 effect on future assessments has not been determined.

Reserve funds accumulated through assessments are presented on the Balance Sheet as Deferred reserve revenue. Interest earned and transfers, if any, are presented on the Balance Sheet as components of Fund balance. An analysis of the activity in the future major repairs and replacements fund for the year ended December 31, 2025 follows:

| Components of<br>Deferred Reserve Revenue | Balance at<br>12/31/2024 | Assessments<br>Billed | Expenditures | Balance at<br>12/31/2025 |
|-------------------------------------------|--------------------------|-----------------------|--------------|--------------------------|
| Paint - Common Area                       | \$ 123,480               | \$ 12,600             | \$ -         | \$ 136,080               |
| Fence                                     | 5,397                    | 732                   | -            | 6,129                    |
| Other                                     | 37,486                   | 24,996                | -            | 62,482                   |
| Pool                                      | 50,133                   | 13,332                | -            | 63,465                   |
| Sealcoating                               | 11,946                   | 72                    | -            | 12,018                   |
| Total deferred reserve revenue            | <u>\$ 228,442</u>        | <u>\$ 51,732</u>      | <u>\$ -</u>  | <u>\$ 280,174</u>        |

| Components of Fund Balance | Balance at<br>12/31/2024 | Interest<br>Earned | Expenditures | Balance at<br>12/31/2025 |
|----------------------------|--------------------------|--------------------|--------------|--------------------------|
| Interest                   | \$ 35,942                | \$ 10,604          | \$ -         | \$ 46,546                |
| Total fund balance         | <u>\$ 35,942</u>         | <u>\$ 10,604</u>   | <u>\$ -</u>  | <u>\$ 46,546</u>         |

## **SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

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### **Notes to Financial Statements (Continued) For the Year Ended December 31, 2025**

#### **NOTE 7 – DEFERRED REVENUE – CABLE**

In 2023, the Association entered into a five year service agreement with Xfinity Communications to provide cable service to individual residents. In consideration of this agreement, in 2024, the Association received \$25,200 from Xfinity Communications.

The Association is recognizing the net concession received over the term of the agreement and has therefore recognized \$4,877 as Commission - cable on the Statement of Revenues and Expenses and Changes in Fund Balances. The Association has recorded Deferred revenue - cable of \$13,413 on the Balance Sheet at December 31, 2025.

#### **NOTE 8 – INCOME TAXES**

The Association is subject to Federal and State taxation and has, on an annual basis, the choice to select from two methods to determine the amount of tax, if any, it must pay. Under one method, the excess of revenues from members over related expenses is subject to federal and state taxation unless, pursuant to compliance with Internal Revenue Service Revenue Rulings, such excess is returned to the unit owners or applied to the following year's assessments ("Form 1120 and F1120"). The other method enables the Association to elect to exclude from taxation "exempt function income" which generally consists of revenue from unit owner assessments ("Form 1120H") and is not subject to state taxation. Under either method, the Association may be subject to tax on investment income and other non-exempt or non-member income, but at different tax rates. For the year ended December 31, 2025, the Association will elect to file its 2025 federal income tax return on Form 1120H and has not incurred income tax expense.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Association and recognize a tax liability if the Association has taken an uncertain position that, more likely than not, would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Association and has concluded that, as of December 31, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Association's federal and state income tax returns could be subject to examination, generally for a period of three years after the dates the returns are filed.

#### **NOTE 9 – AGREEMENTS**

##### Management

The Association has an agreement for operations management. The management company also provides day-to-day bookkeeping services and maintains all of the Association's financial records.

##### Other

In the regular course of operations, the Association has entered into several agreements with third parties to provide services such as janitorial, lawn maintenance, pool and spa service, and others. These contracts are approved, as necessary, by the Board and have varying expiration dates and renewal terms.

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

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**Notes to Financial Statements (Continued)**  
**For the Year Ended December 31, 2025**

**NOTE 10 – CONTINGENCY**

Hurricane Deductible

Common property of the Association is located in South Florida, an area proven geographically prone to hurricanes. The Association's insurance policies define deductibles and exclusions which will yield uncovered costs if common property damage claims occur. The Association has not set aside funds towards covering the deductible. Accordingly, if additional funds are needed to replace or repair association property, the Association has the right, subject to governing documents, to increase regular assessments, pass special assessments, borrow funds, utilize operating surplus, if any, or delay repairs and replacements until funds are available.

## **SUPPLEMENTARY INFORMATION**

# SAILPOINTE HOMEOWNERS ASSOCIATION, INC.

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## Schedule of Operating Expenses For the Year Ended December 31, 2025

### ADMINISTRATIVE AND GENERAL

|                                        |    |               |
|----------------------------------------|----|---------------|
| Accounting                             | \$ | 1,450         |
| Bank charges                           |    | 350           |
| Collection fees                        |    | 671           |
| Credit losses                          |    | 2,304         |
| Legal fees                             |    | 2,400         |
| License, taxes and permits             |    | 123           |
| Office supplies, printing, and postage |    | 4,850         |
|                                        | \$ | <u>12,148</u> |

### CONTRACT SERVICES

|                      |    |                |
|----------------------|----|----------------|
| Janitorial           | \$ | 9,000          |
| Lake and pond        |    | 904            |
| Lawn                 |    | 57,975         |
| Management           |    | 37,578         |
| Pool attendant       |    | 3,150          |
| Pool and spa service |    | 4,150          |
| Trash                |    | 1,200          |
|                      | \$ | <u>113,957</u> |

### REPAIRS AND MAINTENANCE

|                       |    |               |
|-----------------------|----|---------------|
| Building              | \$ | 31,741        |
| Landscape replacement |    | 9,970         |
| Pool                  |    | 450           |
| Tree trimming         |    | 17,881        |
|                       | \$ | <u>60,042</u> |

### UTILITIES

|                 |    |              |
|-----------------|----|--------------|
| Electricity     | \$ | 3,516        |
| Water and sewer |    | 518          |
|                 | \$ | <u>4,034</u> |

## SAILPOINTE HOMEOWNERS ASSOCIATION, INC.

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### Supplementary Information on Future Major Repairs and Replacements For the Year Ended December 31, 2025

In 2023, the Association conducted an informal study to estimate the remaining useful lives and the replacement costs of the components of common property. The study was based on both current and historical information provided by management. The funding plan is based on the straight-line method, not including consideration of inflation and interest factors.

The following table represents significant information about the components of common property as of December 31, 2025:

| <u>Common Area Components</u> | <u>Estimated<br/>Remaining<br/>Useful<br/>Life</u> | <u>Estimated<br/>Replacement<br/>Cost</u> | <u>Annual<br/>Funding</u> |
|-------------------------------|----------------------------------------------------|-------------------------------------------|---------------------------|
| Fence                         | 6                                                  | \$ 8,000                                  | \$ 732                    |
| Other                         | 2                                                  | 50,000                                    | 25,000                    |
| Paint common area             | 3                                                  | 145,000                                   | 12,612                    |
| Pool                          | 6                                                  | 80,000                                    | 13,333                    |
| Sealcoating                   | 4                                                  | 12,000                                    | 50                        |
| Totals                        |                                                    | <u>\$ 295,000</u>                         | <u>\$ 51,727</u>          |

# SOKOL & SOKOL

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CERTIFIED PUBLIC ACCOUNTANTS

## **SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

### **FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2025**

MEMBER: *American Institute of Certified Public Accountants* *Florida Institute of Certified Public Accountants*

8207 S.W. 124 Street, Pinecrest, Florida 33156 (305) 273-0008

[www.sokolandsokol.com](http://www.sokolandsokol.com)

# **SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

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## **Financial Statements December 31, 2025**

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BRAD A. SOKOL, C.P.A.  
GABRIEL MENDOZA, C.P.A.

MEMBER  
American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants

## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
Sailpointe Homeowners Association, Inc.  
Miami, Florida

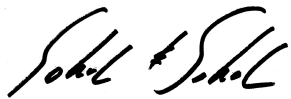
Management is responsible for the accompanying financial statements of Sailpointe Homeowners Association, Inc., which comprise the balance sheet as of December 31, 2025, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

### *Supplementary Information*

The supplementary information contained in the schedule of operating expenses on page 12 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the information about future major repairs and replacements of common property on page 13 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis 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. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any form of assurance on such information.



SOKOL & SOKOL  
Certified Public Accountants

July 17, 2026

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

**Balance Sheet  
December 31, 2025**

|                                         | Operating<br>Fund | Future Major<br>Repairs and<br>Replacements<br>Fund | Total             |
|-----------------------------------------|-------------------|-----------------------------------------------------|-------------------|
|                                         | <u>          </u> | <u>          </u>                                   | <u>          </u> |
| <b>ASSETS</b>                           |                   |                                                     |                   |
| Cash and cash equivalents               | \$ 118,852        | \$ 338,158                                          | \$ 457,010        |
| Assessments receivable, net             | 8,104             | -                                                   | 8,104             |
| Other assets                            | 3,693             | -                                                   | 3,693             |
| Prepaid expenses, principally insurance | 6,897             | -                                                   | 6,897             |
| Utility deposits                        | 317               | -                                                   | 317               |
| Due from (to) other fund                | 11,438            | (11,438)                                            | -                 |
|                                         | <u>          </u> | <u>          </u>                                   | <u>          </u> |
| Total Assets                            | <u>\$ 149,301</u> | <u>\$ 326,720</u>                                   | <u>\$ 476,021</u> |
|                                         |                   |                                                     |                   |
| <b>LIABILITIES AND FUND BALANCES</b>    |                   |                                                     |                   |
| <b>Liabilities</b>                      |                   |                                                     |                   |
| Accounts payable and accrued expenses   | \$ 5,810          | \$ -                                                | \$ 5,810          |
| Assessments collected in advance        | 20,732            | -                                                   | 20,732            |
| Deferred revenue - cable                | 13,413            | -                                                   | 13,413            |
| Deferred reserve revenue                | -                 | 280,174                                             | 280,174           |
|                                         | <u>          </u> | <u>          </u>                                   | <u>          </u> |
| Total Liabilities                       | 39,955            | 280,174                                             | 320,129           |
|                                         |                   |                                                     |                   |
| <b>Fund Balances</b>                    | <u>109,346</u>    | <u>46,546</u>                                       | <u>155,892</u>    |
|                                         |                   |                                                     |                   |
| Total Liabilities and Fund Balances     | <u>\$ 149,301</u> | <u>\$ 326,720</u>                                   | <u>\$ 476,021</u> |

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

**Statement of Revenues and Expenses and Changes in Fund Balances  
For the Year Ended December 31, 2025**

|                                                      | Operating<br>Fund | Future Major<br>Repairs and<br>Replacements<br>Fund | Total             |
|------------------------------------------------------|-------------------|-----------------------------------------------------|-------------------|
| <b>REVENUES</b>                                      |                   |                                                     |                   |
| Assessments                                          | \$ 179,280        | \$ -                                                | \$ 179,280        |
| Assessment related charges                           | 6,020             | -                                                   | 6,020             |
| Commission - cable                                   | 4,877             | -                                                   | 4,877             |
| Interest                                             | 122               | 10,604                                              | 10,726            |
| Other                                                | 301               | -                                                   | 301               |
|                                                      | <u>190,600</u>    | <u>10,604</u>                                       | <u>201,204</u>    |
| Total Revenues                                       |                   |                                                     |                   |
|                                                      | <u>190,600</u>    | <u>10,604</u>                                       | <u>201,204</u>    |
| <b>EXPENSES</b>                                      |                   |                                                     |                   |
| Administrative and general (Schedule)                | 12,148            | -                                                   | 12,148            |
| Contract services (Schedule)                         | 113,957           | -                                                   | 113,957           |
| Insurance                                            | 17,843            | -                                                   | 17,843            |
| Repairs and maintenance (Schedule)                   | 60,042            | -                                                   | 60,042            |
| Utilities (Schedule)                                 | 4,034             | -                                                   | 4,034             |
|                                                      | <u>208,024</u>    | <u>-</u>                                            | <u>208,024</u>    |
| Total Expenses                                       |                   |                                                     |                   |
|                                                      | <u>208,024</u>    | <u>-</u>                                            | <u>208,024</u>    |
| <b>Excess (Deficiency) of Revenues over Expenses</b> | (17,424)          | 10,604                                              | (6,820)           |
| <b>Fund Balances - Beginning of Year</b>             | <u>126,770</u>    | <u>35,942</u>                                       | <u>162,712</u>    |
| <b>Fund Balances - End of Year</b>                   | <u>\$ 109,346</u> | <u>\$ 46,546</u>                                    | <u>\$ 155,892</u> |

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

**Statement of Cash Flows  
For the Year Ended December 31, 2025**

|                                                                 | Operating<br>Fund        | Future Major<br>Repairs and<br>Replacements<br>Fund | Total                    |
|-----------------------------------------------------------------|--------------------------|-----------------------------------------------------|--------------------------|
| <b>Cash Flows from Operating Activities</b>                     |                          |                                                     |                          |
| Assessments and related charges                                 | \$ 195,550               | \$ 51,732                                           | \$ 247,282               |
| Interest income                                                 | 122                      | 10,604                                              | 10,726                   |
| Other income                                                    | 301                      | -                                                   | 301                      |
| Payments made for Association expenses                          | <u>(204,448)</u>         | <u>-</u>                                            | <u>(204,448)</u>         |
| Net Cash Provided by (Used for)<br>Operating Activities         | <u>(8,475)</u>           | <u>62,336</u>                                       | <u>53,861</u>            |
| <b>Cash Flows from Financing Activities</b>                     |                          |                                                     |                          |
| Net interfund borrowings                                        | <u>4</u>                 | <u>(4)</u>                                          | <u>-</u>                 |
| Net Cash Provided by (Used for)<br>Financing Activities         | <u>4</u>                 | <u>(4)</u>                                          | <u>-</u>                 |
| <b>Net Increase (Decrease) in Cash<br/>and Cash Equivalents</b> | (8,471)                  | 62,332                                              | 53,861                   |
| <b>Cash and Cash Equivalents - Beginning of Year</b>            | <u>127,323</u>           | <u>275,826</u>                                      | <u>403,149</u>           |
| <b>Cash and Cash Equivalents - End of Year</b>                  | <u><u>\$ 118,852</u></u> | <u><u>\$ 338,158</u></u>                            | <u><u>\$ 457,010</u></u> |

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

**Statement of Cash Flows (Continued)**  
**For the Year Ended December 31, 2025**

|                                                                                                                                               | Operating<br>Fund        | Future Major<br>Repairs and<br>Replacements<br>Fund | Total                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------------------------------------------|-------------------------|
| <b>Reconciliation of Excess (Deficiency) of Revenues<br/>over Expenses to Net Cash<br/>Provided by (Used for) Operating Activities</b>        |                          |                                                     |                         |
| Excess (Deficiency) of Revenues over Expenses                                                                                                 | \$ (17,424)              | \$ 10,604                                           | \$ (6,820)              |
| <b>Adjustments to Reconcile Excess (Deficiency) of<br/>Revenues over Expenses to Net Cash<br/>Provided by (Used for) Operating Activities</b> |                          |                                                     |                         |
| (Increase) decrease in assets:                                                                                                                |                          |                                                     |                         |
| Assessments receivable, net                                                                                                                   | 8,825                    | -                                                   | 8,825                   |
| Prepaid expenses, principally insurance                                                                                                       | (1,244)                  | -                                                   | (1,244)                 |
| Increase (decrease) in liabilities:                                                                                                           |                          |                                                     |                         |
| Accounts payable and accrued expenses                                                                                                         | 2,516                    | -                                                   | 2,516                   |
| Assessments collected in advance                                                                                                              | 3,729                    | -                                                   | 3,729                   |
| Deferred revenue - cable                                                                                                                      | (4,877)                  | -                                                   | (4,877)                 |
| Deferred reserve revenue                                                                                                                      | -                        | 51,732                                              | 51,732                  |
| <b>Net Cash Provided by (Used for)<br/>Operating Activities</b>                                                                               | <u><u>\$ (8,475)</u></u> | <u><u>\$ 62,336</u></u>                             | <u><u>\$ 53,861</u></u> |

# SAILPOINTE HOMEOWNERS ASSOCIATION, INC.

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## Notes to Financial Statements For the Year Ended December 31, 2025

### NOTE 1 – ORGANIZATION

Sailpointe Homeowners Association, Inc. (the “Association”) was incorporated on February 21, 2003 as a not-for-profit corporation in the State of Florida for the purpose of operating and administering the common areas of a residential community in Miami, Florida. The community consists of 180 residential units.

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATTERS

**Financial Statements** – The accompanying financial statements were prepared pursuant to the requirements of Florida Statutes and in accordance with accounting principles generally accepted in the United States of America.

**Basis of Presentation** – The Association uses the accrual basis of accounting. This method of accounting recognizes revenues when earned, regardless of when received, and expenditures when incurred, regardless of when paid. 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. The performance obligations related to the future major repairs and replacements, and any other special purpose funds are satisfied when the funds are utilized for their designated purposes. A deferred liability is recorded when the Association accumulates funds in advance of the satisfaction of the related performance obligation.

**Maintenance assessments** – Maintenance assessments are based upon a budget established by the Board of Directors. Assessments are levied against the unit owners for their proportionate share of common expenses and, if applicable, reserves for future major repairs and replacements. Special assessments may also be imposed from time to time.

**Fund Accounting** – The Association uses fund accounting, which requires that funds, such as operating funds, and funds designated for future major repairs and replacements (“reserves”) and other special purposes, be classified separately for accounting and reporting purposes. Disbursements from the operating fund are generally at the discretion of the Board of Directors (the “Board”). Disbursements from the future major repairs and replacements fund and other special purpose fund may generally be made only for their designated purposes.

**Property and Equipment** – Common areas owned by the Association are reserved for the use of the owners and/or are required to be maintained as common areas under the Declaration and/or governmental restrictions; therefore, the sale of such common areas for revenue is remote. Accordingly, such common areas are not recorded in the financial records of the Association. The Association capitalizes, at cost, real and personal property to which it has title, based on a threshold established by the Board.

**Cash and Cash Equivalents** – For purposes of the accompanying statement of cash flows, the Association considers demand deposit and money market accounts to be cash and cash equivalents.

**Use of Estimates** – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# **SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

## **Notes to Financial Statements (Continued) For the Year Ended December 31, 2025**

### **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATTERS (Continued)**

**Use of Estimates** – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Interest Earned** – The Association allocates interest earned by the future major repairs and replacements fund to the future major repairs and replacements fund.

### **NOTE 3 – DATE OF MANAGEMENT’S REVIEW**

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through July 17, 2026, the date that the financial statements were available to be issued.

### **NOTE 4 – CONCENTRATION OF CREDIT RISK FROM DEPOSIT ACCOUNT BALANCES**

Financial instruments, which potentially subject the Association to concentration of credit risk, consist principally of deposit account balances in excess of the Federal Deposit Insurance Corporation (“FDIC”) insured limit of \$250,000 per depositor, per insured bank. The Association generally limits its exposure by placing its deposits with reputable financial institutions. At December 31, 2025, the Association’s deposit account balances exceeded the FDIC coverage limit by approximately \$207,000. The Association has not incurred losses related to these funds.

### **NOTE 5 – ASSESSMENTS RECEIVABLE**

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association may retain legal counsel and place a lien on the property of any unit owners whose assessments are delinquent. The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association’s control. As of December 31, 2025, the maintenance assessments receivable is stated net of allowances for credit losses of approximately \$6,912. The net balances of maintenance assessments receivable in the operating fund as of the beginning and end of the year were \$16,929 and \$8,104, respectively.

### **NOTE 6 – FUTURE MAJOR REPAIRS AND REPLACEMENTS**

The Association is not obligated, by its documents, to establish and maintain adequate reserve funds in order to fund future major repairs and replacements of common area improvements. Additionally, Florida Statutes Section 720.303(6) provides that the Board is not obligated to include reserves in the budget unless a majority of the entire membership approves having statutory reserves. If a majority of the entire membership does not approve statutory reserves, then the board has the discretion to include reserve accounts in the budget each year and such reserves may be funded and used however the board determines.

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

**Notes to Financial Statements (Continued)**  
**For the Year Ended December 31, 2025**

**NOTE 6 – FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)**

The reserves were not affirmatively approved by the membership. Accordingly, the Association is not subject to the reserve requirements of Florida Statute Section 720.303(6).

THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

In 2024, the Association conducted an informal study to estimate the remaining useful lives and the replacement costs of the components of common property. The study was based on both current and historical information provided by management. The funding plan is based on the straight-line method, not including consideration of inflation and interest factors. As recommended by the study, the Association's 2025 budget includes funding for reserves of \$51,732. Actual expenditures may vary from the estimated amounts as disclosed in the supplemental information and the variations may be material. Therefore, amounts accumulated in the future major repairs and replacements fund may not be adequate to meet all future needs for major repairs and replacements. 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 effect on future assessments has not been determined.

Reserve funds accumulated through assessments are presented on the Balance Sheet as Deferred reserve revenue. Interest earned and transfers, if any, are presented on the Balance Sheet as components of Fund balance. An analysis of the activity in the future major repairs and replacements fund for the year ended December 31, 2025 follows:

| Components of<br>Deferred Reserve Revenue | Balance at<br>12/31/2024 | Assessments<br>Billed | Expenditures | Balance at<br>12/31/2025 |
|-------------------------------------------|--------------------------|-----------------------|--------------|--------------------------|
| Paint - Common Area                       | \$ 123,480               | \$ 12,600             | \$ -         | \$ 136,080               |
| Fence                                     | 5,397                    | 732                   | -            | 6,129                    |
| Other                                     | 37,486                   | 24,996                | -            | 62,482                   |
| Pool                                      | 50,133                   | 13,332                | -            | 63,465                   |
| Sealcoating                               | 11,946                   | 72                    | -            | 12,018                   |
| Total deferred reserve revenue            | <u>\$ 228,442</u>        | <u>\$ 51,732</u>      | <u>\$ -</u>  | <u>\$ 280,174</u>        |

| Components of Fund Balance | Balance at<br>12/31/2024 | Interest<br>Earned | Expenditures | Balance at<br>12/31/2025 |
|----------------------------|--------------------------|--------------------|--------------|--------------------------|
| Interest                   | \$ 35,942                | \$ 10,604          | \$ -         | \$ 46,546                |
| Total fund balance         | <u>\$ 35,942</u>         | <u>\$ 10,604</u>   | <u>\$ -</u>  | <u>\$ 46,546</u>         |

## SAILPOINTE HOMEOWNERS ASSOCIATION, INC.

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### Notes to Financial Statements (Continued) For the Year Ended December 31, 2025

#### NOTE 7 – DEFERRED REVENUE – CABLE

In 2023, the Association entered into a five year service agreement with Xfinity Communications to provide cable service to individual residents. In consideration of this agreement, in 2024, the Association received \$25,200 from Xfinity Communications.

The Association is recognizing the net concession received over the term of the agreement and has therefore recognized \$4,877 as Commission - cable on the Statement of Revenues and Expenses and Changes in Fund Balances. The Association has recorded Deferred revenue - cable of \$13,413 on the Balance Sheet at December 31, 2025.

#### NOTE 8 – INCOME TAXES

The Association is subject to Federal and State taxation and has, on an annual basis, the choice to select from two methods to determine the amount of tax, if any, it must pay. Under one method, the excess of revenues from members over related expenses is subject to federal and state taxation unless, pursuant to compliance with Internal Revenue Service Revenue Rulings, such excess is returned to the unit owners or applied to the following year's assessments ("Form 1120 and F1120"). The other method enables the Association to elect to exclude from taxation "exempt function income" which generally consists of revenue from unit owner assessments ("Form 1120H") and is not subject to state taxation. Under either method, the Association may be subject to tax on investment income and other non-exempt or non-member income, but at different tax rates. For the year ended December 31, 2025, the Association will elect to file its 2025 federal income tax return on Form 1120H and has not incurred income tax expense.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Association and recognize a tax liability if the Association has taken an uncertain position that, more likely than not, would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Association and has concluded that, as of December 31, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Association's federal and state income tax returns could be subject to examination, generally for a period of three years after the dates the returns are filed.

#### NOTE 9 – AGREEMENTS

##### Management

The Association has an agreement for operations management. The management company also provides day-to-day bookkeeping services and maintains all of the Association's financial records.

##### Other

In the regular course of operations, the Association has entered into several agreements with third parties to provide services such as janitorial, lawn maintenance, pool and spa service, and others. These contracts are approved, as necessary, by the Board and have varying expiration dates and renewal terms.

**SAILPOINTE HOMEOWNERS ASSOCIATION, INC.**

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**Notes to Financial Statements (Continued)**  
**For the Year Ended December 31, 2025**

**NOTE 10 – CONTINGENCY**

Hurricane Deductible

Common property of the Association is located in South Florida, an area proven geographically prone to hurricanes. The Association's insurance policies define deductibles and exclusions which will yield uncovered costs if common property damage claims occur. The Association has not set aside funds towards covering the deductible. Accordingly, if additional funds are needed to replace or repair association property, the Association has the right, subject to governing documents, to increase regular assessments, pass special assessments, borrow funds, utilize operating surplus, if any, or delay repairs and replacements until funds are available.

## **SUPPLEMENTARY INFORMATION**

# SAILPOINTE HOMEOWNERS ASSOCIATION, INC.

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## Schedule of Operating Expenses For the Year Ended December 31, 2025

### ADMINISTRATIVE AND GENERAL

|                                        |    |               |
|----------------------------------------|----|---------------|
| Accounting                             | \$ | 1,450         |
| Bank charges                           |    | 350           |
| Collection fees                        |    | 671           |
| Credit losses                          |    | 2,304         |
| Legal fees                             |    | 2,400         |
| License, taxes and permits             |    | 123           |
| Office supplies, printing, and postage |    | 4,850         |
|                                        | \$ | <u>12,148</u> |

### CONTRACT SERVICES

|                      |    |                |
|----------------------|----|----------------|
| Janitorial           | \$ | 9,000          |
| Lake and pond        |    | 904            |
| Lawn                 |    | 57,975         |
| Management           |    | 37,578         |
| Pool attendant       |    | 3,150          |
| Pool and spa service |    | 4,150          |
| Trash                |    | 1,200          |
|                      | \$ | <u>113,957</u> |

### REPAIRS AND MAINTENANCE

|                       |    |               |
|-----------------------|----|---------------|
| Building              | \$ | 31,741        |
| Landscape replacement |    | 9,970         |
| Pool                  |    | 450           |
| Tree trimming         |    | 17,881        |
|                       | \$ | <u>60,042</u> |

### UTILITIES

|                 |    |              |
|-----------------|----|--------------|
| Electricity     | \$ | 3,516        |
| Water and sewer |    | 518          |
|                 | \$ | <u>4,034</u> |

## SAILPOINTE HOMEOWNERS ASSOCIATION, INC.

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### Supplementary Information on Future Major Repairs and Replacements For the Year Ended December 31, 2025

In 2023, the Association conducted an informal study to estimate the remaining useful lives and the replacement costs of the components of common property. The study was based on both current and historical information provided by management. The funding plan is based on the straight-line method, not including consideration of inflation and interest factors.

The following table represents significant information about the components of common property as of December 31, 2025:

| <u>Common Area Components</u> | <u>Estimated<br/>Remaining<br/>Useful<br/>Life</u> | <u>Estimated<br/>Replacement<br/>Cost</u> | <u>Annual<br/>Funding</u> |
|-------------------------------|----------------------------------------------------|-------------------------------------------|---------------------------|
| Fence                         | 6                                                  | \$ 8,000                                  | \$ 732                    |
| Other                         | 2                                                  | 50,000                                    | 25,000                    |
| Paint common area             | 3                                                  | 145,000                                   | 12,612                    |
| Pool                          | 6                                                  | 80,000                                    | 13,333                    |
| Sealcoating                   | 4                                                  | 12,000                                    | 50                        |
| Totals                        |                                                    | <u>\$ 295,000</u>                         | <u>\$ 51,727</u>          |