

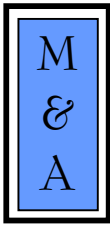
**Gold Point II Condominium Association, Inc.  
(A Colorado Non-Profit Corporation)**

**Financial Statements  
July 31, 2008**



**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Financial Statements**  
**July 31, 2008**  
**Table of Contents**

	<b>Page</b>
INDEPENDENT AUDITOR'S REPORT	1
Balance Sheets	2
Statements of Revenues, Expenses and Changes in Fund Balances	3
Statements of Cash Flows	4
Notes to the Financial Statements	5 - 8
Supplementary Information:	
Schedule of Budget Comparison - Operating Fund	9
Supplementary Information on Future Major Repairs and Replacements - Long-term Reserve	10
Supplementary Information on Future Major Repairs and Replacements - Timeshare Furniture	11



# MCMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

SUITE 222/AVON CENTER  
100 WEST BEAVER CREEK BLVD.  
P.O. Box 5850 AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM  
TELEPHONE: (970) 845-8800  
FACSIMILE: (970) 845-0851  
E-MAIL: MCMAHAN@MCMAHANCPA.COM

## INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors  
Gold Point II Condominium Association, Inc.  
Breckenridge, Colorado**

We have audited the accompanying balance sheets of Gold Point II Condominium Association, Inc. (the "Association"), a Colorado non-profit corporation, as of July 31, 2008, and the related statements of revenues, expenses and changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized information has been derived from the Association's 2007 financial statements and, in our report dated September 17, 2007, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Gold Point II Condominium Association, Inc. as of July 31, 2008, and the results of its operations and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Budget Comparison - Operating Fund on page 9 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements; and in our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Supplementary Information on Future Major Repairs and Replacements on pages 10 and 11 is not a required part of the basic financial statements, but is supplementary information required by the American Institute of Certified Public Accountants. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

**McMahan and Associates, L.L.C.  
September 30, 2008**

*Performing services for resort communities throughout Colorado*

*D. Jerry McMahan, C.P.A.  
Paul J. Backes, C.P.A.*

*Daniel R. Cudahy, C.P.A.  
Michael N. Jenkins, C.A., C.P.A.*

Members: American Institute of Certified Public Accountants/Colorado Society of Certified Public Accountants  
Hospitality Financial & Technology Professionals/Community Associations Institute

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Balance Sheets**  
**July 31, 2008**  
**(With Comparative Totals for 2007)**

	<b>2008</b>			<b>2007</b>	
	<b>Operating Fund</b>	<b>Long-term Reserve Fund</b>	<b>Timeshare Furniture Fund</b>	<b>Total</b>	<b>Total</b>
<b>Assets:</b>					
Cash in banks	22,499	100,660	103,318	226,477	198,572
Member assessments receivable (net of allowance for doubtful accounts of \$0 and \$4,199 in 2008 and 2007)	20,859	-	-	20,859	22,476
Due from (to) other funds	(16,956)	10,917	6,039	-	-
Due from (to) Gold Point Condominium	1,169	-	-	1,169	3,360
Due from (to) Grand Timber Lodge	1,732	-	-	1,732	100
Inventory - Housekeeping supplies	4,611	-	-	4,611	4,351
Prepaid expenses	13,139	-	-	13,139	12,984
<b>Total Assets</b>	<b>47,053</b>	<b>111,577</b>	<b>109,357</b>	<b>267,987</b>	<b>241,843</b>
<b>Liabilities and Fund Equity:</b>					
<b>Liabilities:</b>					
Accounts payable	5,487	-	-	5,487	742
Deferred assessment revenue	8,674	-	-	8,674	9,573
Due to GPLR, Inc.	16,683	-	-	16,683	14,966
<b>Total Liabilities</b>	<b>30,844</b>	<b>-</b>	<b>-</b>	<b>30,844</b>	<b>25,281</b>
<b>Fund Equity</b>	<b>16,209</b>	<b>111,577</b>	<b>109,357</b>	<b>237,143</b>	<b>216,562</b>
<b>Total Liabilities and Fund Equity</b>	<b>47,053</b>	<b>111,577</b>	<b>109,357</b>	<b>267,987</b>	<b>241,843</b>

The accompanying notes are an integral part of these financial statements.

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Statements of Revenues, Expenses and Changes in Fund Balances**  
**For the Year Ended July 31, 2008**  
**(With Comparative Totals for 2007)**

	2008			2007	
	Operating Fund	Long-term Reserve Fund	Timeshare Furniture Fund	Total	Total
<b>Revenues:</b>					
Assessments	279,079	14,481	29,261	322,821	314,699
Late fee revenue	9,665	-	-	9,665	7,955
Interest income	-	3,435	3,533	6,968	9,483
Miscellaneous	3,248	-	-	3,248	19
<b>Total Revenues</b>	<u>291,992</u>	<u>17,916</u>	<u>32,794</u>	<u>342,702</u>	<u>332,156</u>
<b>Expenses:</b>					
Bank service charges	-	-	-	-	37
Bad debt expense	1,070	-	-	1,070	677
Accounting and consulting fees	8,506	-	-	8,506	8,339
Cable television	4,575	-	-	4,575	5,294
Spring/fall cleaning	12,239	-	-	12,239	6,796
Common area expenses	27,534	-	-	27,534	25,269
Commons building expenses	3,931	-	-	3,931	3,748
Fire alarm maintenance	2,175	-	-	2,175	1,015
Furniture and inventory replacement	-	-	18,626	18,626	43,822
Health club dues	3,779	-	-	3,779	3,029
Hot tub maintenance	1,570	-	-	1,570	3,885
Income taxes	3,841	-	-	3,841	1,002
Insurance	14,697	-	-	14,697	14,174
Management fee - GPLR, Inc.	14,781	-	-	14,781	14,781
Miscellaneous	2,240	-	-	2,240	450
Other long-term reserve expenses	-	10,708	-	10,708	15,705
Office expense	3,484	-	-	3,484	3,345
Professional fees	4,120	-	-	4,120	3,450
Property tax expense	20,025	-	-	20,025	14,813
Front desk and reservationists	43,782	-	-	43,782	42,927
Snow removal	186	-	-	186	86
Trash removal	3,304	-	-	3,304	3,222
Travel and entertainment	274	-	-	274	172
Unit expenses	108,277	-	-	108,277	101,937
Water and sanitation	8,397	-	-	8,397	8,945
<b>Total Expenses</b>	<u>292,787</u>	<u>10,708</u>	<u>18,626</u>	<u>322,121</u>	<u>326,920</u>
<b>Excess (Deficiency) of Revenues Over Expenses</b>	(795)	7,208	14,168	20,581	5,236
<b>Beginning Fund Balances</b>	<u>17,004</u>	<u>104,369</u>	<u>95,189</u>	<u>216,562</u>	<u>211,326</u>
<b>Ending Fund Balances</b>	<u><u>16,209</u></u>	<u><u>111,577</u></u>	<u><u>109,357</u></u>	<u><u>237,143</u></u>	<u><u>216,562</u></u>

The accompanying notes are an integral part of these financial statements.

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Statements of Cash Flows**  
**For the Year Ended July 31, 2008**  
**(With Comparative Totals for 2007)**

	2008			2007	
	Operating Fund	Long-term Reserve Fund	Timeshare Furniture Fund	Total	Total
<b>Cash Flow From Operating Activities:</b>					
Cash received from owners	289,463	14,481	29,261	333,205	321,704
Interest received	-	3,435	3,533	6,968	9,483
Other receipts of cash	3,248	-	-	3,248	19
Cash transfers from (to) other fund	14,409	(3,774)	(10,635)	-	-
Cash payments for goods and services	(266,157)	(10,708)	(18,626)	(295,491)	(342,062)
Cash payments for property taxes	(20,025)	-	-	(20,025)	(14,813)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>20,938</u>	<u>3,434</u>	<u>3,533</u>	<u>27,905</u>	<u>(25,669)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	20,938	3,434	3,533	27,905	(25,669)
<b>Net Cash and Cash Equivalents - Beginning of Year</b>	<u>1,561</u>	<u>97,226</u>	<u>99,785</u>	<u>198,572</u>	<u>224,241</u>
<b>Net Cash and Cash Equivalents - End of Year</b>	<u><u>22,499</u></u>	<u><u>100,660</u></u>	<u><u>103,318</u></u>	<u><u>226,477</u></u>	<u><u>198,572</u></u>
<b>Reconciliation of Excess (Deficiency) of Revenues Over Expenses to Net Cash Provided (Used) by Operating Activities:</b>					
<b>Excess (Deficiency) of Revenues Over Expenses</b>	<u>(795)</u>	<u>7,208</u>	<u>14,168</u>	<u>20,581</u>	<u>5,236</u>
<b>Adjustments to Reconcile Excess (Deficiency) of Revenues Over Expenses to Net Cash Provided (Used) by Operating Activities:</b>					
Increase (decrease) in interfund balances	14,409	(3,774)	(10,635)	-	-
(Increase) decrease in assessments receivable	5,817	-	-	5,817	(7,380)
Increase (decrease) in allowance for doubtful accounts	(4,199)	-	-	(4,199)	(236)
(Increase) decrease in due from Gold Point Homeowners Association, Inc.	2,191	-	-	2,191	(9,070)
(Increase) decrease in due from Grand Timber Lodge	(1,632)	-	-	(1,632)	(395)
(Increase) decrease in prepaid expenses	(155)	-	-	(155)	(636)
(Increase) decrease in inventory - Supplies	(260)	-	-	(260)	(4,351)
Increase (decrease) in due to GPLR, Inc.	1,717	-	-	1,717	(15,907)
Increase (decrease) in accounts payable	4,744	-	-	4,744	403
Increase (decrease) in deferred assessment revenue	(899)	-	-	(899)	6,667
<b>Total Adjustments</b>	<u>21,733</u>	<u>(3,774)</u>	<u>(10,635)</u>	<u>7,324</u>	<u>(30,905)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u><u>20,938</u></u>	<u><u>3,434</u></u>	<u><u>3,533</u></u>	<u><u>27,905</u></u>	<u><u>(25,669)</u></u>

The accompanying notes are an integral part of these financial statements.

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Notes to the Financial Statements**  
**July 31, 2008**

**1. Organization**

Gold Point II Condominium Association, Inc., (the "Association") is a condominium association organized as a Colorado not-for-profit corporation for the purposes of maintaining and preserving common property of the Association. The Association is located in Breckenridge, Colorado and consists of 13 units which are divided into 50 time-span ("timeshare") estates. The Association was incorporated April 25, 1995.

**2. Summary of Significant Accounting Policies**

**A. Fund Accounting**

The Association uses fund accounting, which requires that funds, such as operating funds and funds for future major repairs and replacements, be classified separately for accounting and reporting purposes. As of July 31, 2008, the Association had the following funds:

Operating - Disbursements from this fund are generally at the discretion of the Board of Directors and property manager.

Long-term Reserve - Disbursements from this fund generally may be made only for designated purposes.

Timeshare Furniture - Disbursements from this fund are designated for the replacement of unit furniture.

**B. Investment Income Allocation**

Interest is recorded in the fund in which it was earned.

**C. Recognition of Assets**

The Association recognizes as assets on its financial statements:

- (a) common personal property and;
- (b) common real property to which it has title and that it can dispose of for cash, while retaining the proceeds thereto.

**D. Basis of Accounting**

These financial statements have been prepared on the accrual basis of accounting which recognizes revenues when assessed or earned and expenses when incurred.

**E. Cash and Cash Equivalents**

All checking and money market savings accounts are considered cash equivalents by the Association for the purpose of the Statements of Cash Flows since all funds are highly liquid with no stated maturities.

**F. Common Assessments**

Common assessments are the primary source of revenue for the Association. An annual budget, which is approved by the Board of Directors (the "Board"), is prepared to estimate the annual expenses of maintaining the Association's common elements. Members of the Association are assessed for their pro-rata share of these estimated expenses.

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Notes to the Financial Statements**  
**July 31, 2008**  
**(Continued)**

**2. Summary of Significant Accounting Policies (continued)**

**F. Common Assessments (continued)**

Since the Association is designed only to operate as a conduit to collect assessments and pay operating expenses on behalf of members, any excess or deficiency of revenues over expenses is repaid to or recovered from the members in a subsequent year by reducing or increasing assessments, or, with the approval of the Board, transferred to the Replacement Funds.

**G. Due To/From Other Funds**

The Association has chosen to record all accounts receivable and accounts payable in the Operating Fund. In accordance with generally accepted accounting principles, the differences caused by this accounting treatment are shown as interfund asset and liability accounts.

**H. Allowance for Uncollectible Accounts - Assessments**

The Association utilizes the allowance method of recognizing the future potential uncollectibility of owner assessments receivable. This reserve is calculated based on the estimated percentage of potentially uncollectible accounts 90 or more days overdue. The Association's policy is to charge late fees to owner accounts that are 60 or more days overdue. Owner assessment accounts that are 120 or more days past due are sent to a collection agency by the Association.

**I. Due (To) From Gold Point Homeowners Association, Inc.**

Gold Point Homeowners Association, Inc. is a condominium association located adjacent to the Association. Gold Point Homeowners Association, Inc. and the Association are both managed by Gold Point Lodging and Realty, Inc. The Association pays Gold Point Homeowners Association, Inc. for their share of expenses related to the operation of the Commons Building. At July 31, 2008, Gold Point Homeowners Association owed the Association \$1,169.

**J. Inventories**

Housekeeping supply inventory is valued at cost, using the first-in/first-out (FIFO) method. The cost of inventory is recorded as an expense when consumed rather than when purchased.

**K. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Notes to the Financial Statements**  
**July 31, 2008**  
**(Continued)**

**2. Summary of Significant Accounting Policies (continued)**

**L. Comparative Information**

The financial statements include certain prior year comparative information in total but not by fund. Such information does not include sufficient detail to constitute a presentation in conformity to generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's financial statement for the year ended July 31, 2007, from which the comparative totals were derived.

**M. Deferred Assessment Revenue**

Deferred revenue represents prepaid assessments, and is primarily composed of payments received in advance for the first quarter's billing of the next fiscal year.

**3. Income Taxes**

While the Association has been organized under Colorado non-profit statutes as a corporation without capital stock or shareholders, the Association is not a tax-exempt organization. Consequently, the Association is subject to Federal and state income taxes on net income derived from investments and other non-membership sources.

**4. Related Party Transactions - Gold Point Lodging & Realty, Inc. ("GPLR")**

On August 1, 2001, the Association entered into an agreement with Breckenridge Grand Vacations, which is owned by GPLR, for management, accounting, and reservation services. The management, accounting, and reservation fees are negotiated annually. This agreement is for five years terms that automatically renew unless terminated. This agreement may be terminated by the Association for Cause, as defined in the agreement. Breckenridge Grand Vacations may resign as manager with or without cause. However, Breckenridge Grand Vacations cannot resign until the Association obtains a substitute managing agent or until 180 days have elapsed from the resignation notification date.

The Association incurs various expenses that are payable to GPLR, the parent company of the managing agent for the Association. The following is a schedule of transactions between the two entities for the year ended July 31, 2008:

Management fee	\$ 14,781
Accounting	8,506
Front desk/reservationist	43,782
Unit cleaning	60,668
Common area cleaning	8,975
Spring/fall cleaning	3,415
Other	543
Maintenance labor	<u>31,712</u>
 Total Services	 <u><u>\$ 172,382</u></u>

The Association owed GPLR \$16,683 at July 31, 2008 for these services.

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Notes to the Financial Statements**  
**July 31, 2008**  
**(Continued)**

**4. Related Party Transactions - Gold Point Lodging & Realty, Inc. (continued)**

Effective October 25, 2003, the Association entered into an Agreement with GPLR to purchase all inventory units from the Association (which were obtained as a result of foreclosure proceedings to collect past due assessments) at an amount equal to 35% of the net listed sales price, as defined in the agreement. This agreement may be canceled with 90 days written notice. During the year ended July 31, 2008, the Association received \$4,930 from GPLR for the purchase of inventory units. At July 31, 2008, the Association did not own any inventory units.

GPLR pays assessments relating to its owned unit weeks throughout the year. This amount totaled \$865 during the fiscal year ended July 31, 2008.

**5. Future Major Repairs and Replacements**

As permitted by the Association's governing documents, the Association is accumulating funds for future major repairs and replacements of the Association's common property. Accumulated funds are held in separate money market accounts and are generally not available for expenses for normal operations.

The Association's management company conducted a study, which was completed in fiscal year 2007, to estimate the remaining useful lives and replacement costs of the components of common property. The estimates were based on future estimated replacement costs. The tables included in the unaudited Supplementary Information on Future Major Repairs and Replacements is based on the study. The information has been broken down into long-term reserve and timeshare furniture components of common property.

In accordance with industry guidelines, it is the Association's primary duty to maintain and preserve the common property of the owners. Therefore, it is the Association's responsibility to determine a method for funding the costs of future major repairs and maintenance by assessing owners when funds are needed or by anticipating costs over extended time periods, assessing owners for the anticipated costs, and accumulating funds in reserves to meet the future funding requirements. The Board has chosen to fund major repairs and replacements over the remaining useful lives of the components, based on the study's estimates of current replacement costs and considering amounts previously accumulated in the Replacement Funds. Assessments of \$14,481 and \$29,261 for the Long-term Reserve Fund and Timeshare Furniture Fund, respectively, were reported during the year ended July 31, 2008.

Funds being accumulated in the Long-term Reserve and Timeshare Furniture Funds are based on estimated costs for repairs and replacements of common property components. Actual expenditures and investment incomes may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

**6. Uninsured Deposits**

The total cash held by the Association at July 31, 2008, includes \$129,308, as reported by the financial institutions, in checking and money market accounts that are not covered by insurance provided by the federal government.

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Schedule of Budget Comparison - Operating Fund**  
**For the Year Ended July 31, 2008**  
**(With Comparative Totals for 2007)**

	<u>2008</u>		<u>Variance Positive (Negative)</u>	<u>2007</u>
	<u>Budget (Unaudited)</u>	<u>Actual</u>		<u>Actual</u>
<b>Revenues:</b>				
Assessments	277,127	279,079	1,952	271,461
Late fee revenue	5,500	9,665	4,165	7,955
Miscellaneous	150	3,248	3,098	19
<b>Total Revenues</b>	<u>282,777</u>	<u>291,992</u>	<u>9,215</u>	<u>279,435</u>
<b>Expenses:</b>				
Bank service charges	60	-	60	37
Bad debt expense	7,823	1,070	6,753	677
Accounting and consulting fees	8,506	8,506	-	8,339
Cable television	5,478	4,575	903	5,294
Spring/fall cleaning	8,400	12,239	(3,839)	6,796
Common area cleaning	7,332	9,002	(1,670)	7,988
Common area parts and supplies	-	6	(6)	48
Common area utilities	20,269	18,526	1,743	17,233
Commons building expense	3,931	3,931	-	3,748
Fire alarm maintenance	1,342	2,175	(833)	1,015
Health club dues	3,482	3,779	(297)	3,029
Hot tub maintenance	4,725	1,570	3,155	3,885
Income taxes	-	3,841	(3,841)	1,002
Insurance	10,488	14,697	(4,209)	14,174
Management fee - GPLR, Inc.	14,781	14,781	-	14,781
Miscellaneous	250	2,240	(1,990)	450
Printing	1,622	1,383	239	2,260
Postage	2,681	2,101	580	1,085
Professional fees	3,450	4,120	(670)	3,450
Property taxes	14,300	20,025	(5,725)	14,813
Front desk and reservationists	43,782	43,782	-	42,927
Snow removal	750	186	564	86
Trash removal	3,382	3,304	78	3,222
Travel and entertainment	-	274	(274)	172
Unit cleaning	57,070	61,648	(4,578)	53,036
Unit utilities	8,788	7,432	1,356	7,592
Unit maintenance	41,404	38,087	3,317	40,345
Unit telephones	1,014	1,110	(96)	964
Water and sanitation	7,667	8,397	(730)	8,945
<b>Total Expenses</b>	<u>282,777</u>	<u>292,787</u>	<u>(10,010)</u>	<u>267,393</u>
<b>Excess (Deficiency) of Revenues Over Expenses - GAAP Basis</b>		<u>(795)</u>		<u>12,042</u>

The accompanying notes are an integral part of these financial statements.

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Supplementary Information on Future Major Repairs and Replacements**  
**Long-term Reserve Fund**  
**July 31, 2008**  
**(Unaudited)**

The Association conducted an informal study during the fiscal year ended July 31, 2007, to estimate the remaining useful lives and replacement costs of the components of common property. The estimates were obtained with input from the management company and the Board's previous experience with the property.

The balance of the Long-Term Reserve Fund at July 31, 2008 has not been designated by the Board for specific components of common property.

The following table is based on the study and presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Remaining Useful Lives (Years)</u>	<u>Estimated Current Replacement Costs</u>	<u>Components of Fund Balance at July 31, 2008</u>
<b>Long-term Reserve:</b>			
ADA lift	14	20,000	
Boiler	4 - 5	20,000	
Common area carpet	0 - 1	3,090	
Electric door opener	8 - 10	3,900	
Entrance doors	3 - 5	7,200	
Exterior paint	0	23,000	
Fire alarm box	3 - 5	2,400	
Garage doors	8 - 10	5,400	
Gas grill	0	1,600	
Gutters	8 - 10	1,000	
Hot tub rooms	0 - 10	19,400	
Paving/resurfacing	9 - 10	15,000	
Roof	8 - 10	28,000	
Unit entry doors	14 - 15	5,850	
Windows	13 - 15	52,000	
<b>Total</b>		<u>207,840</u>	<u>111,577</u>

**Gold Point II Condominium Association, Inc.**  
**(A Colorado Non-Profit Corporation)**  
**Supplementary Information on Future Major Repairs and Replacements**  
**Timeshare Furniture Fund**  
**July 31, 2008**  
**(Unaudited)**

The Association conducted an informal study during the fiscal year ended July 31, 2007, to estimate the remaining useful lives and replacement costs of the furniture components of common property. The estimates were obtained with input from the management company and the Board's previous experience with the property.

The balance of the Timeshare Furniture Fund at July 31, 2008 has not been designated by the Board for specific components of common property.

The following table is based on the study and presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Remaining Useful Lives (Years)</u>	<u>Estimated Current Replacement Costs</u>	<u>Components of Fund Balance at July 31, 2008</u>
<b>Timeshare Furniture:</b>			
Appliances	0 - 14	61,565	
Bedding	0	6,177	
Flooring	0 - 7	57,135	
Dining room	4 - 10	20,698	
Kitchen	9 - 10	67,453	
Lighting	4 - 10	11,227	
Living room	0 - 10	59,686	
Master bedroom	0 - 15	26,349	
Spare bedrooms	0 - 15	15,559	
<b>Total</b>		<u>325,849</u>	<u>109,357</u>