



Rebuilding Financial Integrity: A Short-Term Rental Reconstruction Case Study

This case study presents a full financial reconstruction of a multi-property short-term rental operation where existing records were insufficient for reliable reporting, tax preparation, and lending evaluation.

From the beginning, financial activity was fragmented across multiple accounts, lacked property-level segmentation, and did not support accurate performance analysis. As a result, the financials could not be relied upon for underwriting, CPA review, or operational decision-making.

Through a structured reconstruction process, all financial data was systematically diagnosed, normalized, and rebuilt into a clean, supportable accounting framework. This included re-engineering the chart of accounts, implementing property-level reporting, resolving misclassified transactions, and validating all balances through reconciliation and supporting documentation.

The result is a complete transformation from unusable financial data to a lender-ready, CPA-aligned reporting system that provides:

- Clear property-level profitability and performance visibility
- Accurate separation of operating activity, personal activity, and capital flows
- Reconciled and supportable financial statements suitable for underwriting and tax preparation
- A repeatable financial structure capable of supporting ongoing growth and decision-making

This reconstruction establishes a reliable financial foundation where none previously existed. It eliminates uncertainty, reduces risk for financial stakeholders, and enables confident analysis across operations, financing, and tax reporting.

This document outlines the methodology, execution, and final outputs of the reconstruction process, demonstrating how disorganized financial data can be transformed into a structured, decision-grade accounting system.



Short Term Rental Financial Reconstruction Case Study

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Blueprint Books

Short Term Rental Financial Reconstruction Case Study

Blueprint Books reconstructed the financial architecture of the STR operation, enabling property-level profitability reporting, clean financial statements, and lender-ready financials.

1. Project Overview

- Type of business: Short-Term Rental (multi-unit condo)
- Bookkeeping platform: QuickBooks Online
- Timeframe analyzed: 2025 fiscal year
- Primary objective: Transform incomplete financial records into lender-grade financial reporting.

Project Complexity Snapshot

- Bank/Credit Accounts: 7
- Transactions Processed: 1200
- Properties Tracked: 3
- Data Sources Integrated: 5

This project involved the full financial reconstruction of a multi-unit short-term rental property with fragmented accounts, inconsistent records, and limited reporting reliability. The objective was to convert disorganized financial activity into a structured, decision-grade financial system suitable for lender underwriting and CPA reliance.

Using Blueprint Book's structured, multi-phase financial reconstruction methodology, all transactions were sorted, normalized, and mapped to a purpose-built real estate chart of accounts.

The result is a fully reconciled, audit-ready financial system that enhances underwriting confidence, supports accurate tax reporting, and delivers clear property-level performance. This reconstruction project reduces risk for lenders, establishes CPA-ready financials, and creates a repeatable framework for ongoing financial management.

2. Initial Diagnostic & Structural Issues

A diagnostic review was performed to assess financial integrity, reporting reliability, and structural consistency.

Financial System Assessment (Pre-Reconstruction)

A formal diagnostic was performed to evaluate the reliability of the existing financial system.

Composite Score: 2.2 / 5.0 — Classification: At Risk

(See Appendix A for full diagnostic report and scoring methodology)

The following key risks were identified:

Income & Revenue Issues:

- No property-level income tracking
- Management fees bundled into single transactions

Expense & Allocation Issues

- Utilities paid from personal account
- Association dues not properly categorized

Debt & Balance Sheet Issues

- Mortgage payments not split between principal and interest

Structural & System Issues

- No consistent chart of accounts structure
- Missing class/property assignments
- No reconciliation validation
- Multiple bank accounts interacting with unclear transfers
- Credit card transactions incomplete

Operational Impact of These Issues:

- Financials not usable for lender underwriting (DSCR, NOI unreliable)
- Inability to evaluate property-level performance or cash flow
- Elevated audit and compliance exposure

These issues prevented accurate property-level reporting, reduced financial transparency, and limited the usability of financial statements for lending and tax purposes.

3. Data Sources & Accounts Analyzed

The reconstruction required integration and validation of multiple financial accounts and external data sources.

Bank Accounts

- Operating Account – CHK2706
- Personal Checking – CHK748
- Checking – CHK305
- Checking – CHK313
- Savings – SAV207
- Savings – SAV850
- Savings – SAV851
- Credit Card Account

External Data Sources

- Mortgage statements
- Property management statements
- Credit card statements
- Bank exports
- Rental income reports

These sources were used to reconstruct transaction history, validate balances, and ensure accurate classification across all financial activity.

Multiple operating, personal, and savings accounts required detailed transfer tracing to ensure completeness and accuracy.

The financial architecture was designed to include:

- **Separation of operating vs non-operating activity**
- **Strict account vs class role definition**
- **Elimination of duplicate account structures**

(See Appendix B for full chart of accounts and system design framework)

4. Financial Architecture Design

A new financial architecture was designed to support real estate-specific reporting, tax alignment, and property-level performance visibility.

The chart of accounts was re-engineered to reflect real estate operating realities, improve expense visibility, and align with Schedule E reporting requirements.

Chart of Accounts Engineering

- Structured operating expense categories
- Property management fee hierarchy
- HOA / association expense structuring
- Mortgage interest vs principal treatment
- CapEx vs OpEx separation
- Schedule E alignment

Example accounts created:

- 5300 HOA / Association Dues (**Parent**)
- 5310 Master Association
- 5320 Building Association
- 5330 Capital Reserve
- 5600 Property Management Fees
- 5601 Owner Management Fee
- 5602 Credit Card Processing Fee
- 5603 Utility Handling Fee

Why This Matters:

This structure enables granular expense tracking, improves comparability across properties, and supports both lender analysis and tax preparation.

Property-Level Reporting Structure

Property-level reporting was implemented using a class-based structure within a single QuickBooks environment.

Classes for individual condo units

- Class: Unit 1405
- Class: Unit 1407
- Class: Unit 1409

This structure enables clear visibility into income, expenses, and profitability at the individual property level, supporting both operational decision-making and lender evaluation.

5. Transaction Reconstruction Process

A structured reconstruction process was used to convert raw financial data into a fully classified, validated, and reporting-ready dataset. This process ensures consistency, accuracy, and repeatability across all cleanup engagements.

Phase 1 — Data Extraction & Consolidation

All available financial data was extracted and consolidated from source systems to establish a complete dataset.

Key Actions:

- Bank and credit card transaction exports obtained
- Statements reviewed for completeness
- Data organized by account and time period
- Initial dataset prepared for normalization and classification

Phase 2 — Transaction Triage & Normalization

A structured triage process was applied to rapidly identify transaction patterns, flag inconsistencies, and categorize activity at a high level prior to detailed classification.

Key Actions:

- Transactions reviewed using description-based pattern recognition
- High-risk categories identified (transfers, deposits, loan payments)
- Transactions grouped by behavior and type
- Unknown or ambiguous activity flagged for further analysis

Phase 3 — Transaction Cleaning & Structuring

A multi-layered transaction cleaning system was implemented using structured workbooks to ensure accurate classification and traceability.

Workbooks Used:

- **BANK_RAW** — original transaction dataset
- **BANK_CLN** — cleaned and standardized transactions
- **BANK_SPLIT** — allocation and split logic for complex entries

Key Functions Performed:

- Vendor and payee normalization
- Chart of accounts mapping
- Transfer identification and matching
- Property/class assignment
- Mortgage payment splitting (principal vs interest)
- Management fee decomposition

Phase 4 — Complex Transaction Handling

Complex financial transactions were reconstructed using supporting documentation and allocation logic to ensure accurate financial representation.

Examples:

- Property management fees decomposed into individual components
- Mortgage payments split into principal and interest
- Utilities paid from personal accounts reclassified via adjusting entries

- Cross-account transfers traced and matched

Phase 5 — Validation & Quality Control

A multi-layer validation process was applied to ensure data integrity and alignment with the reconstructed financial structure.

Validation Methods:

- Chart of accounts mapping verified across all transactions
- XLOOKUP-based validation applied to detect classification errors
- Loan balances reconciled to lender statements
- Transfers verified across accounts
- Property/class assignments reviewed for completeness

This validation layer ensures a high level of accuracy and consistency across all financial data.

Phase 6 – Final Dataset Preparation

The finalized transaction dataset was structured for integration into QuickBooks Online, ensuring full alignment with the re-engineered chart of accounts and property-level class framework.

All transactions were fully classified, validated, and formatted to support accurate financial reporting, reconciliation, and ongoing financial management.

This reconstruction followed a structured, methodology designed to ensure consistency, traceability, and repeatable results across all engagements.

(See Appendix C for full reconstruction methodology framework)

6 – Complex Accounting Adjustments

Several complex accounting adjustments were required to accurately reconstruct financial activity and ensure proper financial reporting. These adjustments addressed inconsistencies in transaction sourcing, allocation, and classification across multiple accounts and data sources.

UTILITY EXPENSE RECLASSIFICATION

Problem:

- Utility expenses were paid from the owner’s personal account rather than the operating account, resulting in incomplete operating expense reporting.

Approach:

- Adjusting entries were created to reclassify utility expenses into the operating entity, with the offset recorded as an owner contribution.

Result:

- Operating expenses now accurately reflect property-level costs, and owner contributions are properly tracked.

MORTGAGE PAYMENT RECONSTRUCTION

Problem:

- Mortgage payments were recorded as single transactions without separation between principal and interest, resulting in inaccurate expense reporting and misstated loan balances.

Approach:

- Mortgage payments were analyzed using lender statements and amortization logic to allocate each payment between principal and interest components.

Result:

- Interest expense is accurately reflected on the income statement, and loan balances align with lender records, improving both financial accuracy and reporting reliability.

PROPERTY MANAGEMENT DECOMPOSITION

Problem:

- Property management statements reflected net deposits, with multiple fee types (management fees, credit card processing, utilities handling, and repairs) bundled together, limiting visibility into true income and expenses.

Approach:

- Management statements were analyzed to reconstruct gross rental income and separately identify and classify each fee component in accordance with the chart of accounts.

Result:

- Income and expense categories are now fully transparent, enabling accurate performance analysis and improved visibility into operating costs.

TRANSFER IDENTIFICATION & RESOLUTION

Problem:

- Multiple bank accounts interacted with unclear transfer activity, creating risk of duplicate income or expense recognition.

Approach:

- Transfers were systematically identified, matched across accounts, and excluded from income and expense classification using a structured transfer-tracing process.

Result:

- Duplicate recognition was eliminated, and financial statements now reflect only true operating activity.

ASSOCIATION DUES STRUCTURING

Problem:

- Association dues were inconsistently categorized, limiting visibility into fixed property-level costs.

Approach:

- Association expenses were reclassified into a structured hierarchy (master, building, and reserve components) aligned with the chart of accounts.

Result:

- Expense reporting is now consistent and comparable across properties, improving both internal analysis and external reporting.

These adjustments ensured that all financial activity was accurately represented, enabling reliable reporting, improved transparency, and alignment with both lender expectations and tax reporting requirements.

7. Reconciliation & Validation

Following transaction reconstruction and adjustment, a comprehensive reconciliation and validation process was performed to ensure the accuracy, completeness, and reliability of all financial data.

Reconciliation Procedures

- Bank account balances were reconciled to monthly statements
- Credit card activity was reviewed and reconciled
- Loan balances were aligned with lender statements
- Transfers were verified across all related accounts

Validation Controls

- Chart of accounts mapping verified across all transactions
- Transaction classifications reviewed for consistency
- Property/class assignments confirmed for completeness
- Adjusting entries reviewed for accuracy and proper treatment

This process ensured that all financial statements were fully reconciled, internally consistent, and suitable for lender review, tax preparation, and ongoing financial management.

What This Reconstruction Now Enables:

- Reliable DSCR and underwriting metrics
- Property-level ROI and performance comparison
- Accurate tax positioning and CPA reliance
- Clear separation of capital vs operating activity
- Scalable reporting for portfolio growth

8. Financial Transformation (Before and After)

Before Reconstruction (Unstructured Financials)

- Personal and operating activity combined in a single report
- No property-level reporting (single combined P&L)
- Rental activity reflected as net deposits
- Key expenses not fully captured (e.g., interest, depreciation)
- Mortgage and management-related activity not properly separated
- Limited visibility into true operating performance

Before: Pre – Reconstruction (Unusable Financials)

Combined Financial Activity (No Property – Level Segmentation)

PROFIT and LOSS

January 1, 2025 – December 25, 2025

DISTRIBUTION ACCOUNT	TOTAL
Income	
4000 Personal Income	
4005 Social Security	35,328.00
4010 Long Term Care Benefits	29,837.89
4015 VA Benefits	47,719.41
4020 IPERS	4,801.68
4025 Investment Income	7,460.59
4030 Automatic Premium Reimbursement	3,000.00
4035 Wells Dairy Pension Plan	6,114.24
Total for 4000 Personal Income	\$134,261.81
4050 Rental Income	58,041.87
Uncategorized Income	600.52
Total for Income	\$192,904.20
Gross Profit	\$192,904.20
Expenses	
5000 Mortgage Interest Expense - Trestle Condo	7,321.85
5006 Long Term Care	98,736.89
5007 Medical Expenses	523.44
5008 Perscription Drugs	2,805.20
5010 Insurance Premiums	
5015 Property	824.64
5016 Auto	687.49
5017 Life	3,997.95
5018 Medical	6,939.60
Total for 5010 Insurance Premiums	\$12,449.68
5030 HOA Fees	
5035 Master Association	2,600.00
5045 Capital Reserve	1,040.00
Total for 5030 HOA Fees	\$3,640.00
5050 Management Fees	\$3,238.92
5055 Management Fees	21,424.74
5060 Utility Reimbursement	320.00
5065 CC Fee	1,659.51
5070 Repairs & Maintenance	1,106.35
Total for 5050 Management Fees	\$27,749.52
5075 Bank Charges & Fees	12,636.86
5080 Electrical	1,802.02
5093 Cell Phone	1,545.98
5094 Subscriptions & Streaming	737.07
5097 Charitable Contributions	140.00
5098 Miscellaneous Expenses	318.85
Total for Expenses	\$170,407.36
Net Operating Income	\$22,496.84
Other Income	
4040 Interest Income - Banking	440.75
Total for Other Income	\$440.75
Net Other Income	\$440.75
Net Income	\$22,937.59

Post-Reconstruction Financial System Assessment

Following reconstruction, the financial system aligns with structured accounting standards, enabling reliable reporting, reconciliation integrity, and property-level performance visibility.

Estimated System Classification: 4.5+ (Optimized)

(Based on diagnostic scoring criteria; see Appendix A for framework)

After: Post – Reconstruction (Decision Grade Financials)

Property-Level Profit & Loss (By Unit/Class)

Profit and Loss - Trestle & Personal					
STR Project – Clean Build 2025					
January 1-December 31, 2025					
	1405	1407	1409	PERSONAL	TOTAL
Income					
4010 Rental Income	14,945.94	42,096.32	11,005.31		68,047.57
7100 Personal Income				25.03	\$25.03
7300 Long-Term Care Benefits				62,993.39	62,993.39
7350 VA Benefits				47,719.41	47,719.41
7400 Social Security Income				35,328.00	35,328.00
7500 Pension / Retirement Income				4,801.68	4,801.68
7700 Other Personal Income				911.72	911.72
Total for 7100 Personal Income				151,779.23	\$151,779.23
7800 Investment Income				351.07	\$351.07
7810 Interest Income		30.94		237.00	267.94
7820 Annuity Income (NY Life)				5,030.40	5,030.40
7830 Annuity Income (Thrivent)				3,570.00	3,570.00
7840 Annuity Income (Mutual of Omaha)				6,114.24	6,114.24
Total for 7800 Investment Income		30.94		15,302.71	\$15,333.65
Billable Expense Income				39.96	39.96
Total for Income	14,945.94	42,127.26	11,005.31	167,121.90	\$235,200.41
Gross Profit	14,945.94	42,127.26	11,005.31	167,121.90	\$235,200.41
Expenses					
5100 Repairs & Maintenance	298.93	841.94	220.08		1,360.95
5200 Utilities					
5210 Electric	444.00	888.00	444.00		1,776.00
5220 Internet				2,224.35	2,224.35
Total for 5200 Utilities	444.00	888.00	444.00	2,224.35	\$4,000.35
5300 HOA / Association Dues					
5310 Master Association	1,300.00	2,600.00	1,300.00	5,200.00	10,400.00
5320 Building Association	950.00	1,900.00	950.00	1,850.00	5,650.00
5330 Capital Reserve	760.00	1,520.00	760.00	1,040.00	4,080.00
Total for 5300 HOA / Association Dues	3,010.00	6,020.00	3,010.00	8,090.00	\$20,130.00
5350 Property Taxes	412.57	825.15	412.58	5,211.90	6,862.20
5400 Insurance Trestle					
5410 Property Insurance	86.82	173.64	86.82		347.28
5415 Umbrella	62.50	125.00	62.50		250.00
Total for 5400 Insurance Trestle	149.32	298.64	149.32		\$597.28
5500 Professional Fees					
5520 Accounting	193.75	387.50	193.75	177.66	952.66
Total for 5500 Professional Fees	193.75	387.50	193.75	177.66	\$952.66
5600 Property Management Fees					
5610 Owner Management Fee	5,978.40	16,838.52	4,402.12		27,219.04
5620 Credit Card Processing Fee	448.38	1,262.89	330.17	38.00	2,079.44
5630 Utilities Handling Fee		480.00			480.00
Total for 5600 Property Management Fees	6,426.78	18,581.41	4,732.29	38.00	\$29,778.48

After: Post – Reconstruction (Decision Grade Financials)

Property-Level Profit & Loss (By Unit/Class)

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Profit and Loss - Trestle & Personal					
STR Project – Clean Build 2025					
January 1-December 31, 2025					
	1405	1407	1409	PERSONAL	TOTAL
5700 Bank Charges				1,803.59	1,803.59
5800 Supplies				242.58	242.58
6000 Personal & Household Expenses				235.77	\$235.77
6100 Medical Expenses				739.14	\$739.14
6110 Prescription Drugs				3,864.41	3,864.41
6120 Out-of-Pocket Medical				26,733.07	26,733.07
Total for 6100 Medical Expenses				31,336.62	\$31,336.62
6200 Rehabilitation Services				267.03	267.03
6300 Long-Term Care Expenses					
6320 Assisted Living				72,842.50	72,842.50
Total for 6300 Long-Term Care Expenses				72,842.50	\$72,842.50
6600 General Household Expenses					
6610 Groceries				1,918.64	1,918.64
6621 Cell Phone				1,545.98	1,545.98
6622 Internet				803.11	803.11
6623 Electrical				1,727.52	1,727.52
6640 Home Maintenance				773.37	773.37
6650 Fuel & Transportation				465.52	465.52
6660 Personal Care				297.23	297.23
6670 Subscriptions / Memberships				1,258.84	1,258.84
6671 Wounded Warriors				140.00	140.00
6680 Meals & Entertainment				409.28	409.28
6690 Merchandise				1,027.31	1,027.31
6695 Misc Household				292.55	292.55
Total for 6600 General Household Expenses				10,659.35	\$10,659.35
Total for 6000 Personal & Household Expenses				115,341.27	\$115,341.27
6800 Personal Insurance				216.00	\$216.00
6810 Health Insurance				6,632.70	6,632.70
6830 Life Insurance				3,858.45	3,858.45
6840 Auto Insurance - Personal				1,444.69	1,444.69
6850 Homeowners Insurance - Stillwater				310.00	310.00
6870 Personal Finance Cost					
6871 Credit Card Interest				112.01	112.01
6872 Bank & Card Fees				1,204.50	1,204.50
Total for 6870 Personal Finance Cost				1,316.51	\$1,316.51
Total for 6800 Personal Insurance				13,778.35	\$13,778.35
Total for Expenses	10,935.35	27,842.64	9,162.02	146,907.70	\$194,847.71
Net Operating Income	4,010.59	14,284.62	1,843.29	20,214.20	\$40,352.70
Other Expenses					
8100 Non Operating Expenses					
8110 Mortgage Interest Trestle	3,040.75	6,081.38	3,040.70		12,162.83
	1405	1407	1409	PERSONAL	TOTAL
8120 Depreciation - Trestle	1,531.59	3,063.18	1,531.59		6,126.36
Total for 8100 Non Operating Expenses	4,572.34	9,144.56	4,572.29		\$18,289.19
Total for Other Expenses	4,572.34	9,144.56	4,572.29		\$18,289.19
Net Other Income	-4,572.34	-9,144.56	-4,572.29		-\$18,289.19
Net Income	-561.75	5,140.06	-2,729.00	20,214.20	\$22,063.51

9. Supporting Methodology & Build Components

The following components illustrate key elements of the reconstruction process, highlighting how financial data was analyzed, structured, and validated.

A. Reconstruction of Gross Income & Management Fee Components

Management statements reflecting net deposits were **broken out** to reconstruct gross rental income and identify all related fee components.

	B	C	D	E	F	N
1	Cln Date	Cln Description	Cln Amount	Cln Debit	Cln Credit	Cln Property
104	5/23/25	Deposit - MAY	977.08		977.08	
105	5/11/25	Deposit - 1405				1405
106		Owner CC Fee				1405
107		Owner Management Fee				1405
108		Repairs & Maintenance				1405
109	5/11/25	Deposit - 1407	1760.25		1760.25	1407
110		Monthly Utility Reimbursement	-40.00	-40.00		1407
111		Owner CC Fee	-52.81	-52.81		1407
112		Owner Management Fee	-704.1	-704.1		1407
113		Repairs & Maintenance	-35.21	-35.21		1407
114	5/11/25	Deposit - 1409	89.00		89.00	1409
115		Owner CC Fee	-2.67	-2.67		1409
116		Owner Management Fee	-35.60	-35.60		1409
117		Repairs & Maintenance	-1.78	-1.78		1409
118			977.08			
119						
120	6/20/25	Deposit - JUNE	2867.10		2867.1	
121	6/4/25	Deposit - 1405	1597.30		1597.30	1405
122		Owner CC Fee	-47.92	-47.92		1405
123		Owner Management Fee	-638.92	-638.92		1405
124		Repairs & Maintenance	-31.95	-31.95		1405
125	6/4/25	Deposit - 1407	3264.35		3264.35	1407
126		Monthly Utility Reimbursement	-40.00	-40.00		1407
127		Owner CC Fee	-97.93	-97.93		1407
128		Owner Management Fee	-1305.74	-1305.74		1407
129		Repairs & Maintenance	-65.29	-65.29		1407
130	6/4/25	Deposit - 1409	424.00		424.00	1409
131		Owner CC Fee	-12.72	-12.72		1409
132		Owner Management Fee	-169.6	-169.6		1409
133		Repairs & Maintenance	-8.48	-8.48		1409
134			2867.10			
135						
136	7/17/25	Deposit - JULY	6066.68		6066.68	
137	7/7/25	Deposit - 1405	2548.60		2548.6	1405
138		Owner CC Fee	-76.46	-76.46		1405
139		Owner Management Fee	-1019.44	-1019.44		1405
140		Repairs & Maintenance	-50.97	-50.97		1405
141	7/7/25	Deposit - 1407	5979.61		5979.61	1407
142		Monthly Utility Reimbursement	-40.00	-40.0000		1407
143		Owner CC Fee	-179.39	-179.39		1407
144		Owner Management Fee	-2391.84	-2391.84		1407
145		Repairs & Maintenance	-119.59	-119.59		1407
146	7/7/25	Deposit - 1409	2574.85		2574.85	1409

◀ ▶	BANK_RAW	BANK_CLN	BANK_RECON	BANK_IMPORT
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B. Mortgage Payment Allocation (Principal vs Interest)

Mortgage payments were analyzed and broken out between principal and interest, with interest expense allocated across individual properties using class-based tracking.

ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME	CLASS
2420 - Long Term Liabilities: mortgage	723.54		Mortgage Interest - Trestle Loan - Allocated to units 1405 / 1407 / 1409		
8110 - Non Operating Expenses:	272.12		Mortgage Interest - Trestle Loan - Allocated to units 1405 / 1407 / 1409		1405
8110 - Non Operating Expenses:	544.23		Mortgage Interest - Trestle Loan - Allocated to units 1405 / 1407 / 1409		1407
8110 - Non Operating Expenses:	272.11		Mortgage Interest - Trestle Loan - Allocated to units 1405 / 1407 / 1409		1409
1170 Cash - Northwest Bank (#2)		1812.00	Mortgage Interest - Trestle Loan - Allocated to units 1405 / 1407 / 1409		
	1812.00	1812.00			

C. Transaction Triage & Risk Identification (Operating Account)

Operating account activity was reviewed and categorized to identify transaction patterns, isolate high-risk items, and establish a structured approach for accurate classification and cleanup.

Step 3 – High-Level Triage & Risk Scan Account: Operating – 2706

1. Structural Role (Derived from Data)

Transaction patterns indicate this account functions as the primary operating account. It handles routine deposits and operational disbursements.

2. Activity Overview

Total Transactions Reviewed: 317

Total Deposits: \$68,047.57

Total Withdrawals: \$-47,940.01

Distinct Transaction Descriptions Observed: 42

Activity reflects mixed deposits (likely revenue and transfers) and varied operational expenses. High vendor diversity consistent with an operating account.

3. Red Flags Identified (Internal)

Critical:

- Requires validation of loan payment splits (principal vs interest).
- Requires transfer pairing verification across accounts.

Medium:

- Review for equipment purchases expensed as repairs.
- Validate revenue deposits for correct classification.
- Confirm payroll-related disbursements are properly recorded.

Low:

- No immediate duplicate patterns observed at high-level scan.
- No obvious sign inconsistencies detected.

4. Suspected Misclassification Areas

- Loan payments may require principal/interest splitting.
- Large deposits require revenue vs transfer confirmation.
- Equipment or large asset purchases require capitalization review.
- Payroll and tax payments require reconciliation confirmation.

5. Transactions Requiring Clarification

- Nature of large or irregular deposits.
- Details of any large vendor payments.
- Confirmation of payroll provider reconciliation.
- Loan statement verification for payment allocation.

6. Client Summary

This account serves as the primary operating account for the business, handling deposits and operational disbursements. Several structural validation steps are required, including loan payment allocation, transfer tracing, and confirmation of revenue and payroll classification. No critical anomalies were detected at the initial high-level review.

These components reflect the structured approach used to transform raw financial data into accurate, reliable, and decision-ready reporting.

10. Strategic Impact

For Lenders:

- Reduced underwriting uncertainty
- Faster deal evaluation
- Lower risk of misrepresented financials

For CPAs:

- Clean handoff with traceable audit trail
- Reduced time spent correcting books
- Confidence in reported figures

For Investors:

- Clear understanding of true profitability
- Better capital allocation decisions
- Scalable financial structure

This transformation reflects a complete shift from unreliable, fragmented financials to a structured, decision-grade reporting system.



Appendix Overview & Reconstruction Support Package

Appendix Overview

The following sections provide detailed supporting documentation for the reconstruction process, including the full financial diagnostic, chart of accounts design, reconstruction methodology, and supporting schedules.

These materials are included to provide transparency, validation, and technical depth for CPA review, lender evaluation, and client clarity.

1. Purpose

This report documents the financial reconstruction performed on the subject books and records, including structural redesign, transaction normalization, adjustment logic, opening balance support, and reconciliation validation. It provides a clear, supportable summary of how disorganized financial data was converted into a structured, decision-ready accounting framework.

2. Scope of Reconstruction

- Financial period covered: **2025**
- Accounts reviewed: **bank, credit card, and loan accounts**
- Data sources: **bank statements, credit card statements, loan statements, and available external records**
- Entities/properties included: **multiple short-term rentals and related activity**
- Accounting system: **reconstructed into QuickBooks Online**
- Objective: **produce structured, property-level financial reporting suitable for CPA review and ongoing use**

3. Reconstruction Process Summary

1. Data collection and source consolidation
2. Triage and completeness review
3. Transaction normalization (BANK_RAW → BANK_CLN)
4. Financial structure redesign (COA, classes, reporting layers)
5. Transaction classification and mapping
6. Complex transaction reconstruction and adjustments
7. Opening balance support and tie-out
8. Final posting, reconciliation, and validation

4. Step-by-Step Reconstruction Process

Step 1 – Source Data Collection & Consolidation

Objective

Assemble a complete and organized dataset from all available financial sources.

Work Performed

- Collected bank and credit card transaction data

- Obtained loan statements and supporting records
- Gathered available external reports and documentation
- Organized all data by account and reporting period

Output

- Complete raw transaction dataset
- Consolidated source record set
- Initial reconstruction working file

Step 2 – Triage & Completeness Review

Objective

Determine dataset completeness and identify reconstruction risks before processing.

Work Performed

- Reviewed accounts for missing periods or incomplete transaction history
- Checked for duplicate or overlapping transactions
- Identified large, unusual, or unclear transactions
- Flagged transfer activity requiring validation
- Noted areas requiring additional support or assumptions

Output

- Triage findings and risk flags
- Identified data gaps or inconsistencies
- List of items requiring validation or follow-up

Step 3 – Transaction Normalization

Objective

Convert raw financial data into a clean, standardized transaction dataset suitable for classification and mapping.

Work Performed

- Standardized payee names and transaction descriptions
- Grouped recurring and pattern-based transactions
- Identified and isolated transfer activity between accounts
- Segmented unclear or ambiguous transactions for further review
- Cleaned and structured raw transaction data into a normalized dataset

Output

- BANK_RAW dataset (original imported transactions)
- BANK_CLN dataset (cleaned and standardized transactions)
- Normalized transaction base for classification and mapping

Step 4 – Financial Structure Redesign

Objective

Establish a structured accounting framework to support consistent, property-level financial reporting.

Work Performed

- Redesigned the chart of accounts to align with real estate operations
- Implemented account numbering and standardized naming conventions
- Established property/class segmentation for reporting
- Separated operating, balance sheet, and capital activity
- Built a structure to support consistent classification and reporting

Output

- Re-engineered chart of accounts
- Property/class reporting framework
- Structured accounting architecture for reconstruction

Step 5 – Transaction Classification & Mapping

Objective

Assign normalized transactions into the redesigned accounting structure.

Work Performed

- Mapped transactions from legacy categories into new chart of accounts
- Assigned property/class designations to all transactions

- Identified transactions requiring split or reallocation
- Corrected misclassified income and expense activity
- Applied consistent classification logic across the dataset

Output

- Structured and classified transaction dataset
- Old → new account mapping logic
- Transactions prepared for final posting

Step 6 – Complex Transaction Reconstruction

Objective

Resolve transactions requiring detailed analysis, allocation, or restructuring beyond standard classification.

Work Performed

- Split mortgage payments between principal and interest components
- Decomposed combined deposits into true income and related activity
- Reconstructed property management fee components where applicable
- Identified and resolved inter-account transfer activity
- Reclassified owner-related or non-operating transactions
- Restructured grouped or inconsistent expense categories

Output

- Reconstructed and adjusted transaction entries
- Supporting logic for material adjustments
- Adjustment population for summary reporting

Step 7 – Opening Balance Support

Objective

Establish supportable opening balances for all relevant accounts within the reconstructed financials.

Work Performed

- Tied bank account balances to available statements
- Reviewed loan balances against lender records where available
- Established baseline values for key balance sheet accounts
- Identified areas requiring assumptions due to limited documentation

Output

- Opening balance support schedule
- Source-based balance tie-out where available
- Documented assumptions for unsupported balances

Step 8 – Final Posting & Financial Assembly

Objective

Assemble the reconstructed financial data into the finalized accounting structure.

Work Performed

- Posted classified transactions into the redesigned chart of accounts
- Applied property/class assignments across all activity
- Reviewed account flow across income statement and balance sheet
- Generated draft financial reports for review

Output

- Reconstructed accounting dataset within final structure
- Draft financial statements (P&L and balance sheet)
- Property/class-level reporting outputs

Step 9 – Reconciliation & Validation

Objective

Confirm that reconstructed financial data is complete, accurate, and supportable.

Work Performed

- Reconciled bank and credit card accounts to available statements
- Reviewed loan-related balances and payment allocations

- Verified transfer activity across accounts
- Checked transaction classifications for consistency
- Reviewed financial reports for completeness and reasonableness

Output

- Reconciliation confirmation across all accounts
- Validated and internally consistent financial dataset
- Finalized financial reports ready for use

Appendix A – Financial System Diagnostic Report

Is your current financial system reliable?

This diagnostic evaluates a real estate investor’s or contractor’s current financial system. Not just the numbers, but the structure, accuracy, and reliability that produce them. For real estate investors and contractors, financial accuracy is not optional—it directly impacts decision-making, tax compliance, lender confidence, and long-term scalability. Inconsistent classification, incomplete revenue tracking, or lack of standardized processes can distort performance, introduce risk, and limit access to capital.

This report identifies key structural weaknesses across seven critical areas: chart of accounts design, revenue recognition, expense classification, balance sheet integrity, job costing, monthly close processes, and CPA/lender readiness. Each category is scored to highlight both current risk exposure and opportunities for improvement.

The goal of this diagnostic is simple:

to determine whether the financial system is reliable, scalable, and decision-ready— and if not, define the path required to get there.

Appendix A – Financial System Diagnostic Report (continued)



Financial System Scorecard - (Short Term Rental Project)

Scoring Scale: 1.0 - 2.0 = Critical, 2.1 - 3.0 = At Risk, 3.1 - 4.0 = Stable, 4.1 - 5.0 = Optimized

Category	Score (1 - 5)	Status	Key Issue
Structural Integrity	2.5		
Revenue Recognition	2.0		
Expense Classification	2.5		
Debt & Balance Sheet	2.5		
Job Costing / WIP	2.0		
Monthly Close	2.0		
CPA / Lender Readiness	2.0		

Score 2.21

System Classification _____

Grading Criteria (Reference Guide)

1. Structural Integrity

- 1–2: No consistent COA, mixed personal/operating activity
- 3: Basic COA, inconsistent structure
- 4–5: REI-specific COA, clean segmentation

2. Revenue Recognition

- 1–2: Net deposits, no traceability
- 3: Partial separation
- 4–5: Gross income, fully traceable

3. Expense Classification

- 1–2: Misclassified, incomplete
- 3: Basic but inconsistent
- 4–5: Structured, consistent

4. Debt Integrity

- 1–2: No split, unreliable balances
- 3: Partial structure
- 4–5: Accurate, reconciled

5. Job Costing / WIP

- 1–2: No tracking
- 3: Partial
- 4–5: Full system

6. Monthly Close

- 1–2: No process
- 3: Partial
- 4–5: Structured close

7. CPA / Lender Readiness

- 1–2: Not usable
- 3: Needs adjustment
- 4–5: Fully reliable

Appendix A – Financial System Diagnostic Report (continued)



Financial Operations Diagnostic Report

Property: Trestle Condo (1407) – Bridges Bay Resort (STR)

Assessment Type: Pre-Cleanup Financial Diagnostic

Executive Summary

The current financial system contains structural inconsistencies, incomplete revenue tracking, and no formal close process. While underlying data exists, the financials are not reliable for decision-making, tax preparation, or lending purposes. A full cleanup and system rebuild is required to establish accurate, lender-ready financial reporting.

1. Structural Integrity (Score: 2.5)

Key Findings:

- Chart of Accounts lacks a refined STR-specific structure
- Transfers inconsistently classified, creating account confusion
- Vendor normalization incomplete
- No standardized property-level reporting framework

Risk Implications:

- Financial reports may not reflect true property performance
- Inconsistent categorization reduces reliability of financial data
- Increased likelihood of errors during tax preparation
- Limited scalability across multiple properties

2. Revenue Recognition & Deposit Traceability (Score: 2.0)

Key Findings:

- Deposits not consistently matched to underlying revenue sources
- No system to reconcile gross rents to net deposits
- Income and related fees not clearly separated
- Some deposits and transactions misclassified

Risk Implications:

- Income may be overstated or understated
- Revenue may be recorded in incorrect periods
- Financials may not withstand CPA or lender scrutiny
- Reduced visibility into true property performance

3. Expense Classification (Score: 2.5)

Key Findings:

- Expenses categorized inconsistently across transactions
- No standardized expense classification framework
- Misclassification present in multiple areas of the books

Risk Implications:

- Financial statements may misrepresent operating performance
- Tax reporting may require additional adjustments
- Reduced confidence in expense-level decision-making

4. Debt & Balance Sheet Integrity (Score: 2.5)

Key Findings:

- Mortgage principal historically misclassified
- Loan balances not clearly supported by accurate principal tracking

Risk Implications:

- Loan balances may be inaccurate
- Financial statements may not reflect true liabilities
- Lenders may not trust reported financials

Appendix B – Chart of Accounts (Financial Architecture Framework)

STR Financial Architecture

Section 1 – Core Design Rule

- Operating vs Non-Operating Rule: Mortgage Interest and Depreciation are excluded from operating performance analysis.
- Account vs Class Rule: Accounts describe the nature of the transaction. Classes describe the property.
- Opening Balance Equity Rule: OBE must remain at zero after cleanup.
- Cash Structure Rule: Bank accounts remain separate for reconciliation but roll up under Cash.
- No Duplicate Accounts Rule: Property-level separation is handled exclusively through Classes.
- Matching Principle Rule: Income streams are structured to logically align with related expense categories.

Section 2 – Final Chart of Accounts (Numbered & Hierarchically Locked)

1000 – Assets

- **1100 Cash (Parent)**
 - 1110 Cash – Bank Midwest (#305)
 - 1120 Cash – Bank Midwest (#313)
 - 1130 Cash – Bank Midwest (#748)
 - 1140 Cash – Bank Midwest (#207)
 - 1150 Cash – Bank Midwest (#850)
 - 1160 Cash – Bank Midwest (#851)
 - 1170 Cash – Northwest Bank (#2706)
 - 1180 Cash On Hand
- **1200 Accounts Receivable**
- **1300 Prepaid Expenses**
- **1350 Credit Card Overpayment / Refund Clearing**
- **1400 Real Estate Owned**
 - 1410 Land – Stillwater
 - 1420 Building – Stillwater
 - 1430 Cap Ex – Stillwater
 - 1440 Land – Trestle
 - 1450 Building – Trestle
 - 1460 Cap Ex – Trestle
- **1500 Furniture & Fixtures**
- **1510 Appliances**
- **1520 Equipment**
- **1590 Accumulated Depreciation**
 - 1591 Accum Dep Stillwater
 - 1592 Accum Dep Trestle
 - 1594 Accum Dep Cap Ex
 - 1595 Accum Dep FF&E
 - 1596 Accum Dep - Vehicles
- **1600 Personal Fixed Assets**
 - 1610 Vehicle - Buick
 - 1620 Vehicle – Golf cart
- **1700 Investments**
 - 1710 Brokerage – taxable
 - 1711 Cetera - Brokerage
 - 1720 IRA - Traditional
 - 1730 IRA - Roth
 - 1740 401(K)
 - 1750 CDs
 - 1760 Annuities
 - 1761 New York Life – Annuity
 - 1762 Thrivent - Annuity
- **1800 Insurance Assets**

Appendix B – Chart of Accounts - Financial Architecture Framework (continued)

- 1810 Cash value – Life Insurance
- 1820 Burial Value

- **1900 Other Long Term Assets**
 - 1910 Notes Receivable
 - 1920 Partnership Interest
- 2100 – Current Liabilities**
 - 2190 – Goldmans Sachs (Temporary)
 - 2200 - Accrued Expenses
 - 2300 - Security Deposits / Trust Liability
- 2350 – Credit Cards**
- 2400 – Long Term liabilities**
 - 2410 Mortgage – Stillwater
 - 2420 Mortgage – Trestle
- 3100 – Equity**
 - 3110 Owner Contributions
 - 3200 Owner Distributions
 - 3300 Capital Reserves
 - 3400 Retained Earnings
 - 3500 Opening Balance Equity
- 4010 – Rental Income**
- 5000 – Operating Expenses**
 - **5100 Repairs & Maintenance**
 - 5110 General Repairs (Optional)
 - **5200 Utilities**
 - 5210 Electric
 - 5220 Internet
 - **5300 HOA / Association Dues**
 - 5310 Master Association
 - 5320 Building Association
 - 5330 Capital Reserve
 - **5350 Property Taxes**
 - **5400 Insurance (Parent)**
 - 5410 Property Insurance - Trestle
 - 5415 Umbrella - Trestle
 - 5420 Auto - Trestle
 - **5500 Professional Fees**
 - 5510 Legal (Optional)
 - 5520 Accounting (Optional)
 - **5600 Property Management Fees**
 - 5610 Owner Management Fee
 - 5620 Credit Card Processing Fee
 - 5630 Utilities Handling Fee
 - **5700 Bank Charges**
 - **5800 Supplies**
 - **5900 Advertising / Platform Fees**
- 6000 – Personal & Household Expenses**
 - **6100 Medical Expenses**
 - 6110 Prescription Drugs
 - 6115 Long Term Care Reimbursements
 - 6120 Out-of-Pocket Medical
 - **6200 Rehabilitation Services**
 - **6300 Long-Term Care Expenses**

Appendix B – Chart of Accounts - Financial Architecture Framework (continued)

- 6310 In Home Care
- 6320 Assisted Living
- 6330 Nursing Facility
- **6600 General Household Expenses**
 - 6610 Groceries
 - 6620 Utilities – Personal Residence
 - 6621 Cell Phone
 - 6622 Internet
 - 6623 Electrical
 - 6630 Property Taxes – Personal residence
 - 6640 Home Maintenance
 - 6650 Fuel & Transportation
 - 6660 Personal care
 - 6670 Subscriptions / Memberships
 - 6671 Wounded Warriors
 - 6680 Meals & Entertainment
 - 6690 Merchandise
 - 6695 Misc Household
- **6800 Personal Insurance**
 - 6810 Health Insurance
 - 6820 Long Term Care Insurance
 - 6830 Life Insurance
 - 6840 Auto Insurance
 - 6850 Homeowners Insurance – Stillwater
 - 6860 Personal Umbrella Liability – Stillwater
 - Personal Finance Cost
 - 6871 Credit Card Interest
 - 6872 Bank & Card Fees

7100 – Personal Income

- 7110 – Employment Income - Mom
- 7120 – Employment Income - Dad
- 7300 – Long Term Care Benefits
- 7350 – VA Benefits
- 7400 – Social Security Income
- 7500 – Pension / Retirement Income
- 7700 – Other Personal Income
- 7750 – Credit Card Rewards (Household)

7800 – Investment Income

- 7810 – Interest Income
- 7820 – Annuity Income (New York Life)
- 7830 – Annuity Income (Thrivent)
- 7840 – Annuity Income (Mutual of Omaha)

8100 – Non-Operating Expenses

- 8110 Mortgage Interest - Trestle
- 8120 Depreciation Expense - Trestle

Appendix C – 18-Step Reconstruction Framework (Visual Overview)



REI Cleanup Methodology 18-Step Structured Cleanup System

This document outlines a structured, repeatable process used to clean up and rebuild real estate financials. It combines operational steps with simple control layers to ensure accuracy, clarity, and trust in the final results.

Step 1 – Project Setup & Scope

- Confirm entities, accounts, and reporting needs
- Define cleanup scope and expectations
- Gather required documents and access

Step 2 – Data Ingestion

- Collect bank, credit card, payroll, and supporting data
- Identify missing documents
- Prepare data for review

Step 3 – Triage & Risk Scan

- Review transactions for red flags
- Identify missing or incorrect classifications
- Spend more time reviewing large or unusual transactions
- Set aside important or unclear items for deeper review

Step 4 – COA Design

- Design clean, REI-specific chart of accounts
- Align accounts with reporting and tax needs

Step 5 – COA Mapping

- Map old accounts to new structure
- Identify areas requiring splits or cleanup

Step 6 – Clean & Classify Transactions

- Reclassify transactions
- Assign jobs/classes
- Split and clean transactions
- Maintain a simple log of major changes
- Use consistent rules for small transactions
- Keep a list of items needing clarification

Step 7 – Fixed Assets

- Identify and capitalize assets
- Create depreciation schedules

Step 8 – Loans

- Separate principal and interest
- Build loan schedules

Step 9 – Payroll

Reconcile payroll data
Ensure correct classification of wages and taxes

Step 10 – Opening Balances

- Establish starting balances
- Reconcile key accounts
- Compare to statements when available
- Recreate balances if they don't make sense
- Clearly note adjustments made

Appendix C – 18-Step Reconstruction Framework (Visual Overview)



REI Cleanup Methodology 18-Step Structured Cleanup System

Step 11 – AR/AP

- Match invoices and payments
- Clean up outstanding balances

Step 12 – Rental & Job Review

- Review rental income/expenses
- Validate job costing accuracy

Step 13 – Reporting

- Generate financial statements
- Produce job-level reporting

Step 14 – Quality Control

- Review financials for accuracy
- Validate reconciliations
- All accounts reconciled
- Tie balances to schedules
- No important items uncategorized
- Numbers make sense overall

Step 15 – Final Package

- Compile reports and documentation
- Deliver results to client
- Show your work, ensure changes trace back to source data
- Support Your Entries, explain major adjustments

Step 16 – Repeat Process

- Apply system to additional periods
- Improve efficiency over time

Step 17 – Strategy & Recommendations

- Provide high-level tax and structure insights
- Recommend improvements

Step 18 – Handoff & Training

- Provide summary and next steps
- Deliver maintenance guidance

This methodology is what transforms a set of unclear or unreliable books into financials that can be confidently used by CPAs, trusted by lenders, and relied upon by real estate investors and contractors to make decisions. By following a structured and repeatable process, every number is supported, every account has a purpose, and every report tells a clear story. The result is not just “clean books,” but financials that stand up to scrutiny, reduce risk, and support better outcomes across tax preparation, underwriting, and day-to-day operations.

Appendix D – Reconstruction Support Schedules

Summary of how legacy account structure was mapped into the reconstructed chart of accounts.

Schedule A – Old → New COA Mapping

Legacy to Reconstructed Chart of Accounts Mapping

Old Account Name	New Account Number	New Account Name	Notes
Investments:Cetera	1710	Brokerage - taxable	Reclassify to structured investment account
Investments:New York Life	1760	Annuities	Reclassify to annuity asset category
Investments:Life Insurance - Cash Surrender Value:Mutual of Omaha	1810	Cash Value Life Insurance	Renamed for clarity and consistency
Late Fees Collected	4010	Rental Income	Reclassify as rental income
Depreciation:Property	8120	Depreciation Expense	Classified as non-operating expense
Long Term Care	6820	Long Term Care Insurance	Reclassified to non-operating expense
Mortgage Expense	2420	Mortgage - Trestle	Split into liability and interest components
	8110	Interest Expense	Split into liability and interest components
Trestle Condo	1440	RE Owned: Land	Reallocated into land, building, and CapEx components
	1450	RE Owned: Building	Reallocated into land, building, and CapEx components
	1460	RE Owned: CapEx	Reallocated into land, building, and CapEx components

Schedule B – Adjustment Summary

Summary of key financial adjustments made to correct, reclassify, and reconstruct transaction activity.

Adjustment Category	Description	Impact	Notes
Mortgage Payment Allocation	Mortgage payments recorded as single expense transactions were split into principal and interest components	Improved accuracy of expense reporting and loan balance tracking	account; interest recorded as expense
Income Reclassification	Income transactions were inconsistently classified or recorded to incorrect accounts and were reassigned to appropriate income categories	Improved accuracy and consistency of income reporting across properties	Aligned income activity with intended account structure and reporting framework
Expense Reclassification	Expense transactions were inconsistently categorized or recorded to incorrect accounts and were reassigned to appropriate expense categories	Improved accuracy and visibility of operating expenses	Standardized expense classification across accounts and properties
Transfer Identification & Resolution	Inter-account transfers were not consistently identified and were corrected to eliminate duplicate income and expense recognition	Improved accuracy of financial statements by removing duplicate or misstated activity	Transfers matched across accounts and excluded from income and expense classification
Property Management Fee Decomposition	Combined property management fee transactions were analyzed and separated into individual income and expense components	Improved transparency and accuracy of income and expense reporting	Management fees and related components recorded separately to reflect true financial activity
Association Dues Restructuring	Association dues were inconsistently categorized and were restructured into a standardized account hierarchy	Improved consistency and comparability of property-level expenses	Association dues classified into appropriate categories for consistent reporting
Personal vs Business Separation	Personal transactions were identified and separated from business activity to ensure accurate financial reporting	Improved integrity and reliability of business financial statements	Personal activity reclassified or removed to isolate true operating results

Schedule C – Opening Balance Support

Summary of opening balances established and supporting sources used in reconstruction.

Account	Opening Balance	Source/support	Notes
Operating Checking - NWB2706	\$ 14,764.31	Bank statement (beginning of period)	Primary operating account used for reconstruction
Personal Checking - BMW748	\$ 3,062.83	Bank statement (beginning of period)	Used to identify and separate personal vs business activity
Discover Credit Card	\$ 1,439.69	Credit card statement (beginning of period)	Included for expense reconstruction and transaction completeness

Schedule D – Reconciliation Confirmation

All bank and credit card accounts were reconciled for the reconstruction period. Reconciliation reports are available for each account and period upon request.

Account	Status	Last Reconciled date
Operating Checking - NWB2706	Complete	12/31/25
Personal Checking - BMW748	Complete	12/31/25
Discover Credit Card	Complete	12/31/25

Appendix D – Reconstruction Support Schedules (continued)

Schedule E – Limitations & Assumptions

- Reconstruction is based on financial data and documentation provided and available at the time of analysis
- Certain classifications may require review and adjustment by the client's CPA for final tax treatment
- Where documentation was incomplete or unavailable, reasonable assumptions were applied based on available information
- This report does not constitute tax or legal advice
- Final tax positions and filings remain the responsibility of the client and their CPA

6. Conclusion

The reconstruction process transformed fragmented and inconsistently structured financial data into a reliable, supportable accounting framework. The resulting financials provide improved clarity, accuracy, and property-level visibility, supporting CPA review, tax preparation, and ongoing financial decision-making.