PLAYER'S PLACE II CONDOMINIUM ASSOCIATION, INC.

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

CONTENTS

ROBERT C. LYNN
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Player's Place II Condominium Association, Inc.

Opinion

I have audited the accompanying financial statements of Player's Place II Condominium Association, Inc., which comprise the balance sheet as of December 31, 2025 and the related statements of revenues, expenses, and changes in fund balance, and cash flows for the year then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Player's Place II Condominium Association, Inc. as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Player's Place II Condominium Association, Inc. and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Future Major Repairs and Replacements

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. I have not applied procedures to determine whether the funds designated for future major repairs and replacements as discussed in Note E are adequate to meet such future costs because that determination is outside the scope of my audit. My opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raises substantial doubt about Player's Place II Condominium Association, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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INDEPENDENT AUDITOR'S REPORT – CONTINUED

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatement are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Player's Place II Condominium Association Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as, evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Player's Place II Condominium Association Inc.'s ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit findings, significant audit findings, and certain internal control related matters that I identified during the audit.

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ROBERT C. LYNN
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT - CONTINUED

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedule of expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information on future major repairs and replacements on page 12 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Robert C. Lynn C.P.A.

Ocean City, New Jersey
February 14, 2026

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PLAYER'S PLACE II CONDOMINIUM ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2025

	Total Funds	Operating Fund	Replacement Fund
ASSETS			
Cash	$133,604	$24,356	$109,248
Assessments receivable	10,417	10,417	-
Prepaid insurance	42,167	42,167	-
Other prepaid expenses	9,436	9,436	-
Interfund borrowing	-	(110,745)	110,745
TOTAL ASSETS	$195,624	($24,369)	$219,993
LIABILITIES AND FUND BALANCES			
Accounts payable and accrued expenses	$11,286	$11,286	$ -
Advanced assessments	52,845	52,845	-
Security deposits	362	362	-
Total liabilities	64,493	64,493	-
FUND BALANCE	131,131	(88,862)	219,993
TOTAL LIABILITIES AND FUND BALANCES	$195,624	($24,369)	$219,993

See accompanying notes to financial statements.

PLAYER'S PLACE II CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Total Funds	Operating Fund	Replacement Fund
REVENUES			
Assessments	$802,770	$578,899	$223,871
Special assessments	90	90	-
Late fees	5,055	5,055	-
Legal fee reimbursements	14,685	14,685	-
Move-in & Out fees	9,100	9,100	-
Compliance fines	1,235	1,235	-
Other user income	300	300	-
Pet fees	750	750	-
Interest income	35	3	32
Total revenues	834,020	610,117	223,903
EXPENSES			
Administrative	89,720	89,720	-
Communications	4,634	4,634	-
Insurance	140,543	140,543	-
Utilities	63,884	63,884	-
Landscaping	176,313	176,313	-
Irrigation	7,572	7,572	-
Contracted Services	116,423	116,423	-
Repairs & Maintenance	28,823	28,823	-
Professional Services	67,429	67,429	-
TOTAL EXPENSES	695,341	695,341	-
EXCESS OF REVENUE OVER EXPENSES (expenses over revenues)	138,679	(85,224)	223,903
FUND BALANCE , BEGINNING	(7,548)	(3,638)	(3,910)
FUND BALANCE, ENDING	$131,131	($88,862)	$219,993

See accompanying notes to financial statements.

PLAYER'S PLACE II CONDOMINIUM ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Total Funds	Operating Fund	Replacement Fund
CASH FLOWS FROM OPERATING ACTIVITY			
Excess of revenues over expense (expenses over revenues)	$138,679	($85,224)	$223,903
Adjustment to reconcile net cash to excess of revenues over expenses			
Decrease in allowance for credit loss allowance	(11,000)	(11,000)	-
Changes in operating assets and liabilities			
(Increase) Decrease in current assets:			
Assessments receivable	1,727	1,727	-
Prepaid insurance	(6,128)	(6,128)	-
Other prepaid expenses	(9,436)	(9,436)	-
Increase (Decrease) in current liabilities:			
Accounts payable and accrued expenses	666	666	-
Advanced assessments	9,975	9,975	-
Net cash provided by operating activities	124,483	(99,420)	223,903
CASH FLOW FROM FINANCING ACTIVITES			
Bank loan - principal payments	(56,251)		(56,251)
Interfund borrowing repayment	-	110,745	(110,745)
	(56,251)	110,745	(166,996)
NET INCREASE (DECREASE) IN CASH	68,232	11,325	56,907
Cash at the beginning of the year	65,372	13,031	52,341
Cash at the end of the year	$133,604	$24,356	$109,248
SUPPLEMENTAL DISCLOSURE			
Income taxes paid	$ -	$ -	$ -

See accompanying notes to financial statements.

PLAYER'S PLACE II CONDOMINIUM ASSOCIATION, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE A- ORGANIZATION AND PURPOSE

Player's Place II Condominium Association, Inc. is a New Jersey not-for-profit corporation. The Association is responsible for the operation and maintenance of the common property within the development. The development consists of 240 Units located on a 40acre site in Gloucester Township, New Jersey. The Association is part of the Master Association known as Valleybrook Homeowners' Association Inc.

NOTE B – DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through February 14, 2026, the date that the financial statements were available to be issued.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The major accounting principles and practices followed by Player's Place II Condominium Association, Inc. and the methods of applying those principles which materially affect the determination of financial position, results of operations and cash flows are presented below to assist the reader in evaluating the financial statements.

1. Fund Accounting - The association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the uses of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund – This fund is used to account for financial resources available for general operations of the Association.

Replacement Fund - This fund is used to accumulate financial resources for future major repairs and replacements.

2. 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 if the financial statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

3. Cash and cash equivalents – For purposes of the statement of cash flows, the Association considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents..

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

4. Income Taxes – Condominium associations may elect to be taxed as a regular corporation or as a homeowners' association. The Association elected to be taxed as a homeowners' association for the year ended December 31, 2025. Under that election, the Association is generally taxed only on non-membership income, such as interest earnings. There was no tax due for the current year. The Association's federal income tax returns for years before 2023 are no longer subject to examination by the Internal Revenue Service.

5. Revenue Recognition - Revenue from owner assessments are recognized when assessments are due. Any amounts received in advance of the due date are deferred until due. The Financial Accounting Standards Board issued Accounting Standards Code 606 requiring the deferral of the recognition of income until services are rendered. The Association has determined ASC 606 does not apply to the Association as no customer relationship exists as it is defined by the code. The Association does not defer the recognition of any portion of revenue as a Contract Liability.

6 Member Assessments and Allowance for Credit Losses - Association members are subject to monthly assessments to provide funds for the Association's operating expenses and future major repairs and replacements. Revenue from assessments is recognized when assessments are due. Amounts billed but not collected are recorded as assessments receivable. Amounts collected but not billed are recorded as assessments received in advance. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Associations policy is to retain legal counsel and place liens on the properties of unit owners whose assessments are delinquent thirty days or more. In those instances where the Association believes that assessments are uncollectible, an allowance for credit losses is provided. At December 31, 2025, the allowance for credit losses was $25,000 any excess assessments at year-end are retained by the Association for use in the succeeding year.

The Association treats uncollectible assessments as credit losses. Methods, inputs, and assumptions used to evaluate when assessments are considered uncollectible include closely monitoring of outstanding assessments balances by management, member payment history of outstanding assessments balances, and susceptibility to factors outside the Association's control

7. Special Assessments – In 2019, the board approved a special assessment of $30 per unit payable on a monthly basis for 72 months, beginning April 1, 2019. The special assessment is for balcony, chimney caps and kick plate replacements. Any units sold during this period must pay for the special assessment in full. For the years ended year ended December 31, 2025, the earned special assessment totaled $90.

8. Property and Equipment - Real Property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common.

NOTE D – LOAN PAYABLE BANK

On June 27, 2019 the Association borrowed $500,000 from a bank for the purpose of funding the replacement of the balconies, chimney caps and kick plates. The loan is payable in monthly installments of principal and interest in the amount of $7,966.93at a rate of 4.63% over 72 months. The loan matured on July 1, 2025.

The loan wassecured by, among other things, (i) a first lien security interest in and certain rights to collect receivables and common expenses / assessment and rights to all personal property owned by the Corporation and located in Aberdeen Lane, Blackwood, NJ 08012 and (ii) the proceeds from sale of any lots now or hereafter owned by or on behalf of the Corporation.

NOTE E - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents require funds to be accumulated for future major repairs and replacements. Accumulated funds, which totals 219,993 at December 31, 2025, are held in a separate account and are generally not available for operating purposes. The reserve fund includes cash in banks in the amount of $109,248, and $110,745 due from the operating fund.

The Association engaged an independent engineer who conducted a study in 2025, to estimate the remaining useful lives and replacement costs of the common property components. The Association is not funding for such major repairs and replacements over the estimated useful lives of the components based on the study's estimates of current replacement costs, considering amounts previously accumulated in the replacement fund since the studies funding begins in 2026. Actual expenditures, however, may vary from estimated amounts and the variation may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right, subject to member approval, to increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

NOTE F – MANAGEMENT AGREEMENT

The Association has a management agreement with Associa Mid-Atlantic for a period of 12 months commencing on 1/1/2025 and ending 12/31/25. The annual fee for 2025 was $39,746. The contract was renewed for one year with a 2% increase in fees.

SUPPLEMENTARY INFORMATION

PLAYER'S PLACE II CONDOMINIUM ASSOCIATION, INC.
SCHEDULE OF EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Total Funds	Operating Fund	Replacement
EXPENSES			
Administrative			
Credit Losses	($11,000)	($11,000)	$ -
Master association fee	93,060	93,060	-
Other administration services	6,508	6,508	-
Interest expense	1,152	1,152	-
Total Administrative	89,720	89,720	-
Communications			
Printing & Copying	3,098	3,098	-
Postage	1,536	1,536	-
Total Communications	4,634	4,634	-
Insurance			
Property Insurance Premiums	140,543	140,543	-
Total Insurance	140,543	140,543	-
Utilities			
Electric services	15,879	15,879	-
Water services	48,005	48,005	-
Total Utilities	63,884	63,884	-
Landscaping			
Grounds & landscaping - contract	124,172	124,172	-
Tree maintenance	7,357	7,357	
Landscape other	44,784	44,784	-
Total Landscaping	176,313	176,313	-
Irrigation			
Irrigation repairs & maintenance	7,572	7,572	-
Total Irrigation	7,572	7,572	-
Contracted Services			
Fire prevention services	9,851	9,851	-
Janitorial services	21,621	21,621	-
Pest control	14,568	14,568	-
Snow removal services	70,383	70,383	-
Total Contracted Services	116,423	116,423	-
Repairs & Maintenance			
Building repairs & maintenance	14,120	14,120	-
Building repairs & maintenance	14,703	14,703	-
Total Repairs & Maintenance	28,823	28,823	-
Professional Services			
Audit & tax services	2,600	2,600	-
Legal services	22,288	22,288	-
Management fee	39,746	39,746	
Other professional services	2,795	2,795	-
Total Professional Services	67,429	67,429	-
TOTAL EXPENSES	$695,341	$695,341	$ -

PLAYER'S PLACE II CONDOMINIUM ASSOCIATION
SCHEDULE OF FUTURE MAJOR REPAIRS AND REPLACEMENT
FOR THE YEAR ENDED DECEMBER 31, 2025

In 2025, the Association conducted a study to estimate the remaining useful lives and the replacement costs of the components of the building and land improvements. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs do not take into account the effects of inflation between the date of the study and the date that components will require repair or replacement.

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

Components	Estimated Remaining Useful Life (years)	Estimated Replacement Cost (2025)
Administrative – Reserve Study	5	$ 2,795
Building totals	1-23	5,014,380
Site totals	2-25	1,201,708
		$6,218,883

Annual contribution per study for 2026:

Full Funding scenario = $525,629
0% Threshold Funding scenario = $560,815
5% Threshold Funding scenario = $384,708
10%Threshold Funding scenario = $660,148

Current year contribution from operating fund = $167,620
Current year contribution to pay off loan = $56,251