

**Palm Desert
Estimated Annual Operating Budget**

2010

OPERATING COSTS	Annual	PSF	Monthly	PSF
Landscaping	\$7,200	0.109	\$600	0.009
Lot Sweeping	\$295	0.004	\$25	0.000
Window Cleaning	\$2,000	0.030	\$167	0.003
Pest Control	\$300	0.005	\$25	0.000
Utilities-Irrigation Water	\$4,500	0.068	\$375	0.006
Utilities-Electricity	\$8,800	0.133	\$733	0.011
Utilities-Telephone	\$3,144	0.048	\$262	0.004
Common Area R & M	\$6,152	0.093	\$513	0.008
Annual Roof Inspection	\$800	0.012	\$67	0.001
Fire Monitoring	\$3,950	0.060	\$329	0.005
Shade Cover Repair/Replace	\$8,000	0.121	\$667	0.010
Refuse Removal	\$6,000	0.091	\$500	0.008
Irrigation System Repair	\$300	0.005	\$25	0.000
Sub-Total	\$51,441	0.780	\$4,287	0.065
Association Insurance	\$13,000	0.197	\$1,083	0.016
Federal Tax	\$0	0.000	\$0	0.000
Franchise Tax	\$800	0.012	\$67	0.001
Sub-Total	\$13,800	0.209	\$1,150	0.017
Administration				
Management Fees	\$24,000	0.364	\$2,000	0.030
Gateway Association dues	\$850	0.013	\$71	0.001
Legal & Accounting	\$895	0.014	\$75	0.001
Bank Statements	\$200	0.003	\$17	0.000
Sub-Total	\$25,945	0.394	\$2,162	0.033
Reserves				
Parking Lot/ Asphalt	\$3,924	0.060	\$327	0.005
Exterior Paint	\$2,563	0.039	\$214	0.003
Roof Replacement	\$15,706	0.238	\$1,309	0.020
Sub-Total	\$22,193	0.337	\$1,849	0.028
TOTALS	\$113,379	1.720	\$9,448	0.143

Total Building Square Feet 65,924

Actual figures may vary.

Prospective Buyers will be responsible for performing their own due diligence to estimate these costs.

The members of the Palm Desert owners Association will be responsible for establishing a budget for the above association expenses.