

# Financial Report as of January 30, 2026

## Reconciliation Report

[Link here to view the Report](#)

### Summary

Statement beginning balance	\$13,077.96
Checks and payments cleared (218)	-\$1,307,561.69
Deposits and other credits cleared (41)	\$1,304,854.66
Statement ending balance	<u>\$10,370.93</u>
Cleared transactions after 01/30/2026	\$ 0.00

### Beginning Balance:

The statement started with a balance of \$13,077.96.

### Cleared Checks and Payments:

A total of 218 payments cleared during the period, amounting to \$1,307,561.69.

This shows a high volume of outgoing transactions, which may include vendor payments, operating expenses, or project-related costs.

### Cleared Deposits and Credits:

There were 41 deposits totaling \$1,304,854.66.

This indicates strong inflow activity, such as client payments, funding, or reimbursements.

### Ending Balance:

The statement ended with a balance of \$10,370.93.

This reflects a net decrease of \$2,707.03 from the beginning balance, meaning payments slightly exceeded deposits for the period.

### Transactions After January 30, 2026:

There are no cleared transactions after 01/30/2026, confirming that all recorded cleared activity falls within the statement period.

## Key Insights

### 1. Cash Flow is High but Tight

The total inflows and outflows are both over \$1.3M, but the ending balance remains relatively low. This suggests:

- The account is being used as a high-activity operational account (WIP).
- Funds are moving quickly in and out, leaving limited buffer.

# Profit and Loss

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Revenue from Property Sales= VG Home Buyers generated \$2.7M in property sales

Cost Of Goods Sold= \$2.3M

Gross Profit of \$397.7K

Operating expenses= \$85.1K,

Net operating Income \$312.6K

Net income of \$312.9K for the month. This means only around 15% is left as gross profit

## Key Insights

### 1. Strong profitability

The business maintained a healthy margin and strong net income, showing good deal performance and cost control.

### 2. Major expense drivers

The biggest costs were:

- General project overhead
  - Payroll and taxes
  - Professional and accounting services
- These are the main areas to monitor for efficiency.

### 3. One-time or discretionary expenses

Charitable contributions of \$12K significantly impacted expenses this month. Tracking these separately can help evaluate true operating performance.

### 4. Opportunity to improve margins

Since COGS is high relative to revenue, reviewing project costs and vendor pricing may further increase profit.

- The company keeps about 15% after property costs
- After operating expenses, they keep about 11–12% as true profit
- They made over \$300K in one month, which is strong performance
- What This Means:

✅ The business is profitable

✅ Operating expenses are well controlled

⚠️ Margins are somewhat tight — large unexpected rehab costs or price drops could shrink profits quickly

👉 The company is running efficiently because only about 3% of revenue (\$85K of \$2.7M) went to operating overhead

# Statement of Cash Flows

[Link here to view the Report](#)

## Cash Flow Summary (Jan 1–30, 2026)

### ✔ Operating Activities

- **Net income: \$312,992**
- After adjustments (mainly WIP increase and loan/credit card changes), the company generated:  
👉 **\$1,713,875 cash from operations**

#### Key driver:

- The biggest impact was the **increase in Work in Progress (WIP)** amounting to **\$1.75M**, which significantly boosted operating cash.
- Major loan payments and partner distributions resulted in:  
👉 **\$1,416,043 cash outflow**

### Highlights:

- Large loan repayment (about **\$1.25M**) Walter Klink on 63 Montclair
- Other loan payments and owner draw also reduced cash.

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### 📊 Overall Result

👉 **Net cash increased by \$297,832 for January 2026**

### Key Insights

#### 1. Strong operating cash flow

The business is generating strong cash from its core operations. The large increase in WIP suggests progress on projects or property closings that converted to cash during the month.

#### 2. Working capital impact is significant

The biggest driver of cash flow was WIP and loan movements. This shows that cash flow depends heavily on deal timing and project completion.

#### 3. Heavy debt repayments and funding activity

There were large repayments of long-term and short-term loans, including a major payment of **\$1.25M**, partially offset by a new loan of **\$300K**. This reflects active debt management but also high reliance on financing.

#### 4. Liquidity improved but still needs monitoring

Even after large loan repayments and owner draws, cash increased. However, because real estate cash flow can be irregular, tracking upcoming loan payments and project funding remains important.

## Overhead Expenses as of January 30,2026

[Link here to view the report](#)

600.1 Office Expenses and Supplies	\$415.77
600.2 Office Utilities	\$234.34
600.3 Software and Subscriptions	\$1,310.66
600.4 Building and Land Rent	\$2,400.00
600.6 General Project Overhead	\$28,344.17
600.7 Broker's Fee	\$500.00
601.1 Salaries and Wages	\$13,310.95
601.2 Employer Payroll Taxes	\$6,698.79
602.4 Professional Admin and Accounting Expenses	\$12,765.48
602.6 Professional HR Services	\$1,000.00
602 Professional Service Expenses	\$2,500.00
606.2 Vehicle Fuel	\$1,462.13
606.6 Tolls and Parking Fees	\$222.30
609 Charitable Contributions	\$12,000.00
704.1 Interest Expenses	\$1,164.77
704.2 Bank Charges	\$146.39
704.4 Loan Interest	\$1,528.77
704 Other Expenses	\$1,902.00
<b>TOTAL</b>	<b>\$87,906.52</b>

- Total Overhead Expenses: \$87,906.52
- Overhead expenses are all the indirect costs necessary to run the business that are not directly tied to a specific property or project. These include office costs, salaries, professional fees, utilities, vehicle costs, and interest payments.
- This total gives a snapshot of how much the company spent to support its operations in January 2026, aside from project-specific costs.

### Major Cost Drivers

General Project Overhead – \$28,344.17

Largest expense category. This likely includes indirect project-related costs and possibly bonuses.

Salaries and Wages – \$13,310.95

Professional Admin & Accounting – \$12,765.48

Charitable Contributions – \$12,000.00

👉 These four categories make up the majority of total overhead.

### Possibly General Project Overhead

✅ This means January overhead is higher than a normal month and may not reflect regular monthly spending.

### ③ Fixed vs Variable Costs

**Fixed Costs: Rent (\$2,400), Software (\$1,310.66), HR Services (\$1,000)**

**Variable Costs: Fuel, Tolls, General Overhead, Professional fees**

**If bonuses are excluded, monthly overhead would likely be significantly lower.**

### ④ Cash Flow Consideration

**Since bonuses were included:**

**December cash outflow is heavier.**

**January may look “lighter” in comparison.**

**Important to normalize when comparing month-to-month performance.**

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### **UnPaid Bills as of January 30, 2026**

[Link here to view the Report](#)

**Total unpaid bills amount to \$37,784.09, with an open balance of \$36,964.09.**

#### **◆ By Vendor**

**Jaeger Lumber: \$6,964.09**

**These are recent bills and not yet due (due February to March 2026).**

**J & M Contractors LLC: \$30,820.00**

**Majority of the unpaid balance. Many invoices are significantly past due (over 700 days).**

#### **🔍 Key Insights**

##### **① Major Risk – Long Outstanding Contractor Payables**

**The largest concern is the balance with J & M Contractors, as most invoices have been unpaid since early 2024. This could:**

**Affect vendor relationships and trust.**

**Lead to project delays or refusal of future work.**

**Increase negotiation pressure or potential disputes.**

##### **② Cash Flow Planning Opportunity**

The Jaeger Lumber invoices are current and upcoming. This gives the team time to:

Schedule payments strategically.

Align payments with expected project funding or closings.

### 3 Concentration Risk

Over 80% of total unpaid bills are from J & M Contractor. This creates:

Dependency on a single vendor.

Higher financial and operational risk if unresolved.

### 4 Recommended Actions

- ✓ Review and confirm balances with J & M Contractors.
- ✓ Prioritize payment or negotiate a structured payment plan.
- ✓ Monitor aging regularly to avoid long overdue balances.
- ✓ Separate old project balances from active projects to improve visibility.

## Monthly Spending By Product Per Property

[Link here to view the Report](#)

👉 Total spending: \$301,910

#### ◆ Highest to Lowest Spending

2087 Dogwood Dr:	\$145,111
185 Fernwood Ave:	\$61,509
25 Warren Pl:	\$21,433
63 Montclair Ave:	\$20,803
2154 Shackamaxon Dr:	\$15,167
1309 Graymill Dr:	\$25,986
52 Wildwood Ave:	\$5,415
1936 Parkwood Dr:	\$2,000
No Property Assigned (Missing receipts):	\$2,484
120 Beverly Rd:	\$1,087
76 Stonebridge Rd:	\$713
112 Wildwood Ave:	\$155
2 Roosevelt Ave:	\$48

Insight:

- Spending is heavily concentrated on Dogwood and Fernwood, which make up a large portion of total project costs.
- A few properties are still in early or low spending stages.
- The \$2,484 without property should be reviewed and assigned to avoid inaccurate project profitability and reporting.

# Top Three Highest Spending

2087Dogwood

[Link here to View the Report](#)

Product/Service full name	Amount
10 - Buying, Holding, and Site Management:14 Holding Costs:14.4 Utilities	\$264.00
10 - Buying, Holding, and Site Management:14 Holding Costs:14.8 Lawn Care/Snow Removal	\$120.00
10 - Buying, Holding, and Site Management:18 Site Management:18.0 Site Management	\$990.00
20 - Site Systems:28 Water and Well Systems:28.4 Water Line Repair	\$660.00
40 - Foundation and Site Work:44 Site Work:44.4 Excavation/Backfill/Grading	\$9,384.00
50 - Framing and Shell:52 Framing:52.1 Framing Materials	\$389.00
50 - Framing and Shell:52 Framing:52.4 Framing Labor	\$4,239.00
50 - Framing and Shell:53 Roofing:53.1 Roofing Materials	\$4,215.00
50 - Framing and Shell:56 Interior Stairs:56.1 Interior Stair Materials	\$119.00
50 - Framing and Shell:56 Interior Stairs:56.4 Interior Stair Labor	\$180.00
50 - Framing and Shell:58 Siding and Shutters:58.2 Siding Materials	\$6,787.00
50 - Framing and Shell:58 Siding and Shutters:58.3 Shutter Materials	\$520.00
50 - Framing and Shell:58 Siding and Shutters:58.5 Siding Labor	\$300.00
60 - Building Systems:62 HVAC:62.1 HVAC Materials	\$53.00
60 - Building Systems:62 HVAC:62.2 Premium Thermostats	\$640.00
60 - Building Systems:62 HVAC:62.4 HVAC Labor	\$198.00
60 - Building Systems:62 HVAC:62.7 HVAC Flat Price	\$3,000.00
60 - Building Systems:63 Plumbing:63.1 Plumbing Rough Materials	\$152.00
60 - Building Systems:63 Plumbing:63.2 Plumbing Fixtures	\$4,535.00
60 - Building Systems:64 Electrical:64.1 Electrical Materials Rough	\$3,951.00
60 - Building Systems:64 Electrical:64.2 Electrical Fixtures	\$4,262.00
60 - Building Systems:64 Electrical:64.4 Electrical Labor	\$186.00
60 - Building Systems:65 Security and Technology:65.0 Security and Technology	\$267.00
60 - Building Systems:69 Drywall:69.4 Drywall/Spackle Labor	\$2,178.00
70 - Finishes:70.0 Finishes	\$1,628.00
70 - Finishes:71 Tile Installation:71.4 Tile Labor	\$710.00
70 - Finishes:72 Flooring Non-Tile:72.5 Hardwood Floor Labor	\$9,426.00
70 - Finishes:72 Flooring Non-Tile:72.6 Vinyl Flooring Labor	\$186.00
70 - Finishes:73 Cabinetry:73.1 Cabinet Materials	\$3,014.00
70 - Finishes:73 Cabinetry:73.2 Countertops	\$5,414.00
70 - Finishes:73 Cabinetry:73.4 Cabinet Labor	\$6,061.00
70 - Finishes:74 Interior Carpentry:74.1 Interior Door Materials	\$2,049.00
70 - Finishes:74 Interior Carpentry:74.2 Closet Materials	\$307.00
70 - Finishes:74 Interior Carpentry:74.3 Basic Trim Materials	\$672.00
70 - Finishes:74 Interior Carpentry:74.4 Specialty Trim Materials	\$176.00
70 - Finishes:74 Interior Carpentry:74.5 Interior Door Labor	\$1,152.00
70 - Finishes:74 Interior Carpentry:74.6 Closet Labor	\$792.00
70 - Finishes:74 Interior Carpentry:74.7 Basic Trim Labor	\$2,335.00
70 - Finishes:74 Interior Carpentry:74.9 Interior Railing Flat Fee	\$3,365.00
70 - Finishes:75 Painting and Wallpaper:75.1 Paint Materials	\$71.00
70 - Finishes:75 Painting and Wallpaper:75.2 Wallpaper Materials	\$359.00
70 - Finishes:75 Painting and Wallpaper:75.4 Paint Labor	\$2,736.00
70 - Finishes:76 Accessories:76.1 Bathroom Materials Accessories / Small Mirrors	\$330.00
70 - Finishes:76 Accessories:76.4 Accessories Installation Labor	\$420.00
70 - Finishes:76 Accessories:76.7 Frameless Glass Enclosures and Mirrors	\$3,075.00
70 - Finishes:77 Appliances:77.1 Appliance Materials	\$22,830.00
70 - Finishes:77 Appliances:77.4 Appliance Installation Labor	\$2,574.00
80 - Exterior Work:82 Exterior Carpentry:82.0 Exterior Carpentry	\$242.00
80 - Exterior Work:82 Exterior Carpentry:82.1 Deck/Porch Materials (carpentry)	\$2,185.00
80 - Exterior Work:82 Exterior Carpentry:82.3 Exterior Accessories	\$459.00
80 - Exterior Work:82 Exterior Carpentry:82.4 Exterior Carpentry Labor	\$4,578.00
80 - Exterior Work:82 Exterior Carpentry:82.5 Deck/Porch Labor (carpentry)	\$6,069.00
80 - Exterior Work:84 Exterior Masonry:84.8 Patios, Walkways and Masonry Stairs (Flat Price)	\$5,000.00
80 - Exterior Work:85 Exterior Painting:85.1 Exterior Paint Materials	\$113.00
80 - Exterior Work:85 Exterior Painting:85.4 Exterior Paint Labor	\$1,464.00
80 - Exterior Work:88 Lanscape and Grounds:88.8 Landscape Improvements	\$6,000.00
90 - Sale, Prep, and Other:92 Sale Preparation:92.7 Post Construction Cleaning	\$1,722.00
90 - Sale, Prep, and Other:94 Other Expenses:94.0 Other Expenses	\$11.00
<b>Grand Total</b>	<b>\$145,114.00</b>

## 185 Fernwood

[Link here to view the Report](#)

Product/Service full name	Amount
10 - Buying, Holding, and Site Management:14 Holding Costs:14.4 Utilities	\$374.00
10 - Buying, Holding, and Site Management:14 Holding Costs:14.8 Lawn Care/Snow Removal	\$170.00
10 - Buying, Holding, and Site Management:16 Project Prep:16.7 Architectural Plans	\$1,470.00
10 - Buying, Holding, and Site Management:18 Site Management:18.0 Site Management	\$4,825.00
20 - Site Systems:28 Water and Well Systems:28.4 Water Line Repair	\$1,326.00
40 - Foundation and Site Work:40.0 Foundation and Site Work	\$150.00
40 - Foundation and Site Work:42 Foundation:42.1 Foundation Materials	\$182.00
40 - Foundation and Site Work:42 Foundation:42.4 Foundation Labor (Mason)	\$11,165.00
40 - Foundation and Site Work:44 Site Work:44.0 Site Work	\$344.00
40 - Foundation and Site Work:44 Site Work:44.2 Drainage Materials	\$415.00
40 - Foundation and Site Work:44 Site Work:44.4 Excavation/Backfill/Grading	\$7,590.00
50 - Framing and Shell:52 Framing:52.0 Framing	\$929.00
50 - Framing and Shell:52 Framing:52.1 Framing Materials	\$16,321.00
50 - Framing and Shell:52 Framing:52.4 Framing Labor	\$16,000.00
60 - Building Systems:63 Plumbing:63.0 Plumbing	\$83.00
60 - Building Systems:63 Plumbing:63.2 Plumbing Fixtures	\$84.00
60 - Building Systems:64 Electrical:64.0 Electrical	\$83.00
Grand Total	\$61,511.00

## 25 Warren

[Link here to view the Report](#)

Product/Service full name	Amount
10 - Buying, Holding, and Site Management:14 Holding Costs:14.4 Utilities	\$763.00
10 - Buying, Holding, and Site Management:14 Holding Costs:14.8 Lawn Care/Snow Removal	\$170.00
10 - Buying, Holding, and Site Management:16 Project Prep:16.7 Architectural Plans	\$15,000.00
10 - Buying, Holding, and Site Management:16 Project Prep:16.8 Permits	\$61.00
10 - Buying, Holding, and Site Management:18 Site Management:18.0 Site Management	\$275.00
30 - Demolition:32 Demolition:32.0 Demolition Work	\$320.00
30 - Demolition:32 Demolition:32.4 Demolition Labor	\$4,000.00
60 - Building Systems:62 HVAC:62.9 HVAC Manuals	\$845.00
HGrand Total	\$21,434.00



## Holding Cost Summary per Property

[Link here to view the Report](#)

VG Home Buyers, LLC – January 2026

 63 Montclair Ave, Montclair, NJ

Total Holding Cost: \$1,385.21

### Breakdown

- Utilities (PSE&G, water, sewer, adjustments): \$395.21
- Taxes: \$893.83
- Lawn Care / Snow Removal: \$50
- Less deposit returned: (\$254.17)

### Insight

- ✓ High due to property taxes and multiple utility bills.
- ✓ Deposit return helped reduce cost.

✓ Monitoring utility spikes is important because this property had several billing cycles within one month.

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🏠 25 Warren Pl, Montclair, NJ

Total Holding Cost: \$982.61

#### Breakdown

- Utilities: \$762.61
- Snow Removal: \$170

#### Insight

- ✓ Utilities are the main cost driver.
  - ✓ Winter season increased snow expenses.
  - ✓ Suggest reviewing energy usage or checking if heating systems are optimized.
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🏠 185 Fernwood Ave, Montclair, NJ

Total Holding Cost: \$544.31

#### Breakdown

- Utilities: \$374.31
- Snow Removal: \$170

#### Insight

- ✓ Stable holding cost.
  - ✓ Utilities lower compared to other Montclair properties.
  - ✓ Property appears efficiently maintained.
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🏠 1309 Graymill Dr, Scotch Plains, NJ

Total Holding Cost: \$10,248.00

#### Breakdown

- Insurance: \$10,215.09
- Utilities & water: \$32.91

#### Insight

- ⚠️ This property accounts for 73% of total holding cost this month.
  - ✓ Major driver is insurance (builder's risk and liability).
  - ✓ This is likely a large project or high-value flip.
  - ✓ Consider monthly vs annual insurance timing to smooth cash flow reporting.
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 2154 Shackamaxon Dr, Scotch Plains, NJ

Total Holding Cost: \$142.11

#### Breakdown

- Utilities & water only.

#### Insight

- ✓ Low holding cost.
  - ✓ No snow or tax expenses this month.
  - ✓ Suggest confirming if taxes or insurance will be billed later.
- 

 2087 Dogwood Dr, Scotch Plains, NJ

Total Holding Cost: \$384.04

#### Breakdown

- Utilities & water: \$264.04
- Snow Removal: \$120

#### Insight

- ✓ Moderate utilities compared to similar properties.
  - ✓ Snow costs consistent with winter conditions.
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#### Overall Insights for January 2026

##### 1. Insurance is the biggest cost driver

- One property (1309 Graymill) dominated holding costs.
- Important for cash flow planning and forecasting.

##### 2. Winter expenses increased holding costs

- Snow removal expenses across multiple Montclair and Scotch Plains properties.
- Expect seasonal fluctuations during winter months.

##### 3. Utility monitoring opportunity

- Some properties had multiple billing cycles.
- Suggest:
  - Monitoring heating usage.
  - Ensuring vacant homes use energy-saving settings.

##### 4. Property tax timing

- Taxes were paid only for one property this month.
- Other properties may have upcoming tax payments.

##### 5. Low-cost properties may indicate:

- Efficient management
- Or delayed bills (tax, insurance, etc.)

