

**Disclosure language for ALL resale certificates issued for the McCleary Lofts Condominium Association in accordance with Section 3407 of the Uniform Condominium Act (until the deficient façade remediation work is satisfactorily completed): Updated 4/24/21**

The Association was created pursuant to the terms of the Uniform Condominium Act of Pennsylvania. In addition to other obligations, the Act requires that a Resale Certificate be issued to prospective purchasers and includes information related to capital expenditures proposed by the Association for the current and next two (2) succeeding fiscal years, as well as providing a statement that identifies any known or pending litigation involving the Association.

Although the Association is currently not in litigation nor is the Association currently pursuing claims that are likely going to result in litigation, the Association did raise certain claims against the Declarant which were resolved through a Settlement Agreement that was entered into in December 2020. The terms of the Agreement require the Declarant to make defined payments on designated dates with the last payment currently due to be made by November 30, 2021. This Agreement includes a provision that the Association can proceed with an action in court to enforce the Agreement if the Declarant does not fulfill these contractual obligations. If the Declarant satisfies their obligations, the matter will be resolved and there will be no further court action.

The Settlement Agreement addresses specific Common Element deficiencies facing the Association. Per the agreement, the Declarant is providing payment directly to the Association to facilitate the Association's remediation of the deficiencies identified in the Settlement Agreement. The amount(s) associated with each deficiency in the Agreement are based on estimates from contractors with the expectation that the amount collected by the Association from the Declarant will be sufficient to address the associated deficiency.

Separately, the Settlement Agreement also specifies that the Declarant must complete the repointing of the entire brick area of the school building structure without the Association bearing any financial responsibility. The Settlement Agreement also includes terms for interior repairs required due to the school building brick deficiencies.

Previous versions of this disclosure referenced issues with the townhouse structure's roof and decks. The townhouse roof was replaced, and decks were reinstalled using funds from the Declarant per the Settlement Agreement.

Prospective owners may request a copy of the Settlement Agreement so they may refer to it for additional details regarding the identified issues and contingencies.

This disclosure is made for purposes of sharing knowledge concerning the Common Element property of the schoolhouse building and the 5-unit townhouse building. The Association is not making any representations of matters within the Units themselves since any such issues would be the disclosure obligation of the Seller. Any such issues disclosed by the Seller pursuant to the Real Estate Seller Disclosure Law of Pennsylvania may also be addressed by the prospective purchaser through a qualified home inspector, professional engineer, or professional of the prospective purchaser's choice involving further investigation. Each prospective purchaser may complete their own evaluation of the condition of the property by consulting a home inspector of their choice.

This disclosure is made pursuant to the requirements of 68 pa C.S.3407. At any time, the Association may incur some costs to repair and/or maintain exterior elements of the complex, however, no special assessment or increases to monthly fees are planned or anticipated at this time.

The contact information for the Association's legal counsel who handled the claims against the Developer is:

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