

CLIENT'S COPY 2017

For calendar year 2017 or tax year beginning , and ending

Name: EAGLE RIDGE HOMEOWNERS ASSOCIATION C/O WEB PROPERTIES
Employer identification number: 90-0737183
Date association formed: 02/05/1996
Address: PO BOX 21469 SPOKANE, WA 99201

Check if: (1) Final return (2) Name change (3) Address change (4) Amended return
A Check type of homeowners association: Residential real estate association
B Total exempt function income: SEE STATEMENT 1 633,031.
C Total expenditures made for purposes described in 90% expenditure test: SEE STATEMENT 2 577,679.
D Association's total expenditures for the tax year: 578,539.
E Tax-exempt interest received or accrued during the tax year: 0.

Gross Income (excluding exempt function income)
1 Dividends
2 Taxable interest: SEE STATEMENT 3 319.
3 Gross rents
4 Gross royalties
5 Capital gain net income (attach Schedule D (Form 1120))
6 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)
7 Other income (excluding exempt function income) (attach statement)
8 Gross income (excluding exempt function income). Add lines 1 through 7: 319.

Deductions (directly connected to the production of gross income, excluding exempt function income)
9 Salaries and wages
10 Repairs and maintenance
11 Rents
12 Taxes and licenses
13 Interest
14 Depreciation (attach Form 4562)
15 Other deductions (attach statement): SEE STATEMENT 4 860.
16 Total deductions. Add lines 9 through 15: 860.
17 Taxable income before specific deduction of \$100. Subtract line 16 from line 8: <541.>
18 Specific deduction of \$100: \$100.00

Tax and Payments
19 Taxable income. Subtract line 18 from line 17: <641.>
20 Enter 30% (0.30) of line 19. (Timeshare associations, enter 32% (0.32) of line 19.): 0.
21 Tax credits
22 Total tax. Subtract line 21 from line 20. See instructions for recapture of certain credits: 0.
23 a 2016 overpayment credited to 2017: 23a
b 2017 estimated tax payments: 23b
c Total: 23c 0.
d Tax deposited with Form 7004: 23d
e Credit for tax paid on undistributed capital gains (attach Form 2439): 23e
f Credit for federal tax paid on fuels (attach Form 4136): 23f
g Add lines 23c through 23f: 23g 0.
24 Amount owed. Subtract line 23g from line 22. See instructions
25 Overpayment. Subtract line 22 from line 23g
26 Enter amount of line 25 you want: Credited to 2018 estimated tax Refunded

Sign Here
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Signature of officer: [Signature] Date: 1/31/2018 Title: AGENT FOR HOA
May the IRS discuss this return with the preparer shown below (see instr.)? [X] Yes [] No

Paid Preparer's Use Only
Print/Type preparer's name: DARCY A. SKJOTHAUG, CPA
Preparer's signature: [Signature] Date: 03/06/18
Check if self-employed: [] PTIN: P00537762
Firm's name: SCHOEDEL & SCHOEDEL CPAS PLLC
Firm's EIN: 91-0614823
Firm's address: 422 W RIVERSIDE AVE, STE 1420 SPOKANE, WA 99201-0395
Phone no.: (509) 747-2158

Section 1.263(a)-1(f) De Minimis Safe Harbor Election

Eagle Ridge Homeowners Association
C/O WEB Properties
PO Box 21469
Spokane, WA 99201

Employer Identification Number: 90-0737183

For the Year Ending December 31, 2017

Eagle Ridge Homeowners Association C/O WEB Properties is making the de minimis safe harbor election under Reg. Sec. 1.263(a)-1(f).

FORM 1120-H	EXEMPT FUNCTION INCOME	STATEMENT	1
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DESCRIPTION	AMOUNT
HOA MEMBERSHIP DUES	491,601.
HOA SPECIAL ASSESSMENT FEES	122,276.
HOA LATE PAYMENT FEES	7,141.
REIMBURSED LIEN COSTS	2,248.
REIMBURSED LEGAL COSTS	1,510.
TRANSFER FEES	1,100.
CC&R FINES	1,650.
OTHER INCOME	5,505.
TOTAL TO FORM 1120-H, ITEM B	633,031.

FORM 1120-H	EXPENDITURES DESCRIBED IN 90% TEST	STATEMENT	2
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DESCRIPTION	AMOUNT
COMMUNITY EVENTS	11,646.
INSURANCE	21,308.
LANDSCAPING	98,240.
MANAGEMENT FEES	55,000.
OFFICE EXPENSE	15,906.
OTHER ADMINISTRATIVE	14,726.
PAYROLL EXPENSES	194,422.
PROFESSIONAL FEES	4,771.
REAL ESTATE TAXES	1,782.
REPAIRS AND MAINTENANCE	54,663.
SNOW REMOVAL	3,554.
TAXES AND LICENSES	837.
UTILITIES	100,824.
TOTAL TO FORM 1120-H, ITEM C	577,679.

FORM 1120-H	INTEREST INCOME	STATEMENT	3
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DESCRIPTION	US	OTHER
BANK INTEREST		319.
TOTAL TO FORM 1120-H, LINE 2		319.

FORM 1120-H

OTHER DEDUCTIONS

STATEMENT 4

DESCRIPTION

AMOUNT

MANAGEMENT FEE

860.

TOTAL TO FORM 1120-H, LINE 15

860.



DARCY A. SKJOTHAUG, C.P.A.
SCOTT A. OPPERUD, C.P.A.

U.S. BANK BUILDING
422 W. RIVERSIDE, STE. 1420
SPOKANE, WA 99201-0395
PH 509•747•2158 FAX 509•458•2723
www.schoedel.com

March 6, 2018

Eagle Ridge Homeowners Association
C/O WEB Properties
PO Box 21469
Spokane, WA 99201
Attention: WEB Properties

We have prepared and enclosed your 2017 Homeowners Association income tax return for the year ended December 31, 2017. The return should be signed and dated by the appropriate corporate officer(s) and mailed.

The federal Form 1120-H should be mailed on or before April 17, 2018 to:

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0012

No payment is required with this return when filed.

A copy of the return is enclosed for your files. We suggest that you retain this copy indefinitely.

SINCERELY,

SCHOEDEL & SCHOEDEL, CPAS PLLC