

ANALYSIS OF ANNUAL INCOME AND EXPENSES - OPERATING BUDGET

For FNMA submissions complete both pages of this form. For FHLMC submissions complete this side only. Note: If developer control has terminated and the Home Owners Association has been controlled by Unit Owners for two or more years, FHLMC does not require this form.

Project Name _____
 Address or Location _____ City _____ State _____ Zip _____
 STATEMENT OF ANNUAL PROJECT OPERATING BUDGET AND RESERVES FOR THE YEAR 19____
 COMPLETE ONLY THOSE ITEMS WHICH ARE PAID BY OWNERS ASSOCIATION WHICH INCLUDES SUBJECT UNIT.
 Budget below is for: Entire project Phase No. _____

ADMINISTRATIVE EXPENSES

Office Expenses, Supplies, Equipment Rental, etc. _____ \$ _____
 Telephone _____
 Office Salaries (itemize) _____
 Management Fee (name of management firm) _____
 Legal and Audit _____

OPERATING EXPENSES

Fuel _____
 Utilities (Gas \$ _____ Electricity \$ _____ Water & Sewer \$ _____)
 Trash & Garbage Removal _____
 Exterminating _____
 Supplies _____

REPAIRS AND MAINTENANCE

Decorating (exterior and interior) _____
 Cleaning Expenses and Supplies _____
 Snow Removal _____
 Building Maintenance and Repairs _____
 Elevator Maintenance and Repairs _____
 Heating and Air Conditioning Maintenance and Repairs _____
 Pool Maintenance and Repairs _____
 Parking Area Maintenance and Repairs _____
 Private Street Maintenance and Repairs _____
 Gardening and Yard Maintenance and Repairs Including Shrub Replacement _____
 Other (specify) _____
 Salaries (itemize including employee benefits and payroll taxes) _____

FIXED EXPENSES

Real Estate Taxes (if PUD) _____
 Other (Taxes \$ _____ Assessment \$ _____ Regime Fees \$ _____)
 Licenses _____
 Insurance Premiums _____
 Ground Rent _____
 Recreational or Other Facilities Rental _____

TOTAL EXPENSES

REPLACEMENT RESERVES	List Each Item	Yrs. of Estimated Remaining Life	Expected Replacement Cost	Average Yearly Cost
	_____	_____	\$ _____	\$ _____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
TOTAL REPLACEMENT RESERVES				\$ _____

TOTAL ANNUAL EXPENSES AND REPLACEMENT RESERVES

Projected Annual Income from: Condo/PUD charges \$ _____ Other \$ _____ Total \$ _____
 Itemize other income _____

If the income is less than the budget, discuss deficit _____

Actual funds now held: for payment of operating expenses \$ _____ in Replacement Reserve fund \$ _____
 No. of Unit Owners over 30 days delinquent in Association charges _____ in Special Assessment charges _____
 Explain any indebtedness or leases on the common area or parking, utilities or other facilities (if none, so state) _____

Certified Correct: Organization _____
 Date _____ By _____ Title _____

I certify that I have analyzed the above Statement of Operating Budget and Reserves. In my opinion, except as stated below, the items as set forth in this Budget appear sufficient to maintain the project, including replacement of major items, in a manner adequate to protect its marketability.

Comments on Budget and Reserves _____

Date _____ 19____ Organization _____
 By _____ Title _____

TO BE COMPLETED BY SELLER/SERVICER, OWNERS ASSOCIATION OR MANAGEMENT AGENT

Seller Use Only

Required for FNMA - FHLMC does not require this page.

STATEMENT OF ANNUAL PROJECT INCOME AND EXPENSES FOR THE YEAR 19____
COMPLETE ONLY THOSE ITEMS WHICH WERE RECEIVED OR PAID BY THE OWNERS ASSOCIATION WHICH INCLUDES SUBJECT UNIT

GROSS ANNUAL INCOME:

Condo/PUD Charges: \$ _____ per month X _____ units X 12 = _____ \$
Other income (itemized): _____ \$

TOTAL INCOME FROM ALL SOURCES _____ \$

ADMINISTRATIVE EXPENSES

Office Expenses, Supplies, Equipment Rental, etc _____
Telephone _____
Office Salaries (itemized) _____
Management Fee (name of management firm) _____
Legal and Audit _____

OPERATING EXPENSES

Fuel _____
Utilities (Gas \$ _____ Electricity \$ _____ Water & Sewer \$ _____) _____
Trash & Garbage Removal _____
Exterminating _____
Supplies _____

REPAIRS AND MAINTENANCE

Decorating (exterior and interior) _____
Cleaning Expenses and Supplies _____
Snow Removal _____
Building Maintenance and Repairs _____
Elevator Maintenance and Repairs _____
Heating and Air Conditioning Maintenance and Repairs _____
Pool Maintenance and Repairs _____
Parking Area Maintenance and Repairs _____
Private Street Maintenance and Repairs _____
Gardening and Yard Maintenance and Repairs Including Shrub Replacement _____
Replacement Expenses (itemize) _____

Other (specify) _____

Salaries (itemize including employee benefits and payroll taxes) _____

FIXED EXPENSES

Real Estate Taxes (if PUD) _____
Other Taxes or Assessments _____
Licenses _____
Insurance Premiums _____
Ground Rent _____
Recreational or Other Facilities Rental _____

TOTAL EXPENSES _____ \$

TOTAL ANNUAL NET SURPLUS (deficit) _____ \$

Discuss disposition of surplus or, if (deficit), method of funding: _____

Does inspection of project indicate that funds spent during preceding year for maintenance and repairs were sufficient to maintain project in a manner likely to be acceptable to the market? If answer is no, explain: _____

Above statement of income and expenses is certified to be correct:
Organization _____

By _____ Title _____ Date _____

TO BE COMPLETED BY SELLER/SERVICER, OWNERS ASSOCIATION OR MANAGEMENT AGENT