Larson Gross
ASSURANCE

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October 6, 2026

Board of Directors
Sudden Valley Community Association
4 Clubhouse Circle
Bellingham, WA 98229

We have audited the financial statements of Sudden Valley Community Association (the Association) as of and for the year ended December 31, 2025 and have issued our report thereon dated October 6, 2026. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility under Generally Accepted Auditing Standards
As communicated in our agreement letter dated March 4, 2026, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are represented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Association solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating matters related to the audit that are in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We are independent with respect to the Association under the requirements of the American Institute of Certified Public Accountants.

Other Information in Documents Containing Audited Financial Statements
Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Association's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

"Larson Gross" is the brand name under which Larson Gross Assurance, PLLC and Larson Gross Advisors, LLC (and its subsidiaries) provide professional services. Larson Gross Assurance, PLLC and Larson Gross Advisors, LLC practice as an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations, and professional standards. Larson Gross Assurance, PLLC is a licensed independent CPA firm that provides attest services to its clients, and Larson Gross Advisors, LLC provides tax and business consulting services to their clients. Larson Gross Advisors, LLC is not a licensed CPA firm. The entities falling under the Larson Gross brand name are independently owned and are not liable for the services provided by any other entity providing services under Larson Gross brand. Our use of the terms "our firm" and "we" and "us" and terms of similar import, denote the alternative practice structure conducted by Larson Gross Assurance PLLC, and Larson Gross Advisors, LLC (and its subsidiaries).

Planned Scope and Timing of the Audit
We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Qualitative Aspects of the Association's Significant Accounting Practices
Significant Accounting Policies
Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Association is included in Note 2 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended December 31, 2025. No matters have come to our attention that would require us, under professional standards, to inform you about 1) the methods used to account for significant unusual transactions and 2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Unusual Transactions
We did not identify any significant unusual transactions

Significant Accounting Estimates
Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is the allowance for doubtful receivables. Management's estimate of the allowance for doubtful receivables is based on prior experience, the age of receivables at year end, the debtor's ability to repay the amount owed, and management's appraisal of current economic conditions. We evaluated these key factors and assumptions and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures
Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Association's financial statements relate to the items discussed in the significant accounting estimates section above, and Note 5 (Property & Equipment), 6 (Intangible Assets), and 10 (Future Major Repairs and Replacements).

Significant Difficulties Encountered During the Audit
We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements
For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. There were no uncorrected financial statement misstatements whose effects, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as result of our audit procedures.

The attached schedule includes all material misstatements that we identified as a result of our audit procedures. They were brought to the attention of, and corrected by, management

Disagreements with Management
For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Association's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management
We have requested certain written representations from management, which are included in the attached letter dated October 6, 2026.

Management's Consultation with Other Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Findings or Issues
In the normal course of our professional association with the Association, we generally discussed a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Association, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Association's auditors.

Other Matters
With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with generally accepted accounting principles in the United States, the method of preparing it has not change from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Closing
We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to Sudden Valley Community Association.

This communication is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

Larson Gross Assurance, PLLC

Bellingham, Washington
October 6, 2026

Client: ***85630 - Sudden Valley Community Association***
Engagement: ***25 Audit - Sudden Valley Community Association***
Period Ending: ***12/31/2025***
Trial Balance: ***201.00 - Trial Balance***
Workpaper: ***202.02 - Reclassifying Journal Entries Report (1)***

Account	Description	Debit	Credit
Reclassifying Journal Entries			
Reclassifying Journal Entries JE # 101			
To reclass current portion of long-term debt.			
LG2001-XXX	Less Current Portion: Capital Lease Obligation	18,967.00	
LG2005-XXX	Less Current Portion: CRRRF Loan	204,757.00	
LG2002-000	Capital Lease Obligation, Current		18,967.00
LG2006-000	CRRRF Loan Obligation, Current		204,757.00
Total		**223,724.00**	**223,724.00**
	Total Reclassifying Journal Entries	**223,724.00**	**223,724.00**
	Total All Journal Entries	**223,724.00**	**223,724.00**