THE PEAKS LAKE PLACID, LLC
1936 Saranac Avenue, Suite 103-303 · Lake Placid, New York 12946

November __, 2026

Jody C. Olcott, Co-Executive Director & CFO
Essex County Industrial Development Agency
7566 Court Street, PO Box 217
Elizabethtown, New York 12932

Re: The Peaks Lake Placid, LLC — Phase 1 of The Peaks at Lake Placid — Supplement to the Joint Application for Financial Assistance dated December 9, 2021

Dear Ms. Olcott:

Thank you for your message of October 27, 2026. The Peaks Lake Placid, LLC (the "Applicant") submits this supplement so that the Agency's Board of Directors may consider Phase 1 of the Project at its meeting on November 20, 2026, on the basis of the December 9, 2021 application as updated below. As requested, the budget, financing, employment and incentives presented here are limited to Phase 1. The exhibits referred to are enclosed.

Phase 1 of the Project

Since the 2021 application the Project has been re-planned, within the 355 residences authorized by Adirondack Park Agency Permit 2020-0266, as 140 rental apartments in five buildings, 168 condominiums in four buildings, 19 townhomes and 28 lodge residences, with a clubhouse and amenity package, on a four-lot subdivision of the 34.35-acre site. The Adirondack Park Agency confirmed by its Letter of Permit Compliance dated May 26, 2026 that the revised plan does not require an amended permit. Site work on the apartment parcel commenced in September 2026.

Phase 1 under the current plan comprises 130 residences: 84 rental apartments in three buildings on Lot 1 (the first of the five apartment buildings), 28 condominiums in the West Building and 10 townhomes and 8 lodge residences on Lot 2, together with the clubhouse and amenity package (Phase 1A) on Lot 4, which serves the whole community and is built with the Phase 1 residences. The 2021 application described its first phase as 101 apartments and 37 condominiums under the plan then in effect; the current Phase 1 replaces that description. Vertical construction of all Phase 1 buildings starts in March 2027, the for-sale residences close from December 2027 through August 2028 and the apartments are placed in service in September 2028 (Exhibit A). Phases 2 and 3 (56 apartments, 29 townhomes and lodges, and 140 condominiums) will be presented to the Agency separately as each is financed.

Responses to the Agency's requests

1. **The Applicant — Articles of Organization and Operating Agreement**

   The Peaks Lake Placid, LLC is a New York limited liability company whose Articles of Organization were filed with the Department of State on June 25, 2020 (DOS ID 5774386; federal ID 86-3417731). The Company is manager-managed under its Amended and Restated Operating Agreement effective as of September 11, 2026; the Manager is Peaks Lake Placid Development LLC, of which Robert Hubner is a principal. The 2021 application listed Joseph Barile and the Barile Family Children's Trust as the principal members; the membership has since been reorganized. Under the Operating Agreement and a Membership Interest Purchase Agreement of the same date, Peaks Lake Placid Development LLC acquired Joseph J. Barile's 52% interest in the Company and made a capital contribution of $5,065,347, and the equity of PDG Holdings, LLC and the Company was restructured in connection with the formation of Peaks Lake Placid Development

LLC. The members today, as set out in Exhibit B to the Operating Agreement, are Peaks Lake Placid Development LLC (83%), PDG Holdings, LLC (11%) and Peak Lake Placid Holdings LLC (6%). The Department of State filing receipt for the Articles of Organization and the complete Operating Agreement are enclosed (Enclosures 1 and 2), together with the IRS confirmation of the Company's employer identification number (Enclosure 3).

2. Updated project budget — Phase 1 only

Exhibit B presents the Phase 1 budget in the categories of the Agency's application, with the detail by cost line in Exhibit B-2. Phase 1 costs total $72,556,741 before the requested exemptions ($36.3 million for the apartments including the Parcel 1 site work; $36.3 million for the for-sale residences and the clubhouse) and $69,817,217 net of the requested tax exemptions. The budget is drawn from the general contractor's estimate of September 16, 2026 and the architect's plan set of August 21, 2026. Land is carried at the value credited to the members' capital accounts, of which the Phase 1 parcels and building sites carry $4,474,468.

3. Clubhouse — operations

The clubhouse and amenity package is built with the Phase 1 residences on its own parcel (tax map 42.10-1-1.122, Lot 4 of the subdivision) at a construction cost of $3,048,852, included in the Phase 1 budget. It is owned and operated by the condominium and homeowners' associations as a common amenity of the for-sale residences; apartment residents have access for a monthly amenity fee ($70 per month in the projections), which together with the association assessments funds its operation. It is run by the associations' management staff, which includes a concierge manager (Exhibit E), and is for the use of residents and their guests; it is not a commercial facility open to the public. The 2021 plan placed the pool and fitness amenities inside the renovated existing building; the 2026 site plan reviewed by the Adirondack Park Agency provides a free-standing clubhouse, which is why it did not appear in the earlier materials (Exhibit F).

4. Commitment letter — Phase 1 financing

No commitment letter has been issued for Phase 1 at this time. The Applicant's debt advisor, Clending Advisors, is arranging the Phase 1 facilities — a $26.1 million construction facility for the apartments (converting to a $26.4 million permanent loan at stabilization), $24.3 million of construction facilities for the for-sale residences and the clubhouse, and a $7.3 million mezzanine loan on the apartments — and term sheets are expected ahead of the closings shown in Exhibit A (the apartment facility in December 2026, after the Agency closing; the for-sale facilities at the March 2027 construction start). The Applicant's bank is Kearny Bank (Philip Wagenti, Vice President, Commercial Loan Officer). The Evans Bank commitment described in the 2021 application is no longer in effect. A commitment letter will be furnished to the Agency when issued. Exhibit C sets out the Phase 1 facilities and sources of funds.

5. Employment projections — Phase 1

Exhibit E lists the permanent positions in the operation of the Project, per the operations staffing plan, with their full-time or part-time status and projected annual payroll. Over the course of the development the Project will employ between nine and eleven full-time people, in three teams that all come on line with Phase 1: a sales, marketing and leasing team of three (a sales manager, a sales associate and a host), employed by the Applicant from the opening of the sales office in 2027 through the close-out of the last for-sale residence, with estimated annual payroll of $350,000 depending on commissions earned; property management of the apartments — three to four full-time people, including a property manager, an assistant property manager and leasing agent, and one to two maintenance engineers — through a third-party management company starting after delivery of the third apartment building in 2028, with estimated annual payroll of $320,000; and management of the condominium and homeowners' associations and the clubhouse — three to four full-time people, including a property manager, one to two maintenance engineers and a concierge manager — through a third-party association manager starting after delivery of the West Building in 2028 and ramping up as the other buildings are delivered, with estimated annual payroll of about $320,000 once all units are completed. Total annual payroll after stabilization and before

the sell-out of the development is about $990,000 for the nine to eleven employees, dropping to six to eight full-time people once sales and the initial lease-up are concluded. No part-time positions are projected; all positions are new and located at the Project. For comparison, the 2021 application projected ten positions and $350,000 of payroll at its first phase.

Construction employment: the general contractor's preconstruction analysis of November 4, 2026 projects at least $180 million of construction activity over the five-year program, an average of 85 construction personnel on site — about 425 full-time-equivalent job-years — and, with the indirect and induced employment in building-material supply, transportation, professional services, real estate brokerage, lodging and hospitality, 625 to 1,100 total job-years (probable case 850 job-years, or 170 average annual jobs over the five years). Phase 1 accounts for about 30% of the program's construction and development cost ($55.6 million of $185.8 million) and on that basis for about 127 direct construction job-years — an average of about 64 workers on site over the September 2026 to August 2028 construction period, with peaks near 100 — and about 255 total job-years including indirect and induced employment (Exhibit E).

6. Workforce housing — Phase 1 apartments

Of the 84 Phase 1 apartments, 21 (25%; seven in each of the three buildings — 15 one-bedroom and 6 two-bedroom residences) will be set aside for income-qualified workforce households at rents affordable to households earning up to 120% of the area median income under the HUD limits for Essex County, for an indefinite term under a regulatory agreement with the Agency, with a qualified third-party compliance monitor certifying tenant incomes and rents annually. The balance of the Phase 1 apartments will be leased at market rents under annual leases. The same proportion (seven units per building; 35 of the 140 apartments) applies to the Phase 2 buildings. Exhibit F gives the unit mix and rents against the 2026 HUD limits.

7. Incentives requested for Phase 1; Phases 2 and 3

The Applicant requests, for Phase 1, the Agency's sales and use tax exemption on the purchases of materials, fixtures, equipment and equipment rentals for the Phase 1 construction, made as agent of the Agency from the Agency closing, estimated at $1,780,089 (40% taxable share of Phase 1 construction and development cost at the 8% Essex County rate), and the mortgage recording tax exemption on the Phase 1 mortgages — the three construction facilities and the apartment permanent loan, $76,754,810 in total — estimated at $959,435. The total Phase 1 request of $2,739,524 is 3.8% of the Phase 1 cost, or about $26 of private investment for each $1 of Agency assistance (Exhibit D). No PILOT agreement and no bond financing are requested; the Phase 1 residences will be assessed and taxed in the ordinary course, the for-sale residences to their individual owners as sold. For reference, the Agency's 2022 approval provided up to $2.8 million of sales tax exemption for all phases of the 2021 program; the Phase 1 request falls within that amount.

The balance of the Project follows in two further phases, each to be presented to the Agency with its financing: Phase 2 (85 residences — 56 apartments in the two remaining buildings on Lot 1 and 9 townhomes and 20 lodges on Lot 2; construction September 2028 to August 2029) is financed as the Phase 1 residences are sold and the Phase 1 apartments reach stabilized occupancy, and Phase 3 (140 condominiums in the Main, South and North Buildings on Lot 3, the parcel that carries the existing building; construction November 2029 to June 2031) as the Phase 2 residences are sold. On the same basis as Phase 1, the current projections put Phase 2 at $47.2 million of cost with sales tax and mortgage recording tax exemptions of about $1,776,181, and Phase 3 at $118.0 million with exemptions of about $4,020,026; the three phases together total approximately $237,795,719 of investment and $8,535,731 of Agency assistance (Exhibit D). The Phase 2 and 3 figures will be updated when each phase is presented and are given here so the Board has the whole program in view.

Property update — four-lot subdivision

The Applicant confirms the parcel information in your message: tax map parcels 42.10-1-1.110 (14.16 acres, including the existing 33,889 SF building; 2026 assessment $4,130,000), 42.10-1-1.121 (13.89 acres; $1,130,000), 42.10-1-1.122 (1.43 acres) and 42.10-1-1.210 (4.87 acres; $803,000), 34.35 acres in total,

replacing the two parcels described in 2021. The 2026 assessments supersede the $3,250,000 assessment shown in the application materials. Phase 1 is built on three of the four lots: the three apartment buildings on Lot 1 (parcel 1.210), the West Building and the Phase 1 townhomes and lodges on Lot 2 (parcel 1.121) and the clubhouse on Lot 4 (parcel 1.122); Lot 3 (parcel 1.110, with the existing building) is the Phase 3 condominium site, with the remaining 140 condominiums in the Main, South and North Buildings (Exhibit A).

Closing

The Applicant respectfully requests that the Agency place Phase 1 of the Project on the agenda of the November 20, 2026 meeting and schedule the public hearing required for the Agency's financial assistance. Please direct any questions to the undersigned; Robert Hubner should also be copied on the Agency's correspondence on the Project. We appreciate the Agency's continued support of The Peaks at Lake Placid.

Very truly yours,

THE PEAKS LAKE PLACID, LLC
By: Peaks Lake Placid Development LLC, its Manager

By: _____
Robert Hubner, Authorized Signatory

cc: Ronald J. Briggs, Esq.
Joseph J. Barile

Enclosures

Exhibit A — Phase 1 Program, Site and Schedule
Exhibit B — Phase 1 Project Budget (IDA categories); Exhibit B-2 — Detail by Cost Line
Exhibit C — Phase 1 Financing and Sources of Funds
Exhibit D — Agency Assistance Requested for Phase 1
Exhibit E — Phase 1 Employment
Exhibit F — Workforce Housing, Phase 1 Apartments; Clubhouse
Enclosure 1 — Articles of Organization of The Peaks Lake Placid, LLC — Department of State filing receipt (filed June 25, 2020; DOS ID 5774386)
Enclosure 2 — Amended and Restated Operating Agreement, effective as of September 11, 2026
Enclosure 3 — IRS confirmation of employer identification number 86-3417731
Enclosure 4 — APA Letter of Permit Compliance dated May 26, 2026 (Permit 2020-0266)
Enclosure 5 — Phase 1 financing term sheet or commitment letter (to follow when issued)