

IN THE CIRCUIT COURT OF THE SEVENTEENTH JUDICIAL CIRCUIT
IN AND FOR BROWARD COUNTY, FLORIDA

IN RE:

CASE NO.: CACE 24-005243

HERON POND CONDOMINIUM
ASSOCIATION, INC.

Petitioner.

v.

HERON POND CONDOMINIUM
ASSOCIATION, INC.,

Defendant/Respondent

RECEIVER'S FOURTH MONTHLY REPORT

Pursuant to Paragraph 8 of the *Order Granting Verified Petition For Appointment Of Receiver* dated April 26, 2024 (the "Order Appointing Receiver"), Daniel J. Stermer, not individually, but solely in his capacity as Receiver (the "Receiver") of Heron Pond Condominium Association, Inc. (the "Association"), by and through undersigned counsel, hereby submits the Receiver's Fourth Monthly Report (the "Fourth Report"), describing the Receiver's efforts and results of his analysis since the filing of the Receiver's Third Monthly Report dated July 25, 2024, and states:

Preliminary Statement

The Order Appointing Receiver states:

Monthly Reports. Receiver is directed to prepare and file with this Court on the 25th day of each month commencing with the first calendar month beginning after the Effective Date, so long as its Property shall remain in its possession or care, a full and complete, separate report for such Property, under oath, setting forth all receipts and disbursements, reporting all changes in Assets or Property in the Receiver's charge or claims against such Assets or Property that have occurred during the prior calendar month in compliance with Rule 1.620(b) of the Florida Rules of Civil Procedure and Section 714.19, Florida Statutes. The Receiver is directed to serve a copy of each such report on counsel who have made an

appearance in this case, including counsel for any creditor of the Receivership Entity requesting copies of such reports.

Order Appointing Receiver ¶ 8.

In Compliance therewith, the Receiver hereby submits this Fourth Report. This Fourth Report incorporates the Receiver's First Monthly Report, as well as the Initial Inventory filed on May 25, 2024, his Second Monthly Report filed on June 25, 2024, and his Third Monthly Report filed on July 25, 2024.

Summary

1. This action arose on April 16, 2024, when Heron Pond Condominium Association, Inc. (the "Plaintiff"), commenced this action by the filing of a *Verified Petition For Appointment of a Receiver* against the Association.

2. Heron Pond is an "Association" as defined in Chapter 718, Florida Statutes, located within Broward County and is governed by the Declaration of Condominium Establishing Heron Pond Condominium (the "Declaration"), recorded on June 14, 2006, in Official Records Book 42216, Page 910, in the Public Records of Broward County, Florida. The Association is comprised of 304 individual units ("Units") contained in 19 separate buildings (the "Buildings") owned by individuals and entities (the "Unit Owners"). As of September 12, 2023, six out of the nineteen buildings located within the Association were declared unsafe structures by the City of Pembroke Pines (the "City") and rendered uninhabitable. An additional 26 units in the remaining Buildings have also been deemed uninhabitable by the City. What is clear is that any prior assessment of damage and cost to rehabilitate the Buildings that was done pre- Receivership were significantly inadequate to assess the true nature, scope, and extent of the damage facing the Association.

3. On April 16, 2024, the Association filed an *Ex Parte Verified Emergency Motion For Appointment of a Receiver Court* seeking the appointment of Daniel J. Stermer as Receiver of all the assets belonging to the Association, including all tangible assets, real estate, receivables,

and financial accounts; and appointing the Receiver as the sole Board member for the Association with full power to act for the Association until this Court relieves the Receiver.

4. On April 26, 2024, the Court entered an *Order Granting Verified Petition for Appointment of Receiver* (the “Order Appointing Receiver”), thereby appointing Daniel J. Stermer as Receiver for the Association.

5. Since his appointment, the Receiver and his team have been communicating and engaging with the necessary professionals to help determine the cost and time needed to rehabilitate the Buildings while at the same time investigating a potential sale of the Property while continuing the day to day operations of the Association and addressing ongoing repairs that cannot just be put on hold. The Receiver came to this matter with no preconceived notions about the ultimate outcome of this very difficult situation, but time is critical and an informed decision as to the future direction of the Association must be made promptly and based upon the most current information available.

Procedural History

6. On April 29, 2024, the Receiver transmitted via email to all Unit Owner and renter’s email addresses provided by the Association an *Introductory Letter* addressed to the Unit Owners, tenants, and family members introducing himself and briefly explaining his role as Receiver. The Introductory Letter also included a *Contact Information Form* to be filled out by Owner’s and Occupants to assure the Receiver has up to date contact information.

7. On April 30, 2024, the Receiver filed the *Bond of Receiver*.

8. On April 30, 2024, the Receiver filed the *Oath and Acceptance of Receiver*, thereby accepting the appointment as Receiver pursuant to the terms and conditions of the Receivership Order.

9. On May 1, 2024, the Receiver notified Financial Institutions that the Association has open accounts at of his appointment and sought turnover of accounts and completed forms necessary to become the sole signatory on the accounts. As a result, the Receiver is the only authorized signatory on the Association's six known Accounts.

10. On May 2, 2024, the Receiver and his professionals met with officials from the City of Pembroke Pines regarding the condition of the Property and the Unsafe Structure Notifications that have been issued by the City regarding certain of the Association's Buildings, including with the City Manager, Assistant City Manager, the City Attorney's Office, the Vice Mayor, the Chief Building Official and his colleagues, and the Fire Marshal and his colleagues.

11. On May 7, 2024, the Receiver transmitted via email to all Unit Owner and renters the Receiver's *Notice Regarding Status of Property Insurance and Liability Insurance*.

12. On May 20, 2024, the Court entered an *Order Granting Receiver, Daniel J. Stermer's Motion for Approval of Employment of Berger Singerman LLP as Counsel to the Receiver Effective as of April 26, 2024*.

13. On May 20, 2024, the Court entered an *Order Granting Receiver, Daniel J. Stermer's Motion for Approval of Employment of Development Specialists, Inc. ("DSI") as Financial Advisor and Consultant to the Receiver to the Receiver Effective as of April 26, 2024*.

14. On May 20, 2024, the Court entered an *Order Granting Receiver, Daniel J. Stermer's Motion for Approval of Employment of Eisinger Law as Special Counsel to the Receiver Effective as of April 26, 2024*.

15. On May 20, 2024, the Court entered an *Order Granting Receiver, Daniel J. Stermer's Motion for Approval of Employment of Specialty Engineering Consultants, Inc., as Engineering Consultant to the Receiver*.

16. On May 22, 2024, the Receiver transmitted via email to all Unit Owners and renters the URL for the Receiver's website (www.heronpondreceiver.com) that contains, among other information, all of the filings in this matter.

17. On May 24, 2024, the Receiver filed *Receiver's Inventory Report* (the "Inventory Report"), reflecting the property coming into the Receiver's control and possession.

18. On May 24, 2024, the Receiver Filed his *First Monthly Report*.

19. May 28, 2024, the Receiver transmitted via email to all Unit Owners and renters the Inventory Report and First Monthly Report and advised that same were posted on the Receiver's website (www.heronpondreceiver.com).

20. On June 10, 2024, the Receiver filed his *Initial Statement of Account of Receiver* identifying the Receiver and his court-approved retained professionals fees and costs from April 26, 2024 through May 31, 2024.

21. On June 12, 2024, the Receiver filed a *Motion for Authority to Enter Into Insurance Policies and the To be filed Insurance Premium Finance Agreement*. On June 17, 2024 the Notice of Filing Insurance Proposals and Premium Finance Agreement was filed by the Court.

22. On June 18, 2024, the Court entered an *Order Authorizing the Receiver to enter into the Insurance Policies and Premium Finance Agreement* (the "Insurance Order").

23. On June 25, 2024, the Receiver filed his *Second Monthly Report*.

24. On July 3, 2024, the City issued Unsafe Structure Notices for Building 9 requiring all residents to vacate Building 9 on or before July 15, 2024.

25. On July 4, 2024, the Receiver transmitted via email to all Unit Owners and renters on the Association's Distribution List notice that the City issued Unsafe Structure Notices for Building 9, requiring all residents to vacate Building 9 on or before July 15, 2024.

26. On July 10, 2024, the Receiver filed his *Second Statement of Account of Receiver* identifying the Receiver and his court-approved retained professionals fees and costs from June 1, 2024 through June 30, 2024.

27. On July 24, 2024, the Receiver filed a *Notice of Filing ACG Engineering Services, Inc Engineering Report dated July 22, 2024* (the “ACG Engineering Report”), advising that “all 19 buildings should be vacated” due to structural damages and deficiencies and specifically wrote:

Nevertheless, based on the fact that we are now aware of a consistency of lateral load deficiencies noted in all four buildings that have had the support structures significantly exposed to date, it is my professional opinion, to the best of my knowledge, that all 19 buildings should be vacated, at least until the end of “hurricane season,” or until the required repairs have been completed and the buildings are once again deemed to be habitable.

28. On July 24, 2024, the Receiver filed an *Emergency Motion for Status Conference* regarding the ACG Engineering Report.

29. On July 24, 2024, the City posted Unsafe Structure Notices on the remaining Units and Buildings comprising the Heron Pond community requiring all Unit Owners and residents to vacate the property on or before August 29, 2024.

30. On July 25, 2024, the Court held a hearing on the ACG Engineering Report and the City’s Unsafe Structure Notices where numerous Unit Owners and residents attended. The Court was mindful of the situation and appreciated the fulsome update from the Receiver.

31. On July 29, 2024, the Receiver filed the *Motion for Authority to Pay Invoices of Tri-Star Construction, Inc. as General Contractor to the Association* (the “Tri-Star Motion”) seeking authority, but not direction, for the Receiver to pay certain invoices of Tri-Star Construction, Inc. up to the total amount of \$330,207.26. The Tri-Star Motion was granted on August 9, 2024 after notice and a hearing.

32. On July 29, 2024, the Receiver filed the *Receiver’s First Application For Fees And Costs* seeking approval of the fees and costs of the Receiver and his professionals from April 26,

2024 through June 30, 2024 (the “Fee Application”). The Fee Application was granted on August 9, 2024 after notice and a hearing.

33. On August 1, 2024, the Receiver filed the *Notice of Filing Specialty Engineering Consultants, Inc., Engineering Report dated July 23, 2024*, opining on the construction defects, improper and incomplete repair procedures, and environmental conditions plaguing Building 9 and finding that:

Much of the damage was non-location specific. Typical location specific damage would include design defects, or isolated member failures and can usually be contributed to a single isolated or individual source. The damage to Building 9 is universally bad. Consequently, it is reasonable to assume that similar mistakes were made throughout the community and that a lack of maintenance was similar throughout the community, and that the environmental effects would be similar throughout the community.

We have only inspected building 9. We will not offer an opinion on any structure we have not specifically inspected. It is reasonable to assume that the remainder of the buildings are in similar condition, and we would recommend that a similar program be instituted on those buildings if absolute verification of the existing condition of those buildings is required.

34. On August 9, 2024, the Receiver filed his *Third Statement of Account of Receiver* identifying the Receiver and his court-approved retained professionals fees and costs from July 1, 2024 through July 31, 2024.

35. On August 21, 2024, the Receiver filed a *Motion for Approval of Employment of Condominium Advisory Group, LLC*, as consultant to the Receiver (the “CAG Application”).

36. On August 22, 2024, the Receiver filed *Motion For Approval of Employment Of Dennis D. Mele and Greenspoon Marder LLP as Special Counsel to the Receiver* (the “Mele Application”).

37. The Receiver expects to promptly be filing a Motion for Approval of Employment of Avison Young-Florida, LLC and Fisher Auction Co., Inc. as sole agents/brokers for the Receiver (the “Avison Young Application”).

38. Each of these pleadings can be found on the Receiver’s website: www.heronpondreceiver.com once they have been filed

Association Assets

39. To date, the Receiver and his financial advisor, DSI, have been provided access to the accounting platform utilized by the current bookkeeper, Preferred Accounting Services, Inc. (“PAS”).

40. The Association’s Truist Operating Acct# XXXXXXXXXXXX1589¹ had an ending balance as of July 31, 2024, of \$331,331; the Association’s Truist Reserve Acct# XXXXXXXXXXXX1597 had an ending balance as of July 31, 2024 of \$18,042; the Association’s Truist Special Assessment Acct# XXXXXXXXXXXX1600 had an ending balance as of July 31, 2024 of \$305,154; the Association’s Popular Operating Acct# XXXXXXXXXXXX2537 had an ending balance as of July 31, 2024 of \$63,975; the Association’s Popular Reserve Acct# XXXXXXXXXXXX2626 had an ending balance as of July 31, 2024 of \$5,494; the Association’s Popular Special Assessment Acct# XXXXXXXXXXXX2595 had an ending balance as of July 31, 2024 of \$169,968. The Receiver has exclusive control of these six (6) bank accounts. As of July 31, 2024, the aggregate amount of funds available in the accounts is \$894,123.

41. DSI has and will continue to diligently analyze the transactions in these accounts to try to determine the current financial condition of the Association. At this point, a historical review of the pre-Receivership activity has not been commenced, while DSI’s efforts are focused on ascertaining the current and future financial condition of the Association and ability to pay expenses and properly budget for expenses. Additional review and discovery may be required to obtain a clearer picture of the historical flow of funds into and out of these bank accounts.

42. Attached hereto as composite **Exhibit “A”**

- a. Cash Balances as of July 31, 2024
- b. Cash Receipts and Disbursement Summary for July 2024
- c. Accounts Receivable- year to date (July 2024)

¹ Account numbers are redacted in their entirety pursuant to Fla. R. Jud. Admin. 2.240 and 2.245(a).

d. Owners Accounts Receivable Ledger (as of July 31, 2024)

Attached hereto as composite **Exhibit “B”**. July 2024 Financial Statements prepared by Preferred Accounting Services, Inc.

Receiver’s Statement of Activities Since The Filing Of Receiver’s Third Monthly Report

43. Since the filing of the Third Monthly Report, the Receiver and his counsel at Berger Singerman, have continued discussions with the Unit Owners, Tenants, Engineers, Contractors, Insurance Brokers, Representatives of the City, opposing counsel in the litigation described below, and other constituents with interests in the Association or the case. The Receiver appreciates the cooperation received to date. The life and safety issues plaguing the Association and Buildings have been the Receiver’s utmost concern since his appointment.

44. On July 30, 2024, the Receiver and the City held a combined meeting via Zoom with Unit Owners and certain City officials to provide additional information related to the ACG Engineering Report and they City’s issuance of the Unsafe Structure Notices (the “Unit Owner Meeting”).²

45. All of the information reviewed by the Receiver and his team to date solidify the conclusion that the Property has been subject to substantial damage and destruction and cannot be repaired, reconstructed, or rebuilt within a reasonable period of time due to extensiveness of structural and related deterioration and damage and the exorbitant cost and time to repair which would require the Receiver to impose a significant Special Assessment which is projected to be no less than \$40,000.00 per Unit.

46. On August 5, 2024, after the Unit Owner Meeting, the Receiver conducted his second informal non-binding poll of Unit Owners to provide data to the Receiver and his team as

² The July 30, 2024, Unit Owner meeting via Zoom was the Receiver’s second Zoom meeting with Unit Owners with the first taking place on June 13, 2024.

to the Unit Owner's collective intentions on whether the Property should be rehabilitation or if a global sale of the Property should be conducted.

47. The Poll Results were as follows:

- a. 106 of the 155 Unit Owners (approximately 64%) participated and casted a vote, with 91 votes (84%) voting to sell the Property.
- b. the 106 voting Unit Owners represent 138 of the 304 Units.

After the closure of the Poll, on August 14, 2024, a meeting was held between Federated Foundation Trust's engineer/construction consultant and the Receiver's engineers to discuss the damage and structural and related condition to the Buildings and the potential to rehabilitate the Buildings. Subsequent to this meeting, on August 16, 2024, the Receiver received confirmation from Federated Foundation Trust that it, like 106 other Unit Owners, voted to engage in a competitive sale process for the sale of the Property. As such, the Poll results have been updated:

- a. 107 of the 155 Unit Owners (approximately 69%) participate and casted a vote or advised, with 92 votes (86%) voting to sell the Property.
- b. the 107 voting Unit Owners represent 249 of the 304 Units.

48. Based upon the updated Poll results, over 86% of the voting Unit Owners, representing over 80% of the total 304 Units, have urged and appear to agree that the Association should be consensually terminated, and the Property be sold.

49. Thereafter, on August 16, 2024, the Receiver transmitted an email to all Unit Owners notifying them of the Receiver's intent to move forward expeditiously to seek court approval with a sale process in an effort to maximize the value of the Property for the benefit of all Unit Owners. This process will require Court intervention and the termination of the Heron Pond Condominium Association.

50. I expect to prepare and file certain Motions and pleadings in the coming weeks to commence this process. The Receiver's team has begun to draft the appropriate pleadings, obtain

the necessary title reports and other due diligence, and engage the necessary professionals to efficiently run the process, some of which are detailed above.

51. As will be set forth in the Avison Young Application, the Receiver intends on engaging Avison Young-Florida, LLC and Fisher Auction Co. Inc., as the Association's exclusive real estate Broker, to assist in the formulation and execution of a competitive sale process for the sale of the Property. Once this process has been formulated in the context of the Association termination process, additional pleadings and notices will be filed with the Court and posted to the Receiver's website. The Receiver remains hopeful that a consensual process can be accomplished to avoid lengthy litigation and the associated expenses that typically comes with same.

52. As set forth in the CAG Application, the Receiver is engaging Condominium Advisory Group, LLC as consultant to the Receiver to work with the Receiver's professionals to assist with the preparation of the plan of termination for the Association and other and additional issues/processes related thereto. Additional details regarding this engagement are set forth in the CAG Application.

53. As set forth in the Mele Application, the Receiver is engaging Dennis D. Mele and Greenspoon Marder LLP as special counsel to the Receiver to assist the Receiver's professionals and prepare a detailed analysis and report related to the entitlements available to the Property for future development and construction. This analysis will assist the Receiver in obtaining the highest and best price for the Property in the competitive sales process. Additional details regarding this engagement are set forth in the Mele Application.

54. All parties, including all Unit Owners, lenders, and lienors, will have the opportunity to participate in the sale and termination process.

55. However, it's important to understand that if there are objections raised to the relief sought in the Receiver's Motions, the time and expense of the court litigation process will be much

greater than if consensus and agreement can be reached. The Receiver and his team will seek to be as transparent as possible to reach a mutual consensus on the termination and competitive sale process to avoid unnecessary fees and costs that will ultimately reduce the proceeds available to Unit Owners.

56. At this time, there can be no guarantees as to potential sale price or the amount of proceeds that will be distributed to each Unit Owner. The Receiver and his team will be working to obtain the highest and best offer for the Property through a court approved marketing and sale process. The proposed sale will ultimately be the decision of the Receiver, in his business judgment, and will be subject to court disclosure and approval.

57. Attached hereto as **Exhibit "C"**, is a letter to Lenders that the Receiver prepared and encourages Unit Owners to provide to their respective lenders to provide formal notice to the lenders of the condition of Heron Pond and to request the lender to provide any mortgage relief options available to the Unit Owners that have an existing mortgage with their institution.

58. Notwithstanding, it is vital that each Unit Owner understands the below provision provided for in Florida Statutes, regarding the potential termination of Heron Pond. Florida Statutes provide:

The plan of termination must provide for payment of a first mortgage encumbering a unit to the extent necessary to satisfy the lien, but the payment may not exceed the unit's share of the proceeds of termination under the plan. **If the unit owner is current in payment of both assessments and other monetary obligations to the association and any mortgage encumbering the unit as of the date the plan of termination is recorded, the receipt by the holder of the unit's share of the proceeds of termination under the plan or the outstanding balance of the mortgage, whichever is less, shall be deemed to have satisfied the first mortgage in full. Fla. Stat. §718.117(3)(c)(4).**

59. The Receiver has no independent knowledge as to the mortgages and amounts that encumber Units but urges Unit Owners to remain current on their monthly monetary obligations to the Association and their mortgage to preserve the ability to have the sale proceeds satisfy the

outstanding mortgage, should such relief be granted. Unit Owners should consult with their own legal and financial professionals to make sure that your independent rights are protected.

60. In the upcoming weeks, the Receiver will be filing additional pleadings in the Receivership Case to assist and pursue the termination of the Heron Pond Condominium and commence a competitive sale process. The Receiver will continue to keep Unit Owners and other interested parties updated as additional information becomes available and will continue to update the Receiver's website.

RECEIVER'S CERTIFICATION

I, Daniel J. Stermer, as Receiver, hereby certifies, under penalties of perjury, that the foregoing Receiver's Initial Report is true and accurate to the best of my personal knowledge and belief.

/s/ Daniel J. Stermer

Daniel J. Stermer

Dated: August 23, 2024

Respectfully submitted,

BERGER SINGERMAN LLP
Counsel for Receiver
201 East Las Olas Blvd.
Suite 1500
Fort Lauderdale, FL 33301
Tallahassee, FL 32301
Tel. (954) 525-9900

By: /s/ Brian G. Rich

Brian G. Rich
Florida Bar No. 38229
brich@bergersingerman.com
Jeffrey S. Wertman
Florida Bar No. 003093
JWertman@bergersingerman.com
Michael J. Niles
Florida Bar No. 107203
mniles@bergersingerman.com

CERTIFICATE OF ELECTRONIC FILING AND SERVICE

I HEREBY CERTIFY that on this 23rd day of August 2024, the foregoing was filed electronically through the Florida Court's E-Filing Portal, which will send notice of electronic filing to all electronic service parties.

By: /s/ Brian G. Rich
Brian G. Rich

COMPOSITE EXHIBIT “A”

Heron Pond Condominium Association, Inc.

Cash Balances as of July 31, 2024 (Bank Balances)

Bank Balance

7/31/2024

Operating Account - Truist Bank #1589	331,311
Reserve Account - Truist Bank #1597	18,042
Special Assessment Account - Truist Bank #1600	305,154
Operating Account - Popular Bank #2537	63,975
Reserve Account - Popular Bank #2626	5,494
Special Assessment Account - Popular Bank #2595	169,968
Legacy Operating Account - Ocean Bank #2805	179

Total Balance	<u>\$ 894,123</u>
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Recap:

Operating Accounts	395,465
Reserve & Special Assessment Accounts	<u>498,658</u>
	<u>\$ 894,123</u>

Heron Pond Condominium Association, Inc.

Cash Receipts and Disbursement Summary - July 2024

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Total
Bank Balance - Beginning (all accounts)	\$ 334,823	\$ 433,482	\$ 434,223	\$ 481,814	\$ 599,418	\$ 606,949	\$ 890,888	\$ 334,823
Receipts:								
Owners Assessments - Monthly	\$ 82,949	\$ 76,794	\$ 85,544	\$ 81,418	\$ 63,257	\$ 418,044	\$ 69,829	\$ 877,834
Owners Assessments - Special	149,786	23,745	60,184	150,028	31,584	35,603	55,300	506,230
Returned Payments	(2,424)	(1,404)	(5,964)	(2,330)	(2,330)	(2,748)	(2,438)	(19,639)
Prepaid Owners Assessments	13,949	1,860	19,657	49,579	16,298	14,073	15,531	130,946
Other Receipts / Transfers / Adjustments	5,502	(8,518)	(22,543)	38,102	4,924	(28,111)	32,633	21,988
	\$ 249,762	\$ 92,476	\$ 136,878	\$ 316,797	\$ 113,731	\$ 436,860	\$ 170,854	\$ 1,517,358
Disbursements - Operating:								
Accounting	\$ (3,900)	\$ -	\$ (1,300)	\$ -	\$ -	\$ (2,600)	\$ (1,300)	\$ (9,100)
Audit and Tax Preparation	-	-	-	-	-	-	-	-
Annual Condo Fees	(2,554)	-	-	-	-	-	-	(2,554)
Bulk Waste	-	-	-	(1,800)	-	-	(900)	(2,700)
Electricity	-	(4,366)	(2,058)	(1,631)	(1,717)	-	(3,795)	(13,567)
Fence Rental	(1,950)	-	(3,900)	(1,950)	(1,950)	-	(1,950)	(11,700)
Golf Cart Lease	(400)	-	-	-	(600)	(200)	(214)	(1,414)
Insurance	(425)	-	(851)	(425)	-	(53,339)	(47,476)	(102,516)
Internet	(348)	(354)	(354)	(354)	(354)	(354)	(454)	(2,572)
Lake Maintenance	(530)	-	-	-	-	-	-	(530)
Lawn Maintenance	(3,400)	(6,800)	(3,400)	-	(10,200)	(3,400)	(6,800)	(34,000)
Legal Fees	(4,371)	(9,905)	(4,729)	(2,663)	-	-	-	(21,667)
Licenses, Taxes Permits	-	-	(506)	(3,844)	-	-	-	(4,349)
Management	-	(3,995)	-	-	(3,995)	(11,985)	-	(19,975)
Monthly Pole Shore	(17,000)	-	-	-	-	-	-	(17,000)
Office Supplies	(77)	(77)	(527)	(77)	(77)	(527)	(3,377)	(4,738)
Other	-	-	-	-	-	-	-	-
Owner Accounts	-	-	-	-	(1,570)	-	-	(1,570)
Payroll	(8,292)	(7,831)	(7,695)	(7,735)	(20,372)	(7,609)	(7,522)	(67,056)
Permit Fees	(1,314)	-	-	-	-	-	-	(1,314)
Pest Control	(1,526)	-	-	-	(800)	(217)	(726)	(3,269)
Plumbing	(600)	-	-	-	-	-	-	(600)
Pool License Renewal	-	-	(601)	-	-	(175)	-	(776)
Pool Service	(1,600)	-	(1,600)	-	(1,600)	(800)	(800)	(6,400)
Postage	-	-	(114)	-	(352)	-	(278)	(744)
Postage/Locks & Keys	-	(345)	-	-	-	-	-	(345)
Printing/Office Supplies	(1,878)	(1,596)	-	(11)	-	-	-	(3,484)
Professional Fees	(43,585)	(20,010)	-	-	-	-	-	(63,595)
R&M Fire Safety Equipment	(861)	-	-	-	(2,120)	-	-	(2,981)
R&M General	(650)	(9,600)	(100)	(3,200)	(1,753)	(1,960)	-	(17,263)
R&M Maintenance Supplies	-	-	-	-	-	-	-	-
R&M Plumbing	-	-	-	-	(1,180)	-	(450)	(1,630)
R&M Security Locks & Keys	-	(1,032)	(1,505)	(9)	-	-	(380)	(2,925)
Rent	-	-	-	-	-	-	-	-
Rental	(3,213)	-	(6,426)	(3,213)	(3,213)	-	-	(16,065)
Reserves*	(14,345)	-	-	-	-	-	-	(14,345)
Screening Fees	(377)	-	-	-	-	-	-	(377)
Security Services	-	-	(13,506)	(8,898)	(13,347)	(13,506)	(4,608)	(53,866)
Shoring Rent	(11,739)	-	(23,478)	(11,739)	(11,739)	(16,902)	(11,739)	(87,336)
Solid Waste	(7,200)	(7,200)	-	-	(7,200)	-	(7,200)	(28,800)
Unit Refund	-	-	-	(3,120)	-	-	-	(3,120)
Water	(18,969)	(18,625)	(16,638)	(52,846)	(22,062)	(19,307)	(23,374)	(171,820)
	\$ (151,103)	\$ (91,735)	\$ (89,287)	\$ (103,514)	\$ (106,201)	\$ (132,881)	\$ (123,342)	\$ (798,062)
Disbursements - Special Assessment:								
Special Assessment Spent	\$ -	\$ -	\$ -	\$ (95,679)	\$ -	\$ (20,040)	\$ (44,277)	\$ (159,996)
Net Cash Activity	\$ 98,659	\$ 741	\$ 47,591	\$ 117,604	\$ 7,531	\$ 283,939	\$ 3,235	\$ 559,300
Bank Balance - Ending	\$ 433,482	\$ 434,223	\$ 481,814	\$ 599,418	\$ 606,949	\$ 890,888	\$ 894,123	\$ 894,123
								\$ -

* Contribution to Reserves removed from operating budget until operations are stabilized.

Annual Budget for 2024 had \$343,961 for Reserves. No amounts transferred pre-Receivership to increase 2024 Reserves.

Heron Pond Condominium Association, Inc.
 Accounts Receivable Roll Forward - Year to Date July 2024

	<u>Billed</u>	<u>Collected</u>	<u>Prepaid - Applied</u>	<u>Balance</u>	
<u>Owner Assessments Receivable</u>					
				\$ 190,449	
Dec-23				\$ 190,449	
Jan-24	\$ 138,901	\$ (82,949)	\$ (7,232)	\$ 239,168	
Feb-24	\$ 138,898	\$ (76,794)	\$ (5,620)	\$ 295,652	Feb-2024 : Approx 13 unpaid
Mar-24	\$ 139,623	\$ (85,544)	\$ (3,824)	\$ 345,907	
Apr-24	\$ 138,998	\$ (81,418)	\$ (4,696)	\$ 398,791	Apr-2024 : Approx 5 unpaid
May-24	\$ 138,973	\$ (61,428)	\$ (12,152)	\$ 464,183	May-2024 : Approx 28 unpaid
Jun-24	\$ 139,023	\$ (418,044)	\$ (13,070)	\$ 172,092	June-2024 : Approx 74 unpaid
Jul-24	\$ 138,998	\$ (69,829)	\$ (9,430)	\$ 231,830	July-2024 : Approx 176 unpaid
	<u>\$ 973,411</u>	<u>\$ (876,005)</u>	<u>\$ (56,024)</u>	<u>\$ 231,830</u>	
<u>Special Assessments Receivable</u>					
Dec-23				\$ -	
Jan-24	\$ 862,953	\$ (149,786)	\$ (6,147)	\$ 707,020	1st 2024 Assessment: 197 unpaid
Feb-24		\$ (23,745)	\$ (392)	\$ 682,883	
Mar-24		\$ (60,184)	\$ -	\$ 622,699	
Apr-24	\$ 866,073	\$ (150,028)	\$ (41,359)	\$ 1,297,385	2nd 2024 Assessment: 246 unpaid
May-24		\$ (31,584)	\$ (2,116)	\$ 1,263,686	
Jun-24		\$ (35,603)	\$ -	\$ 1,228,084	
Jul-24		\$ (55,300)	\$ -	\$ 1,172,784	
	<u>\$ 1,729,027</u>	<u>\$ (506,230)</u>	<u>\$ (50,013)</u>	<u>\$ 1,172,784</u>	29%
TOTAL	<u>\$ 2,702,438</u>	<u>\$ (1,382,235)</u>	<u>\$ (106,038)</u>	<u>\$ 1,404,614</u>	

<u>Prepaid Owner Assessments Account</u>				
	<u>Cash Receipts</u>	<u>Applied</u>	<u>Adjustments</u>	<u>Balance</u>
				\$ 7,742
Jan-24	\$ (13,949)	\$ 13,380	\$ 3	\$ 8,314
Feb-24	\$ (1,860)	\$ 6,012	\$ 274	\$ 4,437
Mar-24	\$ (19,657)	\$ 3,824	\$ 250	\$ 20,520
Apr-24	\$ (49,579)	\$ 46,055	\$ (916)	\$ 23,128
May-24	\$ (16,298)	\$ 14,267	\$ (502)	\$ 24,657
Jun-24	\$ (14,073)	\$ 13,070	\$ (1,422)	\$ 24,237
Jul-24	\$ (15,531)	\$ 9,430	\$ (930)	\$ 29,407
TOTAL	<u>\$ (130,946)</u>	<u>\$ 106,038</u>	<u>\$ (3,243)</u>	<u>\$ 29,407</u>

Heron Pond Condominium Association, Inc.

Owners Accounts Receivable Ledger

Aging Summary as of July 31, 2024

<u>Type</u>	<u>Current</u>	<u>Over 30 days</u>	<u>Over 60 days</u>	<u>Over 90 days</u>	<u>Total</u>
Late Fees	-	-	-	9,899.74	\$ 9,899.74
NSF Charges	75.00	75.00	25.00	200.00	\$ 375.00
Maintenance	79,755.67	25,922.78	998.02	114,036.63	\$ 220,713.10
Maintenance Increase	-	4.89	12.08	825.44	\$ 842.41
Special Assessment	-	-	560.10	1,172,224.06	\$ 1,172,784.16
Less: Prepaid Owners Assessments				(29,407.17)	\$ (29,407.17)
Total	\$ 79,830.67	\$ 26,002.67	\$ 1,595.20	\$ 1,267,778.70	\$ 1,375,207.24

Recap:

Owner Assessments Receivable	79,830.67	26,002.67	1,035.10	124,961.81	\$ 231,830.25
Special Assessments Receivable	-	-	560.10	1,172,224.06	\$ 1,172,784.16
Less: Prepaid Owners Assessments	-	-	-	(29,407.17)	\$ (24,237.14)
Total	\$ 79,830.67	\$ 26,002.67	\$ 1,595.20	\$ 1,267,778.70	\$ 1,380,377.27

General Footnote:

The balances reflected are from the accounting system utilized by Heron Pond's accountant's, Preferred Accounting Services as the data existed on July 31, 2024. The Receiver has not confirmed the accuracy of the balances reflected.

Additional Late Fees, Interest and Other Collection costs owing on past due accounts may be applied to the balances reflected.

Heron Pond Condominium Association, Inc.
 Owners Accounts Receivable Ledger
 Summary by Unit Number as of July 31, 2024

<u>Account #</u>	<u>Current</u>	<u>Over 30</u>	<u>Over 60</u>	<u>Over 90</u>	<u>Balance</u>
13206	406.29	406.29	-	6,229.65	7,042.23
8101	463.63	-	-	5,787.04	6,250.67
19105	375.18	375.18	-	5,449.64	6,200.00
4207	502.03	502.03	-	9,791.33	10,795.39
7106	502.03	502.03	-	9,812.32	10,816.38
19204	-	-	-	4.50	4.50
8201	463.63	463.63	-	15,759.03	16,686.29
4201	375.18	375.18	-	4,717.88	5,468.24
1205	375.18	9.00	-	-	384.18
8208	18.10	-	-	3,119.60	3,137.70
17101	-	-	-	2,340.39	2,340.39
9207	-	-	-	3,125.64	3,125.64
7204	-	-	-	4,671.78	4,671.78
19201	375.18	375.18	-	3,081.75	3,832.11
19202	502.03	502.03	-	4,135.74	5,139.80
1203	502.03	501.14	-	3,119.60	4,122.77
2205	350.18	-	-	4,317.10	4,667.28
12206	25.00	-	-	-	25.00
3201	35.04	-	-	2,597.15	2,632.19
3204	417.95	25.00	-	5,204.34	5,647.29
8106	463.63	463.63	-	15,394.91	16,322.17
3202	-	-	-	6,251.28	6,251.28
17107	502.03	502.03	-	9,088.74	10,092.80
11108	-	-	-	3,131.68	3,131.68
18202	502.03	502.03	1,570.20	6,683.16	9,257.42
19107	502.03	502.03	-	8,253.36	9,257.42
15203	832.69	29.89	-	75.00	937.58
4107	418.79	-	-	3,306.68	3,725.47
3103	418.79	-	-	3,306.68	3,725.47
6102	418.79	-	-	3,306.68	3,725.47
10101	417.95	5.02	-	2,597.15	3,020.12
12202	502.03	502.03	-	9,270.27	10,274.33
9104	-	-	-	6,088.28	6,088.28
16201	-	-	-	5,773.18	5,773.18
4104	375.18	-	-	4,687.78	5,062.96
17202	6.04	-	-	6,239.20	6,245.24
6103	-	-	-	1,613.51	1,613.51
1206	502.03	502.03	-	13,487.92	14,491.98
19108	-	-	-	9.00	9.00
4105	-	-	-	2,335.89	2,335.89
6104	-	-	-	5,204.34	5,204.34
9205	-	-	-	5,773.18	5,773.18

Heron Pond Condominium Association, Inc.
 Owners Accounts Receivable Ledger
 Summary by Unit Number as of July 31, 2024

<u>Account #</u>	<u>Current</u>	<u>Over 30</u>	<u>Over 60</u>	<u>Over 90</u>	<u>Balance</u>
10107	-	-	-	6,251.28	6,251.28
6202	-	-	-	3,131.68	3,131.68
11102	463.63	395.42	-	5,973.18	6,832.23
4106	502.03	502.03	-	7,637.33	8,641.39
5102	502.03	502.03	-	7,635.73	8,639.79
1208	375.18	375.18	-	5,859.42	6,609.78
12105	375.18	375.18	-	5,859.42	6,609.78
12107	502.03	502.03	-	7,772.77	8,776.83
12201	375.18	375.18	-	5,859.42	6,609.78
15205	540.91	540.91	-	8,367.67	9,449.49
2104	375.18	375.18	-	6,172.40	6,922.76
5206	502.03	502.03	-	6,994.33	7,998.39
5108	-	-	-	2,331.39	2,331.39
14101	540.91	540.91	-	7,392.09	8,473.91
15201	-	-	-	6,735.40	6,735.40
3102	312.45	-	-	6,426.28	6,738.73
12205	375.18	375.18	-	5,287.18	6,037.54
7205	375.18	375.18	-	5,287.18	6,037.54
8105	463.63	463.63	-	6,480.57	7,407.83
4103	502.03	502.03	-	7,417.35	8,421.41
9107	-	-	-	6,251.28	6,251.28
16107	-	-	-	3,369.60	3,369.60
15103	406.29	406.29	-	6,501.04	7,313.62
18104	375.18	375.18	-	6,067.75	6,818.11
18107	502.03	502.03	-	8,561.39	9,565.45
8102	463.63	463.63	-	7,485.70	8,412.96
11203	-	-	-	6,251.28	6,251.28
3203	502.03	502.03	-	6,610.98	7,615.04
16108	502.03	502.03	-	10,018.53	11,022.59
13205	540.91	122.73	-	-	663.64
4206	502.03	6.09	-	-	508.12
11107	-	-	-	3,119.60	3,119.60
13103	34.23	-	-	4,480.47	4,514.70
18206	-	-	-	2,875.64	2,875.64
11206	386.76	-	-	5,948.18	6,334.94
14102	-	-	-	4,920.24	4,920.24
15105	540.91	527.89	-	6,935.40	8,004.20
16101	-	-	-	5,773.18	5,773.18
16106	463.63	463.63	-	6,236.81	7,164.07
16207	502.03	502.03	-	7,374.30	8,378.36
6105	-	-	-	5,204.34	5,204.34
15202	406.29	72.40	-	5,049.34	5,528.03

Heron Pond Condominium Association, Inc.
 Owners Accounts Receivable Ledger
 Summary by Unit Number as of July 31, 2024

<u>Account #</u>	<u>Current</u>	<u>Over 30</u>	<u>Over 60</u>	<u>Over 90</u>	<u>Balance</u>
3108	60.14	-	-	5,194.30	5,254.44
9204	66.98	-	-	6,239.20	6,306.18
12106	-	-	-	3,156.42	3,156.42
9108	-	-	-	3,119.60	3,119.60
1105	-	-	-	2,340.39	2,340.39
10105	-	-	-	5,204.34	5,204.34
10108	-	-	-	5,204.34	5,204.34
16206	-	-	-	5,773.18	5,773.18
13207	406.29	166.63	-	5,284.12	5,857.04
12103	502.03	502.03	-	11,222.70	12,226.76
2101	-	-	-	2,340.39	2,340.39
12102	-	-	-	6,251.28	6,251.28
15101	-	-	-	6,735.40	6,735.40
16102	-	-	-	5,773.18	5,773.18
1102	-	-	-	6,251.28	6,251.28
6101	412.93	-	-	5,404.34	5,817.27
10102	(502.03)	-	-	689.10	187.07
17203	12.08	-	-	30.20	42.28
2201	375.18	375.18	-	1,900.96	2,651.32
2202	502.03	502.03	-	15,634.44	16,638.50
1103	502.03	502.03	-	6,705.14	7,709.20
7203	502.03	502.03	-	9,705.09	10,709.15
13107	(406.29)	-	-	-	(406.29)
16202	463.63	463.63	-	7,507.72	8,434.98
9201	463.63	-	-	-	463.63
2107	502.03	11.09	-	6,239.20	6,752.32
1106	-	-	-	599.83	599.83
3205	-	-	-	5,204.34	5,204.34
1207	502.03	11.28	-	-	513.31
17108	375.18	375.18	-	14,536.22	15,286.58
13105	-	-	-	6,735.40	6,735.40
9103	-	-	-	4,658.31	4,658.31
14206	-	-	-	5,054.23	5,054.23
4203	502.03	75.04	-	-	577.07
18201	375.18	375.18	-	10,124.20	10,874.56
13102	-	-	-	1,197.32	1,197.32
12108	-	-	-	1,965.21	1,965.21
5103	502.03	502.03	-	9,270.34	10,274.40
6204	-	-	-	2,617.23	2,617.23
16204	-	-	-	6,245.24	6,245.24
3207	643.88	25.00	25.00	6,239.20	6,933.08
8206	-	-	-	11.14	11.14

Heron Pond Condominium Association, Inc.
 Owners Accounts Receivable Ledger
 Summary by Unit Number as of July 31, 2024

<u>Account #</u>	<u>Current</u>	<u>Over 30</u>	<u>Over 60</u>	<u>Over 90</u>	<u>Balance</u>
16105	-	-	-	2,886.59	2,886.59
10104	417.95	-	-	5,219.30	5,637.25
10106	502.03	-	-	6,264.20	6,766.23
10201	417.95	-	-	5,219.30	5,637.25
10203	502.03	-	-	6,264.20	6,766.23
10205	417.95	-	-	5,219.30	5,637.25
1101	375.18	-	-	4,687.78	5,062.96
1104	375.18	-	-	4,687.78	5,062.96
1107	502.03	-	-	6,264.20	6,766.23
11103	502.03	-	-	6,264.20	6,766.23
11104	502.03	-	-	6,264.20	6,766.23
11106	463.63	-	-	5,787.04	6,250.67
11201	463.63	-	-	5,787.04	6,250.67
11202	463.63	-	-	5,303.98	5,767.61
11204	502.03	-	-	6,264.20	6,766.23
11205	463.63	-	-	5,787.04	6,250.67
11207	502.03	-	-	6,264.20	6,766.23
11208	502.03	-	-	6,264.20	6,766.23
1201	375.18	-	-	4,687.78	5,062.96
1204	375.18	-	-	4,687.78	5,062.96
12101	375.18	-	-	4,687.78	5,062.96
12104	375.18	-	-	4,687.78	5,062.96
13101	540.91	-	-	6,329.43	6,870.34
13106	406.29	-	-	5,074.29	5,480.58
13108	540.91	-	-	6,747.38	7,288.29
13203	406.29	-	-	5,074.29	5,480.58
13204	540.91	-	-	6,747.38	7,288.29
14103	406.29	-	-	5,074.29	5,480.58
14104	540.91	-	-	6,747.38	7,288.29
14107	406.29	-	-	5,074.29	5,480.58
14201	540.91	-	-	6,747.38	7,288.29
14204	540.91	-	-	6,747.38	7,288.29
14205	540.91	-	-	6,747.38	7,288.29
14208	540.91	-	-	6,747.38	7,288.29
15104	540.91	-	-	6,747.38	7,288.29
15107	406.29	-	-	5,074.29	5,480.58
15204	540.91	-	-	6,747.38	7,288.29
16103	502.03	-	-	6,264.20	6,766.23
16104	502.03	-	-	6,264.20	6,766.23
16203	502.03	-	-	6,264.20	6,766.23
16205	463.63	-	-	5,787.04	6,250.67
17102	502.03	-	-	6,264.20	6,766.23

Heron Pond Condominium Association, Inc.
 Owners Accounts Receivable Ledger
 Summary by Unit Number as of July 31, 2024

<u>Account #</u>	<u>Current</u>	<u>Over 30</u>	<u>Over 60</u>	<u>Over 90</u>	<u>Balance</u>
17204	375.18	-	-	4,687.78	5,062.96
18101	375.18	-	-	4,687.78	5,062.96
18102	502.03	-	-	6,264.20	6,766.23
18105	375.18	-	-	4,687.78	5,062.96
18106	502.03	-	-	6,264.20	6,766.23
18108	375.18	-	-	4,687.78	5,062.96
18203	502.03	-	-	6,264.20	6,766.23
18204	375.18	-	-	4,687.78	5,062.96
18205	375.18	-	-	4,687.78	5,062.96
19101	375.18	-	-	4,687.78	5,062.96
19102	502.03	-	-	6,264.20	6,766.23
19104	375.18	-	-	4,687.78	5,062.96
19106	502.03	-	-	6,264.20	6,766.23
19203	502.03	-	-	6,264.20	6,766.23
19207	502.03	-	-	6,264.20	6,766.23
2102	502.03	-	-	6,264.20	6,766.23
2103	271.78	-	-	6,239.20	6,510.98
2105	375.18	-	-	4,687.78	5,062.96
2106	502.03	-	-	6,264.20	6,766.23
2108	375.18	-	-	4,687.78	5,062.96
2203	502.03	-	-	6,264.20	6,766.23
2206	502.03	-	-	6,264.20	6,766.23
3104	417.95	-	-	5,219.30	5,637.25
3106	502.03	-	-	6,264.20	6,766.23
3107	502.03	-	-	6,264.20	6,766.23
3206	502.03	-	-	6,264.20	6,766.23
4101	375.18	-	-	4,687.78	5,062.96
4102	502.03	-	-	6,264.20	6,766.23
4202	502.03	-	-	6,264.20	6,766.23
4204	375.18	-	-	4,687.78	5,062.96
5101	375.18	-	-	4,687.78	5,062.96
5106	502.03	-	-	6,264.20	6,766.23
5107	502.03	-	-	6,264.20	6,766.23
5203	502.03	-	-	6,264.20	6,766.23
5204	375.18	-	-	4,687.78	5,062.96
6206	502.03	-	-	6,264.20	6,766.23
7101	375.18	-	-	4,687.78	5,062.96
7103	502.03	-	-	6,264.20	6,766.23
7104	375.18	-	-	4,687.78	5,062.96
7105	375.18	-	-	4,687.78	5,062.96
7108	375.18	-	-	4,687.78	5,062.96
7201	375.18	-	-	4,687.78	5,062.96

Heron Pond Condominium Association, Inc.
 Owners Accounts Receivable Ledger
 Summary by Unit Number as of July 31, 2024

<u>Account #</u>	<u>Current</u>	<u>Over 30</u>	<u>Over 60</u>	<u>Over 90</u>	<u>Balance</u>
7202	502.03	-	-	6,264.20	6,766.23
7206	502.03	-	-	6,264.20	6,766.23
7207	502.03	-	-	6,264.20	6,766.23
7208	375.18	-	-	4,630.08	5,005.26
8103	502.03	-	-	6,264.20	6,766.23
8104	502.03	-	-	6,264.20	6,766.23
8107	502.03	-	-	6,264.20	6,766.23
8203	502.03	-	-	6,264.20	6,766.23
8205	463.63	-	-	5,787.04	6,250.67
8207	502.03	-	-	6,264.20	6,766.23
9102	463.63	-	-	5,787.04	6,250.67
9105	463.63	-	-	5,787.04	6,250.67
9202	463.63	-	-	5,787.04	6,250.67
9203	502.03	-	-	6,264.20	6,766.23
9206	463.63	-	-	5,787.04	6,250.67
4208	375.18	375.18	-	5,449.64	6,200.00
10206	502.03	502.03	-	7,275.14	8,279.20
17104	375.18	375.18	-	5,449.64	6,200.00
19205	375.18	375.18	-	5,449.64	6,200.00
19208	375.18	375.18	-	5,449.64	6,200.00
4108	375.18	375.18	-	5,449.64	6,200.00
6207	25.00	-	-	5,743.21	5,768.21
4205	-	-	-	4,671.78	4,671.78
5104	-	-	-	4,671.78	4,671.78
2207	-	-	-	3,131.28	3,131.28
12207	502.03	502.03	-	3,621.63	4,625.69
14108	540.91	540.91	-	8,670.25	9,752.07
					<u>\$ 1,404,614.41</u>

COMPOSITE EXHIBIT “B”

**HERON POND CONDOMINIUM
ASSOCIATION, INC.**

BALANCE SHEET
Consolidated
As of: 07/31/2024

Assets

Account #	Account Name	Total
Assets		
01010	Cash - Operating Popular Bank	\$27,971.67
01020	Cash - Reserves Popular Bank	\$40,153.35
01030	Cash - Spec. Assess Popular Bank	\$169,968.28
01035	Cash - Operating Ocean Bank	\$607.74
01050	Cash - Operating - Truist	\$315,703.19
01056	Cash - Reserves - Truist	\$18,042.19
01060	Cash - Special Assessment - Truist	\$305,153.84
01200	Owner Assessments Receivable	\$231,830.25
01210	Special Assessments Receivable	\$1,172,784.16
01605	Due to Reserve	\$200,643.80
01610	Prepaid Insurance	\$500,848.17
	ASSETS TOTAL:	\$2,983,706.64
	TOTAL ASSETS:	\$2,983,706.64

Liabilities

Account #	Account Name	Total
Liabilities		
02001	Accounts Payable	\$30,936.62
02002	Accrued Expenses	\$19,325.76
02010	Insurance Payable	\$472,258.60
02250	Due from Operating	\$200,643.80
02500	Prepaid Owner Assessments	\$29,407.17
02605	Deferred Income Cable	\$41,040.00
	LIABILITIES TOTAL:	\$793,611.95
	TOTAL LIABILITIES:	\$793,611.95

Equity

Account #	Account Name	Total
Reserves		
03010	Reserves - Interest	\$3,628.62
03012	Reserves - Exterior Lighting	\$15,786.80
03016	Reserves - Paving	\$178,972.31
03018	Reserves - Pool	\$105,307.99
03024	Reserves - Roof	(\$61,792.14)
03035	Reserves - Structural Repairs	(\$107,045.79)
03045	Reserves - Paint Exterior	\$454,851.16

Account #	Account Name	Total
	RESERVES TOTAL:	\$589,708.95
Special Assessments		
03047	SA-Community Center	(\$9,756.34)
03048	SA-Engineer	\$1,000.00
03049	SA-Exterior Lighting	(\$311.49)
03050	SA-Landscaping	\$15,000.00
03051	SA-Parking Lot Repairs	\$5,000.00
03052	SA-Sign Replacement Repairs	\$6,548.00
03053	SA-Structural Repairs	\$1,212.21
03054	SA-Termite Treatment	\$1,725.00
03055	SA-Termite Treatment Buildings	\$112,869.00
03056	SA-Trash Compactor	\$8,000.00
03057	Special Assessment Billed	\$1,725,907.52
03058	Special Assessment Spent	(\$148,438.00)
	SPECIAL ASSESSMENTS TOTAL:	\$1,718,755.90
Members Equity		
03700	Capital Contribution	\$2,975.94
03800	Retained Earnings	(\$123,200.06)
	MEMBERS EQUITY TOTAL:	(\$120,224.12)
	Current Year Net Income/(Loss)	\$1,853.96
	TOTAL EQUITY:	\$2,190,094.69
	TOTAL LIABILITIES AND EQUITY:	\$2,983,706.64

HERON POND CONDOMINIUM ASSOCIATION, INC.

Run Date: 08/10/2024
Run Time: 03:52 PM

INCOME STATEMENT

Start: 07/01/2024 | End: 07/31/2024

Income

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Income							
40001 Owner Assessments	110,209.16	110,208.75	0.41	771,464.12	771,461.25	2.87	1,322,505.00
40002 Reserve Income	28,663.40	28,663.40	0.00	200,643.80	200,643.80	0.00	343,960.74
40011 Late Fee Income	0.00	500.00	(500.00)	0.00	3,500.00	(3,500.00)	6,000.00
40060 Gate/Key Cards	0.00	50.00	(50.00)	0.00	350.00	(350.00)	600.00
40080 Interest Income	9.97	50.00	(40.03)	49.45	350.00	(300.55)	600.00
40081 NSF Fees	125.00	5.00	120.00	600.00	35.00	565.00	60.00
40090 Miscellaneous Income	0.00	0.00	0.00	681.25	0.00	681.25	0.00
41017 Transfer Fees	0.00	150.00	(150.00)	0.00	1,050.00	(1,050.00)	1,800.00
41020 Car Decals/RFID Tags	1,150.00	500.00	650.00	5,025.00	3,500.00	1,525.00	6,000.00
41021 Capital Contribution	0.00	300.00	(300.00)	1,487.97	2,100.00	(612.03)	3,600.00
Income Total	140,157.53	140,427.15	(269.62)	979,951.59	982,990.05	(3,038.46)	1,685,125.74
Total Income	140,157.53	140,427.15	(269.62)	979,951.59	982,990.05	(3,038.46)	1,685,125.74

Expense

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
General & Administrative							
50008 Audit & Tax Preparation	0.00	291.67	291.67	0.00	2,041.69	2,041.69	3,500.00
50010 Accounting	1,300.00	1,300.00	0.00	9,100.00	9,100.00	0.00	15,600.00
50011 Bank Charges	108.00	30.00	(78.00)	120.00	210.00	90.00	360.00
50014 Bad Debt	0.00	100.00	100.00	0.00	700.00	700.00	1,200.00
50025 Backoffice Software	150.00	150.00	0.00	1,050.00	1,050.00	0.00	1,800.00
50030 Car Tag Readers/Decals	0.00	50.00	50.00	0.00	350.00	350.00	600.00
50045 Legal Fees	0.00	10,000.00	10,000.00	19,796.63	70,000.00	50,203.37	120,000.00
50047 Annual Corporate Report (Sunbiz)	0.00	5.42	5.42	0.00	37.94	37.94	65.00
50048 Annual Condo Fees (DBPR)	0.00	101.33	101.33	2,553.60	709.31	(1,844.29)	1,216.00
50050 Licenses, Taxes, Permits	0.00	220.33	220.33	4,444.87	1,542.31	(2,902.56)	2,644.00
50055 Pool License Renewal (Health Departm...)	100.35	100.00	(0.35)	876.05	700.00	(176.05)	1,200.00
50075 Office Supplies	1,176.94	416.67	(760.27)	3,763.19	2,916.69	(846.50)	5,000.00
50083 Professional Fees	0.00	0.00	0.00	55,195.00	0.00	(55,195.00)	0.00
50085 Printing & Postage	63.82	100.00	36.18	4,318.47	700.00	(3,618.47)	1,200.00
50087 Miscellaneous Expenses	0.00	100.00	100.00	0.00	700.00	700.00	1,200.00
General & Administrative Total	2,899.11	12,965.42	10,066.31	101,217.81	90,757.94	(10,459.87)	155,585.00
Insurance							
52030 Insurance Package	47,949.83	30,000.00	(17,949.83)	131,731.57	210,000.00	78,268.43	360,000.00
Insurance Total	47,949.83	30,000.00	(17,949.83)	131,731.57	210,000.00	78,268.43	360,000.00
Utilities							
54050 Electricity	1,985.91	2,260.00	274.09	13,604.88	15,820.00	2,215.12	27,120.00
54060 Bulk Trash Removal	350.00	375.00	25.00	2,450.00	2,625.00	175.00	4,500.00
54070 Water & Sewer	23,374.15	20,000.00	(3,374.15)	148,142.00	140,000.00	(8,142.00)	240,000.00
54080 Trash Removal	6,850.00	7,200.00	350.00	47,950.00	50,400.00	2,450.00	86,400.00
54100 Internet, TV & Telephone	353.87	320.00	(33.87)	2,471.96	2,240.00	(231.96)	3,840.00
Utilities Total	32,913.93	30,155.00	(2,758.93)	214,618.84	211,085.00	(3,533.84)	361,860.00

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Contract Services							
60015 Copier Lease Contract	0.00	200.00	200.00	0.00	1,400.00	1,400.00	2,400.00
60067 Golf Cart Lease	0.00	200.00	200.00	1,214.00	1,400.00	186.00	2,400.00
60078 Irrigation Check Service	0.00	200.00	200.00	0.00	1,400.00	1,400.00	2,400.00
60090 Lawn Maintenance Contract	3,400.00	3,400.00	0.00	23,800.00	23,800.00	0.00	40,800.00
60095 Lake Maintenance	0.00	265.00	265.00	0.00	1,855.00	1,855.00	3,180.00
61000 Management Services	12,097.60	16,666.67	4,569.07	105,620.28	116,666.69	11,046.41	200,000.00
61010 Pest Control	217.08	475.00	257.92	2,760.48	3,325.00	564.52	5,700.00
61020 Pool Service Contract	800.00	900.00	100.00	5,600.00	6,300.00	700.00	10,800.00
61045 Security Services	9,057.07	7,000.00	(2,057.07)	58,314.64	49,000.00	(9,314.64)	84,000.00
Contract Services Total	25,571.75	29,306.67	3,734.92	197,309.40	205,146.69	7,837.29	351,680.00
Repairs & Maintenance							
70045 R&M Electrical	588.00	100.00	(488.00)	4,100.83	700.00	(3,400.83)	1,200.00
70048 R&M Fountain	0.00	100.00	100.00	0.00	700.00	700.00	1,200.00
70049 R&M Fire Safety Equipment	912.74	750.00	(162.74)	3,032.41	5,250.00	2,217.59	9,000.00
70050 R&M Fence	0.00	100.00	100.00	0.00	700.00	700.00	1,200.00
70060 R&M General	379.67	3,000.00	2,620.33	120,831.48	21,000.00	(99,831.48)	36,000.00
70061 R&M Gate	0.00	100.00	100.00	0.00	700.00	700.00	1,200.00
70062 R&M Golf Cart	0.00	50.00	50.00	0.00	350.00	350.00	600.00
70065 R&M Maintenance Supplies	0.00	500.00	500.00	1,097.54	3,500.00	2,402.46	6,000.00
70067 R&M Health Club Equipment	0.00	50.00	50.00	0.00	350.00	350.00	600.00
70068 R&M Irrigation	0.00	200.00	200.00	0.00	1,400.00	1,400.00	2,400.00
70090 R&M Plumbing & Supplies	0.00	500.00	500.00	2,030.00	3,500.00	1,470.00	6,000.00
70095 R&M Pool/Spa Fountain	0.00	500.00	500.00	0.00	3,500.00	3,500.00	6,000.00
70100 R&M - Pool Furniture	0.00	50.00	50.00	0.00	350.00	350.00	600.00
70105 R&M Pest Control (Bee Removal)	0.00	200.00	200.00	0.00	1,400.00	1,400.00	2,400.00
70110 R&M Roof	0.00	1,666.67	1,666.67	0.00	11,666.69	11,666.69	20,000.00
70115 R&M Security Cameras	0.00	50.00	50.00	0.00	350.00	350.00	600.00
70119 R&M Security Locks & Keys	0.00	20.00	20.00	1,483.95	140.00	(1,343.95)	240.00
70135 Tree Removal	0.00	200.00	200.00	0.00	1,400.00	1,400.00	2,400.00
70138 Tree Trimming Annual Service	0.00	1,200.00	1,200.00	0.00	8,400.00	8,400.00	14,400.00
Repairs & Maintenance Total	1,880.41	9,336.67	7,456.26	132,576.21	65,356.69	(67,219.52)	112,040.00
Reserve Transfer							
80000 Reserve Transfer	28,663.40	28,663.40	0.00	200,643.80	200,643.80	0.00	343,960.74
Reserve Transfer Total	28,663.40	28,663.40	0.00	200,643.80	200,643.80	0.00	343,960.74
Total Expense	139,878.43	140,427.16	548.73	978,097.63	982,990.12	4,892.49	1,685,125.74
Net Income	279.10	(0.01)	279.11	1,853.96	(0.07)	1,854.03	0.00

EXHIBIT “C”



August 23, 2024

To Whom It May Concern:

I am the Court-appointed Receiver (the "Receiver") for Heron Pond Condominium Association, Inc. (the "Association" or "Heron Pond") pursuant to the Order Granting Verified Petition for Appointment of Receiver entered on April 26, 2024 (the "Order," courtesy copy attached) in In Re: Heron Pond Condominium Association, Inc., Case No. 24-CACE-005243, pending in Broward County, Florida. Filings for this matter can be found at: <https://heronpondreceiver.com/>

Heron Pond is a residential condominium located in Pembroke Pines, Florida comprised of 304 residential units ("Units") contained in 19 separate buildings (the "Buildings") over 25 acres owned by individuals and entities (the "Unit Owners"). It is my understanding that many of the Units may be encumbered by individual mortgage(s) with your financial institution and others.

As of September 12, 2023, 6 out of the 19 buildings located within Heron Pond were declared unsafe structures by the City of Pembroke Pines (the "City") and rendered uninhabitable. Shortly thereafter, an additional 26 Units in the remaining Buildings were rendered unsafe structures. The issues which resulted in this determination included significant structural issues plaguing the Buildings which appear to have been a result of longstanding neglect and failure to repair the Buildings and Units.

On July 3, 2024, the City declared another entire Building as an unsafe structure and required all residents to vacate the Building by July 15, 2024. Ultimately, after receiving an updated Engineering Report from ACG Engineering Services, Inc. (the "Engineering Report"), the City independently issued Unsafe Structure Notices to all of the remaining 12 Buildings in Heron Pond, giving all of the remaining residents until August 29, 2024, to vacate their Units.

As of August 29, 2024, Heron Pond shall be completely shuttered resulting in the displacement of all residents that were forced to leave their homes and find alternative living arrangements. I have been tasked to determine the most appropriate strategy going forward and in the best interest of the Unit Owners of Heron Pond.

The Units Owners and residents of Heron Pond are enduring a significant amount of personal and financial loss based upon the closure of their Units; many are unsure where they will reside next and how they will be able to afford the additional moving and housing costs and expenses related thereto, understanding their current obligations to the Association for monthly and special assessments and to your institution should there be an existing mortgage in place.

We are aware that Section 718.117(3)(c)(4), Florida Statutes provides:



The plan of termination must provide for payment of a first mortgage encumbering a unit to the extent necessary to satisfy the lien, but the payment may not exceed the unit's share of the proceeds of termination under the plan. **If the unit owner is current in payment of both assessments and other monetary obligations to the association and any mortgage encumbering the unit as of the date the plan of termination is recorded, the receipt by the holder of the unit's share of the proceeds of termination under the plan or the outstanding balance of the mortgage, whichever is less, shall be deemed to have satisfied the first mortgage in full.** (emphasis added)

It is our intention to include this language in our to be proposed Plan of Termination to be filed with the Court for review and consideration but would not want you to provide the Unit Owner with relief as a result of this request and then not accept the Unit Owner's share of the proceeds in full satisfaction of their outstanding balance, such that they were provided some form of relief by your institution and are thus not current on their mortgage.

As Receiver of the Association, I am working with the City on potential relocation related issues and options that may be available to the Unit Owners and residents understanding the short timeline remaining. I respectfully request that you and your institution consider implementing any mortgage relief or forbearance options that may be available to the Unit Owner but that any such relief would not be deemed a waiver of the satisfaction provisions in the statute section highlighted above.

My team and I are working as efficiently and effectively as possible on a plan to maximize the value of the real property through the sale of the Property. During this time, I respectfully request that you provide any mortgage relief option(s) available to the individual Unit Owners that has an existing mortgage with your institution.

Should you have any questions regarding Heron Pond or the relief requested herein, please do not hesitate to contact me at Heronpondreceiver@DSiconsulting.com.

Sincerely,

Daniel J. Stermer, Receiver

Daniel J. Stermer, as Receiver