VILLA MARIN HOMEOWNERS' ASSOCIATION

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

YEARS ENDED OCTOBER 31, 2025 AND 2024 LEVY, ERLANGER & COMPANY LLP San Francisco, CA

VILLA MARIN HOMEOWNERS' ASSOCIATION

CONTENTS

YEARS ENDED OCTOBER 31, 2025 AND 2024

LEVY, ERLANGER & COMPANY LLP

100 Montgomery Street, Suite 715 San Francisco, CA 94104

INDEPENDENT AUDITOR'S REPORT

Board Of Directors

Villa Marin Homeowners' Association

San Rafael, California

Opinion

We have audited the accompanying financial statements of Villa Marin Homeowners' Association (the Association), which comprise the balance sheets as of October 31, 2025 and 2024, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of October 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

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

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

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

Board Of Directors

Future Major Repairs and Replacements

As further discussed in the notes to the financial statements, the Association has completed a study of its common area major components sufficient to assist the Board in planning for future major repairs and replacements. The reasonableness of the resulting replacement reserve funding plan is a function of the completeness of the major component list and the accuracy of the estimated quantity, useful and remaining lives, and replacement costs of those components.

Funds are being accumulated in the replacement fund based on estimated future costs for repair and replacement of common area property. Actual expenditures and investment income may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated in the replacement fund may or may not be adequate to meet all future component repair and replacement costs. The ability of the Association to fund its future requirements is dependent upon annual increases in that portion of the assessment which is allocated to the replacement fund, and/or special assessments. In the event that funds are not available when needed, the Board may, subject to the constraints of California law and the Association's governing documents, increase regular assessments, levy special assessments, and/or delay repair and replacement of common area major components until sufficient funds are available.

Disclaimer of Opinion on Required Supplementary Information

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

February 13, 2026

VILLA MARIN HOMEOWNERS' ASSOCIATION

BALANCE SHEET OCTOBER 31, 2025

General	Property	Gifts &			
Operations	Reserve	Replacement		Bequests	Total
Fund	Fund	Fund	Fund	Funds	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

ASSETS					
Cash and cash equivalents (Note 2)	$	$ 793,037	$ 6,088,325	$ 149,391	$
		300,000	732,227		
Investment in certificates of deposit (Note 2)					
		288	2,610		
Assessments receivable, less allowance for doubtful accounts of $83,000 (Note 2)					
					7,513,696
Healthcare accounts receivable					1,032,227
	482,943				1,183,388
Interest receivable					
	1,183,388				380,877
	380,877				2,898
Prepaid insurance	311,927				311,927
	211,207				211,207
Other prepaid expenses	111,971				111,971
Due from general reserve fund	750,988				750,988
Furniture, equipment, vehicles and artwork net of accumulated depreciation of $5,540,566 (Note 7)	$ 3,433,301	$ 1,093,325	$ 6,823,162	$ 149,391	$ 11,499,179
Total assets	$	$	$	$	$
LIABILITIES					
Accounts payable					
					296,649
Income taxes payable					842
Accrued salaries and benefits payable	296,649		-		885,634
	42	-	800		111,971
Due to operations fund	885,634	111,971	-	-	-
	-	-	6,822,362	-	6,822,362
Future major repairs and replacements (Note 3)					
Contract liabilities - replacement reserve assessments paid in advance (Note 2)	1,182,325	111,971	6,823,162	-	8,117,458
Total liabilities					
COMMITMENTS AND					
CONTINGENCIES (NOTE 6)	-	-	-	-	-
	2,250,976	981,354	-	149,391	3,381,721
FUND BALANCE (DEFICIT)					
Total liabilities and fund balance	$ 3,433,301	$ 1,093,325	$ 6,823,162	$ 149,391	$ 11,499,179

BALANCE SHEET OCTOBER 31, 2024

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

General Property Gifts &

General	Property	Gifts &			
Operations	Reserve	Replacement		Bequests	Total
Fund	Fund	Fund	Fund	Funds	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

$	$ 481,750	$ 1,467,158	$ 47,370	$
	600,000	3,211,387	100,000	
		843,072	7	
		19,058		
				3,040,251
				3,911,387
1,043,973				843,072
854,459				854,459
4,286				4,286
131,320				131,320
6,025				25,090
412,518				412,518
182,506				182,506
8,561				8,561
100,685				100,685
833,811				833,811
3,578,144	1,081,750	5,540,675	147,377	10,347,946
$	$	$	$	$
				568,881
				26,614
		9,220		803,208
559,661		23,686		2,438
2,928	-	2,438		100,685
803,208	100,685	-	-	-
-	-	5,505,331	-	5,505,331
1,365,797	100,685	5,540,675	-	7,007,157
-	-	-	-	-
2,212,347	981,065	-	147,377	3,340,789

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

		General	Property	Gifts &	
ASSETS					
Cash and cash equivalents	$ 3,578,144	$ 1,081,750	$ 5,540,675	$ 147,377	$ 10,347,946
Investment in certificates of deposit (Note 2)					
Investment in US Treasury securities (Note 2)					
Assessments receivable, less allowance for doubtful accounts of $65,000 (Note 2)					
Special assessments receivable					
Healthcare accounts receivable, less allowance					
for doubtful accounts of $20,000					
Interest receivable					
Prepaid insurance					
Other prepaid expenses					
Other assets					
Due from general reserve fund					
Furniture, equipment, vehicles and artwork, net of accumulated depreciation of $5,415,781 (Note 7)					
Total assets					
LIABILITIES					
Accounts payable					
Income taxes payable					
Accrued salaries and benefits payable					
Deferred interest revenue					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

Due to operations fund

Future major repairs and replacements (Note 3) Contract liabilities - replacement reserve assessments paid in advance (Note 2)

Total liabilities

COMMITMENTS AND

CONTINGENCIES (NOTE 6)

FUND BALANCE (DEFICIT)

Total liabilities and fund balance

2025

	Operations	Reserve	Replacement		Bequests	Total
	Fund	Fund	Fund	Fund	Funds	

REVENUES

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

General	Property	Gifts &	
			$
			15,150,631
			(559,076)
			2,448,150
			668,980
			187,604
			297,535
			18,193,824
			1,641,971
			45,162
			1,259,820
			83,077
			182,116
			3,212,146
			202,675
			124,785
			1,887,878
			1,230,576
			3,860,379
			4,896,105
			385,587
			251,200
			200,131
			13,039,316

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

$	$	
		168,592
	-	125,042
562,255	744	684,697
179,109	3,400	56,188
		147,565
	4,144	
741,364		
		1,182,084
	-	
-		
42,904		
	-	
42,904		
	-	
-		
	-	
	-	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

	General	Property	Gifts &
$			
14,588,376			
(559,076)			
2,448,150			
668,980			
7,751			
294,135			
17,448,316			
1,641,971			
2,258			
1,259,820			
83,077			
182,116			
3,169,242			
202,675			
124,785			
1,887,878			
1,230,576			
3,860,379			
4,896,105			
385,587			
251,200			
200,131			
13,039,316			

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

Assessments (Note 2)$ -

Bad debt recovery (expense)

168,592

Resident medical income

125,042

684,697

Nonresident services

56,188

147,565

Interest income (Note 2)

Other revenues 1,182,084

-

Total revenues

EXPENSES

Administration

General administration-

Income tax provision (Note 2)

Insurance

Marketing

Workers' compensation insurance

-

Total administration

Maintenance and operations

Activities-

Depreciation expense Housekeeping

Maintenance services

Meals and food preparation

Medical

Reception

Security services

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

		General	Property	Gifts &
Transportation				
Total maintenance and operations	-			
Utilities				
Cable television-				
Garbage collection				
Gas and electricity				
Telephone				
Water and sewer				
Total utilities	-			

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

General Property Gifts &

2025

Operations Reserve Replacement Bequests Total

Fund Fund Fund Fund Funds

EXPENSES (CONTINUED)					
Major repairs and replacements					
Deck repairs			258,364		258,364
			253,984		253,984
Heating, ventilation and air conditioning			68,570		68,570
	$ -	$ -	$ 117,542	$ -	$ 117,542
Pool and spa					
	-	-	698,460	-	698,460
Other major repairs and replacements					
	17,390,642	-	741,364	-	18,132,006
Total major repairs and replacements					
Total expenses					
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENSES					
BOARD-APPROVED INTERFUND	57,674	-	-	4,144	61,818
	(19,045)	289	-	(2,130)	(20,886)
RECLASSIFICATIONS AND TRANSFERS	2,212,347	981,065	-	147,377	3,340,789
FUND BALANCE (DEFICIT), BEGINNING OF YEAR					
FUND BALANCE (DEFICIT),	$ 2,250,976	$ 981,354	$ -	$ 149,391	$ 3,381,721
END OF YEAR					

2024

Operations Reserve Replacement Bequests Total

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

	General	Property	Gifts &
	Fund	Fund	Fund	Fund	Funds

REVENUES

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

General	Property	Gifts &	
			$
			13,905,296
			(118,042)
			2,823,139
			374,360
			180,993
			293,252
			17,458,998
			1,665,885
			44,314
			1,240,257
			147,172
			124,230
			3,221,858
			221,510
			146,271
			1,643,317
			1,108,625
			3,879,478
			4,819,617
			422,087
			249,822
			340,545
			12,831,272

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

General	Property	Gifts &	
			134,214
			116,427
			678,183
			54,663
			128,719
			1,112,206

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

General	Property	Gifts &
		$
		-
		754
		754
		-
		-
		-

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

	General	Property	Gifts &
			-

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

	General	Property	Gifts &
		$	
		525,173	
		161,871	
		687,044	
		-	
		39,439	
		39,439	
		-	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

General	Property	Gifts &
	-	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

$	General	Property	Gifts &
13,380,123			
(118,042)			
2,823,139			
374,360			
18,368			
293,252			
16,771,200			
1,665,885			
4,875			
1,240,257			
147,172			
124,230			
3,182,419			
221,510			
146,271			
1,643,317			
1,108,625			
3,879,478			
4,819,617			
422,087			
249,822			
340,545			
12,831,272			

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

			General	Property	Gifts &
Assessments$ -					
Bad debt expense		134,214			
Resident medical income		116,427			
		678,183			
Nonresident services		54,663			
		128,719			
Interest income (Note 2)					
Other revenues		1,112,206			
Total revenues	-				
EXPENSES					
Administration					
General administration-					
Human resources					
Income tax provision (Note 2)					
Insurance					
Marketing					
Workers' compensation insurance					
Total administration	-				
Maintenance and operations					
Activities-					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDED OCTOBER 31,

General Property Gifts &

Depreciation expense Housekeeping

Maintenance services

Meals and food preparation

Medical

Reception

Security services

Transportation

Total maintenance and operations -

Utilities

Cable television-

Garbage collection

Gas and electricity

Telephone

Water and sewer

Total utilities -

2024

Operations	Reserve	Replacement		Bequests	Total
Fund	Fund	Fund	Fund	Funds	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED OCTOBER 31,

		General	Property	Gifts &	
EXPENSES (CONTINUED)					
Major repairs and replacements					
			212,998		212,998
Carpeting	$ -	$ -	$ 246,600	$ -	$ 246,600
Deck repairs			11,959		11,959
			17,136		17,136
Garage door and gates			158,912		158,912
Heating, ventilation and air conditioning Other major repairs and replacements	-	-	647,605	-	647,605
Total major repairs and replacements	17,125,897	-	687,044	-	17,812,941
Total expenses					
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENSES					
BOARD-APPROVED INTERFUND	(354,697)	-	-	754	(353,943)
RECLASSIFICATIONS AND TRANSFERS	563,346	(280,000)	-	(10,000)	273,346
	2,003,698	1,261,065	-	156,623	3,421,386
FUND BALANCE (DEFICIT), BEGINNING OF YEAR					
FUND BALANCE (DEFICIT),	$ 2,212,347	$ 981,065	$ -	$ 147,377	$ 3,340,789
END OF YEAR					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations	General Reserve	Property Replacement	Gifts & Bequests Fund	Total Fund	Fund	Funds
OPERATING ACTIVITIES							

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds

2025

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				$ 61,818

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
					559,076
					124,785

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
					(888,005)
					4,286

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				(249,557)
				22,192

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				100,591

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				(28,701)
				8,561

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				(11,286)
				(272,232)

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				(2,438)
				82,426

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				11,286
				(25,772)

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				1,317,031

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				752,243

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				814,061

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				2,879,160
				843,072

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				(41,962)

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				3,680,270

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				4,494,331
				(20,886)

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
					3,040,251

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				$ 7,513,696

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			$ 4,144	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			-	
			7	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			7	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				4,151	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			100,000	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			100,000	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			104,151	
			(2,130)	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			47,370	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			$ 149,391	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
$ 57,674				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
559,076				
124,785				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
(888,005)				
4,286				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
(249,557)				
6,025				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
100,591				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
	(28,701)				
	8,561				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
(11,286)				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
(263,012)				
82,426				

See independent auditor's report and accompanying notes.

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
(2,886)				

See independent auditor's report and accompanying notes.

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
(557,697)				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
(500,023)				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
-				
(41,962)				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
(41,962)				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
(541,985)				
(19,045)				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
1,043,973				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
Fund					
Excess (deficiency) of revenues over expenses	$ 482,943				

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by operating activities:					
Bad debt expense (recovery)					
Depreciation expense					
Decrease (increase) in assets:					
Assessments receivable					
Special assessment receivable					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
Healthcare accounts receivable					
Interest receivable					
Prepaid insurance					
Other prepaid expenses					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
Other assets					
Due from general reserve fund					
Increase (decrease) in liabilities:					
Accounts payable					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
Deferred interest revenue					
Accrued salaries and other expenses					
Due to operations fund					

Income taxes payable Contract liabilities - replacement reserve assessments paid in advance Total adjustments

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES					
INVESTING ACTIVITIES					
Net (purchase) sale of certificates of deposit					
Net (purchase) sale of US Treasury securities					
Net (purchase) sale of fixed assets					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES					
NET INCREASE (DECREASE) IN					
CASH AND CASH EQUIVALENTS					
BOARD-APPROVED INTERFUND					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
RECLASSIFICATIONS AND TRANSFERS					
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR					
CASH AND CASH EQUIVALENTS, END OF YEAR					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

		Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
$ -	$ -					

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
		-		
		16,448		
		(9,220)		
	-	(2,438)		
	(288)	(22,886)		
	11,286	1,317,031		
	10,998	1,298,935		
	10,998	1,298,935		
	300,000			
		2,479,160		
		843,072		

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
	300,000	3,322,232		
	310,998	4,621,167		
	289	-		
	481,750	1,467,158		
	$ 793,037	$ 6,088,325		

See independent auditor's report and accompanying notes.

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

2025	Operations Fund	General Reserve Fund	Property Replacement Fund	Gifts & Bequests Fund	Total Funds
Supplemental Disclosures					
Interest paid	$ -	$ -	$ -	$ -	$ -
Income taxes paid	$ 5,144	$ -	$ 65,790	$ -	$ 70,934

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
2024					

Fund OPERATING ACTIVITIES

Excess (deficiency) of

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund		Total Funds
				$	
					(353,943)
					118,042
					146,271
					(86,369)
					42,807
					34,293
					(9,994)
					2,369
					85,104
					(11,967)
					(8,561)
					(7,162)
					(39,320)
					2,438
					(18,741)
					9,803
					7,162
					1,041,481
					1,307,656
					953,713

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
				197,778
				(843,072)
				(306,732)
				(952,026)
				1,687
				273,346
				2,765,218

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			$ 754	
			-	
			-	
			754	

See independent auditor's report and accompanying notes.

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
			-	
			-	

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

Operations Fund	General Reserve Fund	Property Replacement $	Gifts & Bequests Fund	Total Funds
		(354,697)		
		118,042		
		146,271		
		(86,369)		
		42,807		
		34,293		
		(5,231)		
		2,369		
		85,104		
		(11,967)		
		(8,561)		
		(7,162)		
		45,443		
		(18,741)		
		406		
		336,704		
		(17,993)		

See independent auditor's report and accompanying notes.

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds
revenues over expenses $					- $
-					
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by operating activities:					
Bad debt expense- -			-		
			(306,732)		
Depreciation expense					
Decrease (increase) in assets:			(306,732)		
Assessments receivable					
			(324,725)		
Special assessments receivable					
Healthcare accounts receivable					
Interest receivable(4,763)					
Other receivable					
			563,346		
Prepaid insurance			805,352		
Other prepaid expenses					
Other assets					
Due from general reserve fund					
		7,162	963,790		
Increase (decrease) in liabilities:					
Accounts payable(84,763)		7,162	963,790		
Deferred interest revenue2,438					
Accrued salaries and other expenses					
Income taxes payable9,397		200,000	(845,294)		
Due to operations fund7,162		207,162	118,496	754	

See independent auditor's report and accompanying notes.

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement	Gifts & Bequests Fund	Total Funds

Contract liabilities - replacement reserve

assessments paid in advance 1,041,481

Total adjustments

NET CASH PROVIDED BY (USED FOR)

OPERATING ACTIVITIES

INVESTING ACTIVITIES

Net (purchase) sale of certificates of deposit200,000 (2,222) Net (purchase) sale of US Treasury securities(843,072)

Net (purchase) sale of fixed assets

NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES

NET INCREASE (DECREASE) IN

CASH AND CASH EQUIVALENTS

BOARD-APPROVED INTERFUND

RECLASSIFICATIONS AND TRANSFERS

(280,000) - (10,000)

CASH AND CASH EQUIVALENTS,

BEGINNING OF YEAR

554,588 1,348,662 56,616

CASH AND CASH EQUIVALENTS, END OF YEAR

$ 1,043,973 $ 481,750 $ 1,467,158 $ 47,370 $ 3,040,251

2024

See independent auditor's report and accompanying notes.

STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31,

	Operations Fund	General Reserve Fund	Property Replacement Fund	Gifts & Bequests Fund	Total Funds
Supplemental Disclosures					
Interest paid	$ -	$ -	$ -	$ -	$ -
Income taxes paid	$ 4,469	$ -	$ 30,042	$ -	$ 34,511

See independent auditor's report and accompanying notes.

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED OCTOBER 31, 2025 AND 2024

1. THE ASSOCIATION

Villa Marin Homeowners' Association (the Association) is a common interest development located in San Rafael, California which consists of 224 residential units and certain common area property. The Association was organized as a nonprofit mutualbenefit corporation in September 1983 to provide for management, maintenance and architectural control of the individual units and the common area property. The Association is governed by a member-elected Board of Directors which is responsible for enforcing provisions of the governing documents, which include covenants, conditions and restrictions (CC&Rs), by laws, and rules and regulations. Major decisions, as determined by the CC&Rs, are referred to the Association's Board of Directors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of 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. The estimate of allowance for doubtful accounts, if any, is based, generally on amounts past due greater than 90 to 120 days.

Basis of presentation. The accompanying financial statements, and the Association's corporate income tax returns, have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America, whereby revenues are recognized when earned and expenses are recognized when incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents. For purposes of the statement of cash flows, the Association considers all short-term investments with a maturity at date of purchase of three months or less to be cash equivalents. Cash equivalents are classified with cash in the balance sheet.

Concentrations of credit risk. Financial instruments which potentially subject the Association to concentrations of credit risk consist principally of cash, cash equivalents and investments. The Association maintains its financial instruments with what management believes to be high credit quality financial institutions and limits the amount of credit exposure to any one particular institution. Cash, cash equivalents and investments in excess of federal deposit insurance (FDIC) coverage limits as of October 31, 2025 totaled approximately $5,869,000.

Contract liabilities - replacement reserve assessments paid in advance. The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability - replacement reserve assessments paid in advance is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments.

Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fund accounting. The Association's governing documents provide certain guidelines for governing its financial activities. To ensure the observance of limitations and restrictions on the use of financial resources, the

Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in four funds established according to their nature and purpose. The operations fund is used to account for the financial resources available for the general day-to-day operations of the Association. The property replacement fund is used to accumulate financial resources designated for future major repairs and replacements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes are paid on income from sources which are not related to the nonprofit, membership purposes of the Association. Nonmembership income, less related nonmembership expenses, subject to federal and California income taxes includes interest earned on cash and investments.

For federal purposes, the Association is taxed as a regular corporation at 21% of net nonmember income. California income taxes approximate 9% of taxable income.

The Association's tax filings are subject to audit by various taxing authorities: federal income tax returns for the previous three years remain open to examination by the Internal Revenue Service and California income tax returns for the previous four years remain open to examination by the Franchise Tax Board. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances. Interest and/or penalties levied by the taxing authorities, if any, are not included in income tax expense.

Interest earned on operations, property replacement, and gifts and bequests funds, net of related income taxes, is retained in said respective funds. Interest income, net of related income taxes, earned by the general reserve fund, is retained in the operations fund. Income taxes on interest earned by the gifts and bequests fund are paid from the operations fund. With the implementation of FASB ASC 606 accounting guidance, reported replacement reserve interest income may be less than earned.

Investments consist of federally-insured certificates of deposit and US Treasury securities stated at cost which approximates market value.

Membership in the Association is mandatory by virtue of unit ownership.

Real and personal common property acquired by the original owners from the developer is not recognized in the Association's financial statements, in accordance with prevalent industry practice, because it is commonly owned by the individual Association members and its disposition by the Board of Directors is restricted. Similarly, major repairs, replacements and improvements to real property are not recognized. Personal property and equipment acquired by the Association is recorded at cost. Depreciation is recorded on the straight-line basis over estimated useful lives from 3-25 years.

3. FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents, and California state law (Civil Code Section 5300), require that the Board of Directors provide for the repair and replacement of Association common area major components. Accordingly, funds which comprise the replacement fund are not generally available for the payment of day-to-day operating expenses. The gift and bequests fund is used to account for the financial resources made available from gifts and bequests.

The Association has completed a study of its common area major components sufficient to assist the Board in planning for future major repairs and replacements. The reasonableness of the resulting reserve funding plan is a function of the completeness of the major component list, the accuracy of the estimated quantity, useful and remaining lives and current replacement costs of those components, and the reasonableness of significant funding assumptions, including but not limited to the projected cost increase (aka inflation) and interest earning rates.

Funds are being accumulated in the replacement fund based on estimated future costs for repair and replacement of common area property. Actual expenditures and investment income may vary from the estimated amounts, and the variations may be material.

Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future component repair and replacement costs. The ability of the Association to fund its future requirements is dependent upon annual increases in that portion of the assessment which is allocated to the replacement fund, and/or special assessments. In the event that funds are not available when needed, the Board may, subject to the constraints of California law and the Association's governing documents, increase regular assessments, levy special assessments, and/or delay repair and replacement until funds are available.

Additional information about future major repairs and replacements may be found in the annually-distributed assessment and reserve funding disclosure summary (pursuant to California Civil Code Section 5300).

4. FASB ASC 606 ACCOUNTING GUIDANCE IMPLEMENTATION

The Financial Accounting Standards Board (FASB) has issued guidance that created Accounting Standards Codification (ASC) Topic 606. This guidance supercedes the revenue recognition requirements in FASB ASC 972-605, Real Estate - Common Interest Realty Associations (CIRAs), Revenue Recognition, and now requires the

2023-2024 Assessment Revenues Reconciliation		Operations Fund	Property Replacement Fund		Total Funds
Assessment revenues per budget Effects of applying guidance	$	13,380,123	$	1,840,000 $	15,220,123
Reclassify interfund transfers		-	(273,346)		(273,346)
Adjust revenues to equal expenses		-	(1,041,481)		(1,041,481)

recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which a CIRA expects to be entitled in exchange for those goods or services (i.e. the accumulation of unspent replacement reserve cash and investments from assessment payments over time which are eventually to be used for common area major repairs and replacements). The Association has adopted the guidance as of November 1, 2019. The effect to the Association's income statement from adoption of this guidance is as follows:

Total effects of guidance(1,314,827)	-		(1,314,827)
Assessment revenues per financial	$		$
statements$ 525,173	13,380,123		13,905,296
2024-2025 Assessment RevenuesProperty	Operations		Total
ReconciliationReplacement	Fund		Funds
Fund	$		$
Assessment revenues per budget$ 1,858,400	14,588,376		16,446,776
			20,886
Effects of applying guidance	-		(1,317,031)
Reclassify interfund transfers20,886	-		(1,296,145)
Adjust revenues to equal expenses(1,317,031)			
Total effects of guidance(1,296,145)			
Assessment revenues per financial statements	$ 14,588,376	$ 562,255	$ 15,150,631

5. INTERFUND ACCOUNTS

The interfund accounts represent the amount one fund owes another fund. Various scenarios may cause this situation which include, but are not limited to, one fund paying the expenses of another fund, one fund borrowing from another fund, or the operating fund not paying the full annual budgeted contribution amount to the replacement fund.

6. COMMITMENTS AND CONTINGENCIES

The Association enters into contracts for maintenance services in the normal course of its business operations. These contracts are generally cancelable on thirty to ninety days' notice. The Association also has entered into an employment agreement with one of its executives. The contracts are generally cancelable by either party and,

See independent auditor's report and accompanying notes.

under certain circumstances, one of the parties may be obligated to pay the other party as liquidated damages six months compensation.

In addition to management and maintenance of the common area property and meals, the Association provides its members with both assisted living non-medical care and skilled nursing long-term care. Skilled nursing care and assisted living care are also provided to members that elect to sell their unit after they have physically moved into the long-term care facilities and assisted living care facilities, respectively. Such services are provided under contract and require a certain monthly payment from the former member. While the Association has an obligation to provide assisted living and skilled nursing care to members and some former members, no liability has been recorded in the financial statements for the present value of these future services. In the opinion of Association management, the monthly assessment paid by the members, and the monthly contract payments made by former members, is sufficient to meet these obligations.

In September 2023, a homeowner instituted a lawsuit against the Association alleging violations of the governing documents under the Davis-Stirling Common Interest Development Act. This lawsuit seeks redress and damages from the Association. The Association's insurance provider agreed to provide legal defense and counsel, as well as litigation services to the Association. Mediation between the parties is currently in progress.

7. FURNITURE, EQUIPMENT, VEHICLES AND ARTWORK

Furniture, equipment, vehicles and artwork as of October 31, 2025 and 2024 consists of the following:

2025 2024

	2025	2024
Furniture and fixtures	$ 2,045,633	$ 2,043,545
Equipment	3,775,304	3,761,402
Vehicles and artwork	470,617	444,645
	6,291,554	6,249,592
Accumulated depreciation	(5,540,566)	(5,415,781)
Net furniture and equipment	$ 750,988	$ 833,811

8. BANK LINES OF CREDIT

The Association has a $500,000 unused line of credit with Bank of Marin which is limited to the amount(s) the Association has in its cash account(s) with Bank of Marin. Such limitation as of October 31, 2025 was approximately $532,000. Any advances under the line of credit are secured by an interest in a Bank of Marin bank account(s). Interest on amounts borrowed is payable monthly at prime.

The Association previously had a $1,500,000 line of credit with Westamerica Bank. The line expired and will be renewed upon receipt of the Association's audited financial statements.

9. EMPLOYEE PENSION PLAN

The Association has established a 401(k) retirement plan (the Plan). The Plan covers full-time employees over the age of 21 who have at least one year of service. Employee salary deferrals are allowed. The Board annually determines the contribution rate which currently is 4% of compensation. The contribution expense for the years ended October 31, 2025 and 2024 was $202,789 and $258,975, respectively.

10. CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

The Association is required to have 75 days of operating liquidity in accordance with California Department of Social Services regulations. For the years ended October 31, 2025 and 2024, the Association has been in compliance with this regulation.

11. RELATED PARTIES AND CONCENTRATION OF VENDORS

The Association has a contract with an outside party to provide food and the related personnel oversight of the food preparation. The contract renews annually and requires a fixed payment per week. For the years ended October 31, 2025 and 2024, total payments under these contracts were $1,815,249 and $1,577,242, respectively. Management has provided the outside party with a termination notice, which will be effective January 15, 2026.

12. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through February 13, 2026, the date that the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS OCTOBER 31, 2025 (UNAUDITED)

The following information on common area major components was compiled by Reserve Analysis Consulting, L.L.C. of Sausalito, California as of May 2025 and has served as the basis for the current estimates of replacement reserve funding:

See independent auditor's report and accompanying notes.

VILLA MARIN HOMEOWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
OCTOBER 31, 2025
(UNAUDITED)

Code #	Component Description	2024/25 End Req'd in Bank	Year New	Usefl Life	Rmng. (25/26)	Current Cost	Annual Allocation
1.000	ROOFING		Year New = beginning year of fiscal year				
1.001	Built Up Roofing - Replacement	$127,908	2021	20	16	$852,720	$42,636
1.002	Skylights - North & South	$30,360	2001	25	1	$33,000	$1,320
1.003	Built Up Roofing - Recoating & Repair	$65,873	2021	10	6	$219,575	$21,958
1.010	Metal Flashing & Parapet Repair & Replacement	$66,080	1984	50	9	$82,600	$1,652
1.012	Little Villa Skylight	$1,950	2011	20	6	$3,000	$150
	Category Sub-Total	$292,171				$1,190,895	$67,716
2.000	BUILDING EXTERIOR						
2.001	Exterior Caulking - Base	$90,177	2007	20	2	$106,090	$5,305
2.003	Exterior & Interior Structural Repair / Waterproofing Allowa	$55,000	2024	1	0	$55,000	$55,000
2.004	Decks Refurbishment - Annual Allowance	$40,000	2024	1	0	$40,000	$40,000
2.005	Decks Refurbishment - Phased Major	$70,727	2016	30	21	$265,225	$8,841
2.006	Decks Refurbishment - Phased Major	$61,886	2017	30	22	$265,225	$8,841
2.007	Decks Refurbishment - Phased Major	$53,045	2018	30	23	$265,225	$8,841
2.008	Decks Refurbishment - Phased Major	$44,204	2019	30	24	$265,225	$8,841
2.009	Decks Refurbishment - Phased Major	$35,363	2020	30	25	$265,225	$8,841
2.010	Decks Refurbishment - Phased Major	$26,523	2021	30	26	$265,225	$8,841
2.011	Decks Refurbishment - Phased Major	$8,841	2023	30	28	$265,225	$8,841
2.012	Decks Refurbishment - Phased Major	$0	2024	30	29	$273,182	$9,106
2.013	Deck Inspection - SB326	$4,578	2023	9	7	$41,200	$4,578
2.019	Railing Wall Repair & Concrete Work	$21,218	2004	30	9	$31,827	$1,061
2.023	Exterior Painting - Unit 100 / Little Villa	$17,474	2010	17	2	$21,218	$1,248
2.024	Front 1/2 Main Building Exterior - Paint/Waterproofing	$409,204	2012	14	1	$477,405	$34,100
2.025	Back 1/2 Main Building Exterior - Paint/Waterproofing	$375,104	2013	14	2	$477,405	$34,100
2.026	Back Walls Under Promenade Deck - Painting/Waterproofing	$144,668	1984	44	3	$159,135	$3,617
2.027	Wall Joint Tape & Professional Services - Front 1/2	$244,007	2001	25	1	$265,225	$10,609
2.028	Wall Joint Tape & Professional Services - Rear 1/2	$234,622	2001	26	2	$265,225	$10,201
2.029	Promenade Inspection/Repair Allowance	$97,500	2025	40	40	$100,000	$2,500
2.030	Promenade Inspection/Repair Allowance	$95,000	2026	40	1	$100,000	$2,500
2.031	Promenade Inspection/Repair Allowance	$92,500	2027	40	2	$100,000	$2,500
2.032	Promenade Inspection/Repair Allowance	$90,000	2028	40	3	$100,000	$2,500
2.033	Promenade Inspection/Repair Allowance	$87,500	2029	40	4	$100,000	$2,500
2.034	Promenade Inspection/Repair Allowance	$85,000	2030	40	5	$100,000	$2,500
2.035	Promenade Inspection/Repair Allowance	$82,500	2031	40	6	$100,000	$2,500
2.036	Promenade Inspection/Repair Allowance	$80,000	2032	40	7	$100,000	$2,500
2.037	Promenade Inspection/Repair Allowance	$77,500	2033	40	8	$100,000	$2,500
2.038	Promenade Inspection/Repair Allowance	$75,000	2034	40	9	$100,000	$2,500
	Category Sub-Total	$2,799,140				$5,069,487	$295,811
3.000	CONCRETE BLOCKS						
3.002	Concrete Garage "Ventilation Block" Replace	$3,183	2009	25	9	$5,305	$212
	Category Sub-Total	$3,183				$5,305	$212
4.000	AWNINGS & WINDOWS						
4.001	Blue Awnings (6) - Oval in Front	$5,092	2012	15	2	$6,365	$424
4.007	Window Replacement Allowance	$31,827	2024	1	0	$31,827	$31,827
4.008	Blue Awnings Front 1/2 Building (197)	$43,762	2021	12	8	$175,049	$14,587
4.011	Blue Awnings Back 1/2 Building (180)	$43,762	2021	12	8	$175,049	$14,587
4.013	Blue Awnings- Reoccurring Repair/Replace Allowance	$8,487	2024	1	0	$8,487	$8,487
	Category Sub-Total	$132,931				$396,777	$69,913
5.000	ELECTRIC GATES						
5.001	Garage Gates (4) -Repair/Replace Allowance	$9,270	2024	1	0	$9,270	$9,270
5.005	Garage Gates Controllers (4) - Repair/Replace Allowance	$6,180	2024	1	0	$6,180	$6,180
5.009	Loading Dock Door & Controller	$4,017	2009	25	9	$6,695	$268
5.010	Central Trash Controller & Door	$6,254	2019	7	1	$8,755	$1,251
5.011	Card Access System	$50,128	2006	20	1	$55,697	$2,785
5.012	Garage Pedestrian Doors - Lower Level (Non Electric)	$12,561	1984	41	0	$12,875	$314
5.013	Security Cameras - System Upgrade/Replacement - Major	$53,276	2002	23	0	$55,697	$2,422
5.014	Security Cameras - Allowance	$5,570	2024	1	0	$5,570	$5,570
	Category Sub-Total	$147,254				$160,739	$28,059
6.000	PAINTING - INTERIOR						

VILLA MARIN HOMEOWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
OCTOBER 31, 2025
(UNAUDITED)

Code #	Component Description	2024/25 End Req'd in Bank	Year New	Usefl Life	Rmng. (25/26)	Current Cost	Annual Allocation
6.010	Common Area Painting Allowance	$11,139	2024	1	0	$11,139	$11,139
	Category Sub-Total	$14,744				$14,744	$14,744
7.000	ELEVATORS						
7.012	Condo Gym Door Automatic Opener	$4,344	2011	20	6	$6,684	$334
7.021	Elevator - South #1	$54,933	2016	30	21	$206,000	$6,867
7.022	Elevator - Central #2	$54,933	2016	30	21	$206,000	$6,867
7.023	Elevator - Freight #3	$27,467	2020	30	25	$206,000	$6,867
7.024	Elevator - North #4	$54,933	2016	30	21	$206,000	$6,867
7.025	Elevator - Kitchen #5	$34,333	2019	30	24	$206,000	$6,867
7.031	Elevator Cab Interior - South #1	$7,426	2016	30	21	$27,849	$928
7.032	Elevator Cab Interior - Central #2	$7,426	2016	30	21	$27,849	$928
7.033	Elevator Cab Interior - Freight #3	$3,713	2020	30	25	$27,849	$928
7.034	Elevator Cab Interior - North #4	$7,426	2016	30	21	$27,849	$928
7.035	Elevator Cab Interior - Kitchen #5	$4,641	2019	30	24	$27,849	$928
	Category Sub-Total	$261,578				$1,175,927	$39,309
8.000	ROAD AREA COMPONENTS & TENNIS COURT						
8.001	Seal Coat, Stripe @ South Fire Access	$8,799	2011	14	0	$9,476	$677
8.002	Overlay @ South Fire Access	$92,430	1984	41	0	$94,741	$2,311
8.003	Striping & Repair Thorndale Drive	$16,660	2012	13	0	$18,049	$1,388
8.004	Overlay @ Thorndale Drive - 50% Responsibility	$502,443	1984	41	0	$515,004	$12,561
8.005	Repair Thorndale Drive/Sidewalk & Curb	$4,344	2018	10	3	$7,241	$724
8.006	Concrete	$10,300	2024	1	0	$10,300	$10,300
8.007	Renovation @ South Fire Access & Tennis Court	$34,393	2005	20	0	$36,203	$1,810
8.008	Asphalt Replacement - South Fire Road	$58,401	1984	80	39	$116,802	$1,460
8.009	Asphalt Base Replacement - Thorndale Drive - 50% Responsib	$105,943	1984	70	29	$185,400	$2,649
8.011	Tennis Court - Resurface	$0	2024	12	11	$15,987	$1,332
8.012	Tennis Court - Replace Base	$8,569	1984	52	11	$11,139	$214
	Category Sub-Total	$842,282				$1,020,341	$35,426
9.000	MECHANICAL						
9.008	Variable Volume Controllers (60)-Replacement Allowance	$3,605	2024	1	0	$3,605	$3,605
9.009	Air Handlers (2 LL, 2 Return Air)	$152,149	1984	41	0	$155,952	$3,804
9.010	Fan Coils (4) - Common Area Allow. - Misc. Locations	$41,587	2010	15	0	$44,558	$2,971
9.011	A/C Unit - DX @ SNF - Air Handler	$727,474	1984	49	8	$891,156	$18,187
9.012	Domestic Water Booster System - Controller	$13,367	2009	25	9	$22,279	$891
9.013	Domestic Water Booster System (3) Variable Speed Pumps	$50,128	2009	25	9	$83,546	$3,342
9.014	PCU Laundry Exhaust Fan	$16,041	2000	25	0	$16,709	$668
9.015	Return Air Fan (1) & Exhaust Fan (1) @ SNF	$54,339	1984	41	0	$55,697	$1,358
9.161	Package A/C Units - (1) Roof - Central	$7,626	2020	30	25	$57,196	$1,907
9.162	Package A/C Units - (1) Roof - North	$3,813	2022	30	27	$57,196	$1,907
9.163	Package A/C Units - (1) Roof - South	$3,813	2022	30	27	$57,196	$1,907
9.017	Package A/C Units - (1) Server Room	$6,047	2005	35	15	$11,139	$318
9.018	Kitchen Range - Exhaust Fan (Roof)	$6,498	2017	30	22	$27,849	$928
9.019	A/C Unit - Ambulatory Care (2)	$8,752	2019	35	29	$61,267	$1,750
9.020	A/C Unit / Heater - Pool Room	$9,283	2014	30	19	$27,849	$928
9.021	Filtration System Beauty Shop	$624	2017	25	17	$2,228	$89
9.023	Fuel Transfer Pumps (2) - Generator	$668	2015	30	20	$2,228	$74
9.025	Exhaust Fans - Smoke (2) Roof	$43,471	1984	41	0	$44,558	$1,087
9.026	Residential Thermostats/Fan Coils - Replacement Allowance	$12,500	2024	1	0	$12,500	$12,500
9.031	Residential Heat Pumps - Split System - Replacement Allow.	$206,000	2024	1	0	$206,000	$206,000
9.035	Liquid Chiller	$106,939	2008	25	8	$167,092	$6,684
9.036	Liquid Chiller - Compressor Replacement Allowance	$24,720	2022	5	2	$61,800	$12,360
9.037	Return Air Heating Pump - Kitchen	$9,469	2007	20	2	$11,139	$557
9.038	Water Backflow Valve - SNF (1)	$3,620	2011	30	16	$8,355	$278
9.039	Water Backflow Valve - Common Area (2)	$8,689	2011	30	16	$20,051	$668
9.040	Portable Generators (5)	$7,081	2013	16	4	$10,300	$644
9.041	Kitchen Supply Air Handler - Make Up Air Unit & A/C	$26,363	2019	30	24	$158,180	$5,273
9.042	Kitchen Dishwasher Exhaust	$5,198	2017	15	7	$11,139	$743

VILLA MARIN HOMEOWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS OCTOBER 31, 2025 (UNAUDITED)

Code #	Component Description	2024/25 End Req'd in Bank	Year New	Usefl Life	Rmng. (25/26)	Current Cost	Annual Allocation
9.052	Boiler System Domestic Hot Water Central #2 Boiler	$0	2024	30	29	$75,000	$2,500
9.053	Boiler System Hydronic Heating Water/Air Central #1 & Pum	$119,545	1984	41	0	$122,534	$2,989
9.054	Boiler System Hydronic Heating Water/Air Central #2 & Pum	$106,551	1984	46	5	$122,534	$2,664
9.055	Boiler System SNF Domestic Hot Water #1	$124,203	1984	41	0	$127,308	$3,105
9.056	Boiler System SNF Domestic Hot Water #2	$124,203	1984	41	0	$127,308	$3,105
9.057	Boiler Sys. SNF Hydronic Heating Water/Air #1 & Pumps	$144,903	1984	41	0	$148,526	$3,623
9.058	Boiler Sys, SNF Hydronic Heating Water/Air #2 & Pumps	$144,903	1984	41	0	$148,526	$3,623
9.059	Hot Water Tank Domestic Holding South (& mixing valve)	$60,623	1984	42	1	$63,654	$1,516
9.060	Hot Water Tank Domestic Holding North (& mixing valve)	$60,623	1984	42	1	$63,654	$1,516
9.061	Hot Water Tank Domestic Holding Central (& mixing valve)	$70,727	1984	42	1	$74,263	$1,768
9.062	Hot Water Tank SNF Holding (& mixing valve)	$82,802	1984	41	0	$84,872	$2,070
9.063	HVAC Compressor	$25,706	2000	26	1	$27,849	$1,071
9.064	HVAC Control Panel - Replacement Allowance	$10,283	2000	26	1	$11,139	$428
9.065	HVAC Piping/Valve/Ductwork Replacement Allowance	$10,283	2000	26	1	$11,139	$428
9.066	Back Up Boilers (2) Stored In Garage	$3,943	2020	35	30	$34,500	$986
	Category Sub-Total	$2,942,743				$3,947,076	$338,903
11.000	CONCRETE (EXPANSION JOINTS)						
11.001	Seismic Joints - Front North	$96,913	2006	30	11	$161,522	$5,384
11.002	Vertical Seismic Joints - Front North	$52,077	2007	40	22	$122,534	$3,063
11.003	Horizontal Seismic Joint - Gym (60")	$26,735	2006	30	11	$44,558	$1,485
11.004	Horizontal Seismic Joint Beauty Shop (40')	$13,367	2006	30	11	$22,279	$743
11.005	Vertical Systems Joint Repair	$35,646	2008	30	13	$66,837	$2,228
11.006	Horizontal Seismic Joint over PLV - North	$41,587	2008	30	13	$77,976	$2,599
11.007	Vertical Seismic Joint - South Rear	$16,709	2009	30	14	$33,418	$1,114
11.008	Vertical Seismic Joints - Front North	$15,781	2007	30	12	$27,849	$928
11.009	Vertical Seismic Joints - Front South	$16,709	2006	30	11	$27,849	$928
11.010	Vertical Seismic Joints - Back North	$16,709	2006	30	11	$27,849	$928
11.011	Vertical Seismic Joints - Back South	$12,996	2010	30	15	$27,849	$928
11.012	Horizontal Seismic Joint - Front North	$16,709	2006	30	11	$27,849	$928
11.013	Horizontal Seismic Joint - Back North	$26,735	2008	30	13	$50,128	$1,671
11.014	Horizontal Seismic Joint - Front South	$5,941	2008	30	13	$11,139	$371
11.015	Horizontal Seismic Joint - Back South	$53,469	2008	30	13	$100,255	$3,342
11.016	Horizontal Seismic Joint - Back South	$57,183	2010	30	15	$122,534	$4,084
11.017	Horizontal Seismic Joint - Back South	$26,735	2008	30	13	$50,128	$1,671
11.018	Horizontal Seismic Joint - Back South	$36,203	2011	30	16	$83,546	$2,785
11.019	Horizontal Seismic Joint - Back South	$11,139	2014	30	19	$33,418	$1,114
11.020	Horizontal Seismic Joint - Back South	$14,853	2020	36	31	$133,673	$3,713
	Category Sub-Total	$594,197				$1,253,188	$40,009
12.000	LIFE SAFETY						
12.001	Life Safety System - Phase 1 (Fire & Emerg. Call)	$188,833	2002	30	7	$257,500	$8,583
12.002	Life Safety System - Phase 2 (Fire & Emerg. Call)	$180,250	2003	30	8	$257,500	$8,583
12.003	Life Safety System - Phase 3 (Fire & Emerg. Call)	$163,083	2005	30	10	$257,500	$8,583
12.005	Patient Wander Guard System - All Medical Units	$42,488	2009	20	4	$56,650	$2,833
12.006	Emergency Generator - Rebuild or Upgrade	$95,814	1984	43	2	$103,000	$2,395
12.007	Transfer Switches @ Emergency Generator Room	$16,302	1984	41	0	$16,709	$408
12.008	Transfer Switches @ SNF Battery Room	$27,169	1984	41	0	$27,849	$679
12.009	Tamper Switches (#51)	$1,392	2023	2	0	$2,785	$1,392
12.010	SNF Emergency Lighting and Power	$24,720	2009	25	9	$41,200	$1,648
12.011	SNF Emergency Batteries	$5,570	2019	10	4	$11,139	$1,114
12.014	Two Way Emergency Radios & Base Station	$2,000	2024	1	0	$2,000	$2,000
12.015	Telephone System UPS Batteries	$3,411	2017	8	0	$3,899	$487
12.016	Emergency Fire Pump @ Garden Area - LL Garage	$31,190	2017	30	22	$133,673	$4,456
12.017	Auxiliary Fire Jockey Pump @ Fire Pump Room	$3,899	2017	20	12	$11,139	$557
12.018	Fire Extinguishers - Alowance (80 - Total)	$557	2024	1	0	$557	$557
12.020	Emergency Generator - Allowance	$2,228	2024	1	0	$2,228	$2,228
12.021	Reception Intercom System	$13,367	2004	25	4	$16,709	$668
12.022	Emergency Generator - 500 Gl. Diesel Tank (@Front)	$18,714	2000	50	25	$38,988	$780

VILLA MARIN HOMEOWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
OCTOBER 31, 2025
(UNAUDITED)

Code #	Component Description	2024/25 End Req'd in Bank	Year New	Usefl Life	Rmng. (25/26)	Current Cost	Annual Allocation
14.009	Pool Filter	$1,545	2014	20	9	$3,090	$155
14.010	Pool Pumps	$927	2021	10	6	$3,090	$309
14.012	Pool Lift	$5,562	2012	20	7	$9,270	$464
14.013	Pool Salt Cell / Chemical	$2,809	2014	11	0	$3,090	$281
14.014	Pool Room Exhaust Fans	$2,111	2006	19	0	$2,228	$117
14.016	Pool / Gym Equipment Replacement Allowance	$2,228	2024	1	0	$2,228	$2,228
14.017	Major Structural Rehab	$55,697	2014	100	89	$556,973	$5,570
14.018	Pool Replastering	$1,631	2023	12	10	$19,570	$1,631
	Category Sub-Total	$154,591				$725,975	$18,475
15.000	SPA						
15.001	Spa ReTile & Related	$10,300	2014	15	4	$15,450	$1,030
15.004	Spa Heater	$944	2022	12	9	$5,665	$472
15.005	Spa Filter	$1,392	2014	20	9	$2,785	$139
15.008	Jet Blower Fan	$1,857	2014	12	1	$2,228	$186
15.009	Spa Pumps	$3,713	2014	12	1	$4,456	$371
	Category Sub-Total	$18,206				$30,584	$2,198
16.000	FENCES/GATES/RAILS						
16.001	Fencing @ SE Corner by Paddle Tennis Court	$10,223	2005	20	0	$10,761	$538
16.002	Redwood Fence - North Promenade	$309	2023	10	8	$3,090	$309
16.003	Promenade Steel Gates	$4,890	1984	41	0	$5,013	$122
16.004	Bottom Vineyard Fencing - Metal	$3,008	2012	40	27	$10,026	$251
	Category Sub-Total	$18,430				$28,889	$1,220
17.000	DOORS						
17.001	Bi-Fold Doors - Laundry Rooms	$27,292	2017	30	22	$116,964	$3,899
17.002	Accordion Doors - Auditorium (Rear)	$7,798	2017	15	7	$16,709	$1,114
17.003	Accordion Doors - Auditorium (Front)	$8,912	2016	15	6	$16,709	$1,114
17.004	Trash Chute Doors (incl. Kitchen)	$13,862	1984	45	4	$15,595	$347
17.005	Lower Level Garage Entry Door	$2,005	1997	30	2	$2,228	$74
17.006	Promenade North & South - Automatic (4)	$38,097	2005	20	0	$40,102	$2,005
17.007	LL Clinic - Automatic Door - Garage	$2,169	2022	20	17	$21,690	$1,084
17.008	PCU - Automatic Door - Garden Area	$8,076	1995	30	0	$8,355	$278
17.009	Double Slider - Closet - SNF	$10,026	2018	10	3	$16,709	$1,671
17.011	Accordion - Bath - SNF	$24,678	2012	13	0	$26,735	$2,057
17.012	Double Slider - Closet - PCU	$9,357	2018	10	3	$15,595	$1,560
17.014	Accordion - Bath - PCU	$23,811	2005	20	0	$25,064	$1,253
17.015	Interior & Exterior Steel Doors	$6,015	2015	10	0	$6,684	$668
17.017	Door Lock Sets Repair & Replacement Allowance	$8,912	2024	1	0	$8,912	$8,912
17.019	Sliding Doors @ Main lobby (inner)	$15,038	2015	20	10	$33,418	$1,671
	Category Sub-Total	$206,047				$371,468	$27,707
18.000	LANDSCAPING						
18.003	Lined Flower Beds adjoining Building Allowance	$5,347	2018	10	3	$8,912	$891
18.009	Common Area Exterior Property Allowance	$1,114	2024	1	0	$1,114	$1,114
18.016	Tree Removal & Replacement Allowance	$15,595	2024	1	0	$15,595	$15,595
	Category Sub-Total	$22,056				$25,621	$17,600
19.000	VEHICLES						
19.002	Forklift - Kamatsu	$15,874	2005	20	0	$16,709	$835
19.004	Ford Large Bus	$83,546	2014	20	9	$167,092	$8,355
19.006	Honda Van	$35,646	2016	9	0	$40,102	$4,456
19.008	Utility Cart	$8,593	1997	28	0	$8,912	$318
19.009	Ford Small Bus	$55,697	2014	20	9	$111,395	$5,570
19.010	Toyota Avalon	$19,261	2019	10	4	$38,522	$3,852
19.011	Wheel Chair Van - Small - Dodge	$44,112	2015	10	0	$49,014	$4,901
19.012	Scissor Lift	$15,038	2015	10	0	$16,709	$1,671
19.013	Toyota Camry	$13,367	2018	10	3	$22,279	$2,228
	Category Sub-Total	$291,135				$470,733	$32,186
20.000	FLOOR COVERINGS						
20.001	Dining Room	$127,720	2008	20	3	$159,650	$7,983

VILLA MARIN HOMEOWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
OCTOBER 31, 2025
(UNAUDITED)

Code #	Component Description	2024/25 End Req'd in Bank	Year New	Usefl Life	Rmng. (25/26)	Current Cost	Annual Allocation
20.011	Lobby	$29,175	2021	12	8	$116,699	$9,725
20.012	Carpeting - Auditorium	$1,813	2023	12	10	$21,757	$1,813
20.013	Card Room	$12,618	2010	15	0	$13,519	$901
20.016	Gift Shop	$12,618	2010	15	0	$13,519	$901
20.014	Kitchen Flooring	$39,273	1984	43	2	$42,219	$982
20.015	Kitchen Flooring Base & Wall - Repair Allowance	$10,362	1984	43	2	$11,139	$259
20.018	Flooring @ Lunchroom/Corridors	$5,484	2015	20	10	$12,188	$609
20.019	Sheet Vinyl Flooring @ Locker Rooms	$1,747	2018	20	13	$5,825	$291
20.020	Vinyl Tile Flooring @ All Areas - Allowance	$2,884	2020	5	0	$3,605	$721
20.021	Stair Treads - Art Corridor to OPS	$2,451	2013	15	3	$3,342	$223
20.022	Floor Covering - 1st Floor Ramps	$7,473	2001	24	0	$7,798	$325
20.023	Baseboard	$8,995	2005	20	0	$9,469	$473
20.025	Auditorium - Wood Floor & Baseboard	$6,127	2013	15	3	$8,355	$557
20.026	Carpeting - 3rd Floor	$7,426	2023	15	13	$111,395	$7,426
20.027	Carpeting 4th Floor	$14,110	2022	15	12	$105,825	$7,055
20.029	PCU Nursing Station Floor	$15,726	2008	17	0	$16,709	$983
20.030	Carpeting - SNF Dining Room Carpet	$687	2023	12	10	$8,240	$687
20.031	Carpeting - PCU Dining Room Carpet	$687	2023	12	10	$8,240	$687
20.032	Carpeting - Clinic	$7,798	2010	15	0	$8,355	$557
20.033	Vynil - Clinic	$7,957	2004	21	0	$8,355	$398
	Category Sub-Total	$420,636				$1,121,972	$83,926
21.000	WINDOW COVERINGS						
21.003	Window Coverings - Lobby	$12,996	2010	15	0	$13,924	$928
21.004	Mini Blinds @ Common Area	$2,016	2005	21	1	$2,228	$106
21.005	Sun Block Shades	$6,312	2007	18	0	$6,684	$371
21.006	Auditorium Blinds/Dividers	$3,676	2013	20	8	$6,684	$334
21.008	PCU Rooms Curtains, Window Treatments & Mini Blinds	$17,155	2013	20	8	$31,190	$1,560
21.010	SNF Rooms Curtains, Window Treatments & Mini Blinds	$29,613	2001	24	0	$30,900	$1,288
21.011	Dining Room Shades	$7,101	2007	20	2	$8,355	$418
	Category Sub-Total	$78,869				$99,965	$5,005
22.000	DOOR CLOSERS, OPERATORS & HOLDERS						
22.001	Door Closers, Hydraulic - Various Locations - Allowance	$2,228	2024	1	0	$2,228	$2,228
22.002	Door Operators - Misc Locations (6)	$32,340	1994	31	0	$33,418	$1,078
22.003	Fire Door Magnetic Releaser Allowance	$2,228	2024	1	0	$2,228	$2,228
22.005	Door Operator - Front Door -	$6,127	2013	20	8	$11,139	$557
22.006	Door Operators - 1st Floor Bathrooms (2)	$5,848	2017	20	12	$16,709	$835
	Category Sub-Total	$48,771				$65,723	$6,926
23.000	HOUSEKEEPING TOOLS & EQUIPMENT						
23.001	Dryer #1 HC Laundry Room	$2,451	2018	15	8	$6,127	$408
23.002	PCU - HD Washing Machine (1)	$613	2023	10	8	$6,127	$613
23.003	PCU - HD Washing Machine (1)	$2,883	2016	17	8	$6,127	$360
23.004	Common Area Washers & Dryers Replacement Allowance	$3,342	2024	1	0	$3,342	$3,342
23.005	Dryer #2 HC Laundry Room	$2,451	2018	15	8	$6,127	$408
23.009	Standard Vacuum Cleaners (#17) - Replacement Allowance	$6,684	2024	1	0	$6,684	$6,684
23.011	Steam Machine Carpet Cleaner	$7,401	2008	17	0	$7,864	$463
23.012	Wheelchair Cleaner	$9,785	2005	40	20	$20,600	$515
23.013	Pullman Holt 19" Scrubber	$735	2013	25	13	$1,671	$67
23.014	Machine Floor Cleaner	$1,103	2015	15	5	$1,838	$123
23.015	Buffer	$2,567	2000	25	0	$2,673	$107
23.016	Pullman Holt 21" Buffer	$743	2016	18	9	$1,671	$93
23.018	Housekeeping Carts (#16) Replacement Allowance	$1,225	2024	1	0	$1,225	$1,225
23.018	Spin Bonnet Floor Machine #1	$743	2016	18	9	$1,671	$93
23.018	Spin Bonnet Floor Machine #2	$743	2016	18	9	$1,671	$93
23.022	Wet or Dry Vacuums	$1,693	2005	20	0	$1,782	$89
	Category Sub-Total	$45,160				$77,199	$14,682
24.000	FURNITURE & EQUIPMENT						
24.001	Pool Furniture & Gym Apparatus Replace Allowance	$1,392	2024	1	0	$1,392	$1,392

VILLA MARIN HOMEOWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
OCTOBER 31, 2025
(UNAUDITED)

Code #	Component Description	2024/25 End Req'd in Bank	Year New	Usefl Life	Rmng. (25/26)	Current Cost	Annual Allocation
24.012	Large Screen TV (2)	$3,008	2015	10	0	$3,342	$334
24.020	PCU Overbed Tables	$9,279	2007	20	2	$10,917	$546
24.030	PCU Bathroom Cabinets	$2,651	2007	20	2	$3,119	$156
24.050	PCU Side Chairs	$8,332	2007	20	2	$9,803	$490
24.060	PCU Side Tables	$15,907	2007	20	2	$18,714	$936
24.090	PCU Ice Maker (HC)	$1,782	2020	10	5	$4,456	$446
24.091	PCU Refrigerators	$975	2019	10	4	$1,949	$195
24.092	PCU Nurses Station Refurbish	$23,671	2007	20	2	$27,849	$1,392
24.093	PCU Cabinets & Contertops Replace	$21,736	1984	41	0	$22,279	$543
24.094	PCU Piano	$1,782	2000	30	5	$2,228	$74
24.130	PCU Patient Room Divider Curtains	$16,546	2001	24	0	$17,266	$719
	Category Sub-Total	$183,071				$336,634	$24,787
24.100	CLINIC						
24.101	EKG # 1	$3,342	2018	10	3	$5,570	$557
24.102	Clinic Exam Table # 1	$5,384	1995	30	0	$5,570	$186
24.103	Defibrilator & Battery Case # 1	$1,300	2017	12	4	$2,228	$186
24.111	Clinic Exam Table #2	$3,899	2010	20	5	$5,570	$278
24.112	Cabinets & Countertops	$27,169	1984	41	0	$27,849	$679
24.113	Clinic - Furniture	$3,787	2007	25	7	$5,570	$223
24.121	PT Parrallel Bars	$1,003	2018	10	3	$1,671	$167
24.122	PT Treatment Table	$2,339	2018	10	3	$3,899	$390
24.123	PT Furniture & Cabinets	$1,972	2018	10	3	$3,286	$329
	Category Sub-Total	$50,195				$61,211	$2,994
24.120	PHYSICAL THERAPY						
24.130	X-RAY ROOM						
24.140	HSK LINEN ROOM						
24.141	Built In Shelving	$2,911	2001	30	6	$3,796	$127
	Category Sub-Total	$2,911				$3,796	$127
25.000	SNF FURNITURE & EQUIPMENT						
25.001	SNF Common Area Replacement Allowance	$5,570	2024	1	0	$5,570	$5,570
25.016	Arrow Low Bed - (Kneeling Bed)	$8,466	2005	20	0	$8,912	$446
25.060	SNF Suction Machines	$1,329	2003	22	0	$1,392	$63
25.090	SNF Side Chairs	$8,466	2012	15	2	$10,582	$705
25.100	SNF Bedside Stands	$19,891	2000	25	0	$20,719	$829
25.120	SNF Patient Room Television Supports	$3,008	2015	20	10	$6,684	$334
25.130	SNF Patient Room Divider Curtains	$16,547	2001	24	0	$17,266	$719
25.150	Blanket Warmers	$494	2022	25	22	$6,180	$247
25.160	Blankets & Bedspreads (50)	$1,782	2019	6	0	$2,139	$356
25.168	Wheel Chairs	$1,114	2020	4	-1	$1,114	$278
25.061	HC SNF Vitals Monitor #1	$3,509	2015	10	0	$3,899	$390
25.062	HC PCU Vitals Monitor #2	$3,544	2014	11	0	$3,899	$354
25.063	HC Vitals Monitor #3	$2,339	2018	10	3	$3,899	$390
25.162	Digital Chair Scale (#2)	$870	2019	16	10	$2,785	$174
25.163	Golvo Lift	$2,611	2019	16	10	$8,355	$522
25.164	Alarm Mats (13)	$1,392	2019	6	0	$1,671	$278
25.165	Enclosed Display Cases (2)	$1,595	2003	22	0	$1,671	$76
25.166	SNF Refrigerators (2)	$3,899	2017	10	2	$5,570	$557
25.167	SNF Cabinets & Contertops Replace/Refurb	$21,736	1984	41	0	$22,279	$543
25.168	Nurses Station	$20,051	2006	25	6	$27,849	$1,114
	Category Sub-Total	$128,213				$162,433	$13,948
25.200	SNF DINING ROOM						
25.202	SNF Piano	$103	2023	40	38	$4,120	$103
25.227	Upper & Lower Cabinets	$10,582	2005	20	0	$11,139	$557
	Category Sub-Total	$10,685				$15,259	$660
25.250	SHOWER ROOM						
25.251	Whirlpool	$34,310	1996	50	21	$61,267	$1,225
	Category Sub-Total	$34,310				$61,267	$1,225

VILLA MARIN HOMEOWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
OCTOBER 31, 2025
(UNAUDITED)

Code #	Component Description	2024/25 End Req'd in Bank	Year New	Usefl Life	Rmng. (25/26)	Current Cost	Annual Allocation
26.103	Gas Range 6 Burner, Oven, & Frig FS Kitchen	$16,203	2014	11	0	$17,823	$1,620
26.104	Steam Tables - FS Kitchen	$4,938	2010	30	15	$10,582	$353
26.105	Gas Charbroiler FS Kitchen	$15,190	2014	11	0	$16,709	$1,519
26.106	Reach-In-Freezer - FS Kitchen	$6,758	2010	15	0	$7,241	$483
26.107	Fryer - FS Kitchen	$8,101	2014	11	0	$8,912	$810
26.108	Mixer - FS Kitchen	$4,511	2015	20	10	$10,026	$501
26.109	Tilt Skillet	$11,696	2017	12	4	$20,051	$1,671
26.110	Gas Convection Oven (Double) - FS Kitchen	$4,456	2018	18	11	$13,367	$743
26.112	Ice Cream Freezer - FS Kitchen	$2,339	2010	20	5	$3,342	$167
26.116	CO2 Hood Fire Extinguisher System - Kitchen	$8,912	2000	30	5	$11,139	$371
26.117	Unitized Base Dispenser	$7,426	2004	21	0	$7,798	$371
26.120	Slicer - Kitchen	$3,208	2000	25	0	$3,342	$134
26.123	Stainless Steel Shelving Units - Kitchen	$18,566	1984	60	19	$27,849	$464
26.125	Stainless Steel Work Tables & Tripple Sink - Kitchen	$11,139	1984	60	19	$16,709	$278
26.126	Stainless Steel Serving Racks - Kitchen	$4,827	2011	15	1	$5,570	$371
26.128	Dish Dollie & Racks	$780	2017	15	7	$1,671	$111
26.130	Replacement Shelving - Lower Freezer (walk-in)	$2,729	2010	20	5	$3,899	$195
26.131	Reach In Refrigerator # 1	$3,314	2007	20	2	$3,899	$195
26.132	Reach In Refrigerator # 2	$3,509	2006	20	1	$3,899	$195
26.133	Pellet Warmer	$10,582	2005	20	0	$11,139	$557
26.134	Bread Warmer	$1,671	2013	11	-1	$1,671	$152
26.135	Kitchen Suspended Ceiling & Lights	$38,988	2014	10	-1	$38,988	$3,899
26.136	Cabinets & Wait Station Servers	$7,426	2014	15	4	$11,139	$743
26.137	Ice Machine - Kitchen	$3,342	2019	10	4	$6,684	$668
26.140	Kitchen Steamer	$1,854	2023	15	13	$27,810	$1,854
	Category Sub-Total	$224,968				$315,765	$20,432
26.200	FOOD SERV. EQUIP. & APPL. - DINING ROOM						
26.202	Soup Warmers - Dining Room	$4,881	1987	38	0	$5,013	$132
26.203	Faucets - Kitchen & Dining Room	$5,786	2007	18	0	$6,127	$340
26.205	Tables & Chairs	$100,255	2009	20	4	$133,673	$6,684
26.206	Cabinets/Countertops - South Wait Station	$9,469	2007	20	2	$11,139	$557
26.207	North Wait Station	$5,141	2012	13	0	$5,570	$428
26.208	Plate Warmers	$3,639	2010	15	0	$3,899	$260
26.209	PCU Food Delivery Cart	$9,548	2018	7	0	$11,139	$1,591
26.210	SNF Food Delivery Cart	$9,548	2018	7	0	$11,139	$1,591
26.215	Dining Room Full Service Buffet	$0	2024	20	19	$30,000	$1,500
	Category Sub-Total	$148,267				$217,700	$13,084
26.300	FOOD SERV. EQUIP. & APPL. - ROOF						
26.301	Hood Exhaust Fan Motor - Roof	$891	2014	25	14	$2,228	$89
	Category Sub-Total	$891				$2,228	$89
26.400	FOOD SERV. EQUIP. & APPL. - LOADING DOCK						
26.402	Steel Lockers	$1,528	1984	70	29	$2,673	$38
26.403	Lower Level Walk-In Freezer and Refrigerator (Rooms)	$28,963	2011	25	11	$55,697	$2,228
26.404	Wait Station Ice Cream Freezer (Dip-In)	$2,630	2007	18	0	$2,785	$155
26.406	Walk In Fridge Kitchen - Total Replace (Room)	$10,694	2012	25	12	$22,279	$891
26.407	Dining Room Waitstation Ice Cream Freezer	$990	2016	9	0	$1,114	$124
	Category Sub-Total	$44,804				$84,548	$3,436
27.000	OFFICE						
27.001	Administration Office Furniture & Cabinets	$8,020	2015	10	0	$8,912	$891
27.002	Reception Cabinets & Countertops etc.	$11,696	2010	20	5	$16,709	$835
27.007	Computer - Hard Duty (9)	$15,359	2025	5	5	$19,199	$3,840
27.008	Computer - Medium/Hard Duty (9)	$15,359	2025	5	5	$19,199	$3,840
27.009	Computer - Medium Duty (9) Memo	$0	2020	0	0	$0	$0
27.010	Computer - Light Duty (9) Memo	$0	2020	0	0	$0	$0
27.028	Software - Medical/Cantata - Re-Occurring Allowance	$5,570	2024	1	0	$5,570	$5,570
27.029	Software - Financial - Re-Occurring Allowance	$4,456	2024	1	0	$4,456	$4,456
27.030	Operating System Software, etc.	$16,570	2025	8	8	$18,937	$2,367

VILLA MARIN HOMEOWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
OCTOBER 31, 2025
(UNAUDITED)

Code #	Component Description	2024/25 End Req'd in Bank	Year New	Usefl Life	Rmng. (25/26)	Current Cost	Annual Allocation
27.049	Community WiFi System	$18,380	2013	20	8	$33,418	$1,671
27.050	Telephone System	$66,837	2016	20	11	$167,092	$8,355
27.051	Laptop Computers Admin (2)	$3,819	2018	7	0	$4,456	$637
	Category Sub-Total	$302,604				$494,209	$45,247
30.000	COMMON AREAS						
30.001	Mail Boxes	$19,962	1992	60	27	$37,429	$624
30.002	Common Area Furniture Replacement Allowance	$6,180	2023	5	3	$30,900	$6,180
30.003	Piping Allowance	$50,000	2024	1	0	$50,000	$50,000
30.006	Sales Office Update/Furniture/Painting/Carpet/Cabinets	$473	2023	20	18	$9,469	$473
30.007	Server Room Fire Suppression System	$25,906	1984	43	2	$27,849	$648
	Category Sub-Total	$102,521				$155,646	$57,925
30.010	LOBBY						
30.014	Main Lobby Holiday Tree	$1,114	2020	10	5	$2,785	$278
30.015	Lobby Piano	$4,456	2000	30	5	$5,570	$186
	Category Sub-Total	$5,570				$8,355	$464
30.020	AUDITORIUM						
30.021	Auditorium Sound System	$31,747	2005	20	0	$33,418	$1,671
30.121	Auditorium Microphone Allowance	$2,228	2024	1	0	$2,228	$2,228
30.022	Grand Piano/Bench	$7,426	2016	30	21	$27,849	$928
30.023	Auditorium Chairs & Walls	$26,735	2012	15	2	$33,418	$2,228
30.024	Auditorium Projection Equipment & Screen	$3,481	2019	8	2	$5,570	$696
30.025	Hearing Loop	$5,013	2015	15	5	$8,355	$557
	Category Sub-Total	$76,630				$110,838	$8,308
30.030	LIBRARY						
30.032	Library Refurbish	$60,153	2006	25	6	$83,546	$3,342
	Category Sub-Total	$60,153				$83,546	$3,342
30.040	FIRST FLOOR ATRIUM NORTH & SOUTH						
30.041	Grand Piano/Bench	$27,371	1984	70	29	$47,900	$684
	Category Sub-Total	$27,371				$47,900	$684
30.050	THIRD FLOOR CENTRAL LOUNGE						
30.051	Upright Piano	$3,819	1984	70	29	$6,684	$95
	Category Sub-Total	$3,819				$6,684	$95
30.060	HOUSEKEEPING MANAGERS OFFICE						
30.061	Built In File Cabinet	$1,723	1995	60	30	$3,565	$59
	Category Sub-Total	$1,723				$3,565	$59
30.070	MAINTENANCE MANAGERS OFFICE						
30.080	BEAUTY SHOP						
30.081	Beauty Shop Refurbishment	$18,937	2007	20	2	$22,279	$1,114
	Category Sub-Total	$18,937				$22,279	$1,114
31.000	PA SYSTEM						
31.001	PA System & Associated Cabinets & Microphones	$34,393	2005	20	0	$36,203	$1,810
31.003	Auditorium Podium with Amplification System	$2,069	2011	14	0	$2,228	$159
	Category Sub-Total	$36,462				$38,431	$1,969
33.000	LIGHTING & ELECTRICAL						
33.001	Interior Lighting Replacement Allowance	$4,120	2024	1	0	$4,120	$4,120
33.003	Fire Alarm/Exit Lights/Etc. Replacement Allowance	$2,060	2024	1	0	$2,060	$2,060
33.004	Exterior Lighting Replacement Allowance	$2,575	2024	1	0	$2,575	$2,575
33.041	Exterior Lighting Replacement Promonade	$5,768	2020	25	20	$36,050	$1,442
33.005	Load Centers & Panel Boards Replacement Allowance	$3,605	2024	1	0	$3,605	$3,605
33.006	Circuit Breakers - Disconnects Replacement Allowance	$3,605	2024	1	0	$3,605	$3,605
33.007	Hub Transformers Panel Board EVC & Circuits	$14,420	2017	20	12	$41,200	$2,060
33.008	EV Charging Stations Allowance	$5,150	2024	1	0	$5,150	$5,150
	Category Sub-Total	$41,303				$98,365	$24,617
34.00	UTILITY INSPECTION / REPAIR - D.S. § 5550 / 4775						
34.001	Utilities - Common Area - Investigation/Repair Allowance	$14,933	2025	3	3	$22,400	$7,467
	Category Sub-Total	$14,933				$22,400	$7,467

VILLA MARIN HOMEOWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
OCTOBER 31, 2025
(UNAUDITED)

The Association has conducted a study to estimate the useful and remaining lives and current replacement costs of common property major components. Funding requirements consider an estimated before-tax interest rate of 3% on replacement fund cash balances and an annual inflation rate of 3% on major component replacement costs. The replacement fund cash and investment balances at October 31, 2025 totaled $4,557,827. The estimated liability for major repairs and replacements at this date totaled approximately $11,718,000. The portion of 2026 regular assessments budgeted to be allocated to the replacement fund totals $1,876,984.

See independent auditor's report and accompanying notes.