

# CITY OF JERSEY CITY

## Tax Abatement Committee

280 Grove Street  
Jersey city, New Jersey 07302



Jerramiah T. Healy, Mayor  
John Kelly, Business Administrator  
Eduardo Toloza, Tax Assessor  
Maureen Cosgrove, Tax Collector  
Carl Czaplick, HEDC  
Michael Sottolano, Council member  
Robert T. Kropke, City Resident  
Patrick Kelleher, Labor Representative

## Agenda

### Tax Abatement Committee

Thursday, June 28, 2012 at 1:00 p.m.

Efrain Rosario Memorial Caucus Room

Room 204, City Hall, 280 Grove Street, Jersey City, NJ

#### Please note:

1. (a) **ROLL CALL:**
- (b) **SALUTE TO THE FLAG:**
- (c) **STATEMENT IN COMPLIANCE WITH SUNSHINE LAW:**
2. **PENDING APPLICATION:**
  1. The total project, known as the Beacon, is divided into various development entities. The applicants were previously granted thirty (30) year tax abatements as condominiums. The applicants wish to change the projects to rentals. They propose five-year tax abatements for both the residential rentals and parking garages. All eight applications can be considered together. The fees totaling \$114,500.00 for the eight applications have been paid.
  2. The applicant, Saint Paul's LLC, seeks a five-year tax abatement. The project is a Four and one half (4 ½) story building with fifty-five (55) residential rental units and sixty (60) below ground level parking spaces The application fee of \$10,000 was paid with the application.
  3. The applicant, Chosen Estates, LLC, seeks a five-year tax abatement. The project is a Four (4) -story building with fifteen (15) residential rental units. The application fee of \$3,000 was paid with the application.
  4. The applicant, Nams Developers, Inc, seeks a five-year tax abatement. The project is a Four (4) story building with eighteen (18) residential rental units and approximately 3,000 Square feet of ground level retail commercial space. The application fee of \$7,100 was paid with the application.

**APPLICATION FOR FIVE-YEAR TAX EXEMPTION**

**of**

**NAMS DEVELOPERS INC.**

In compliance with Executive Order #2010-001 of the Mayor of the City of Jersey City and City Ordinance Nos. 05-060 and 07-146, the Applicant herewith submits the following information in support of its application for a Five-Year Tax Exemption under and pursuant to N.J.S.A. 40A:21-1, et. seq.

**Applicant:** Nams Developers Inc.  
c/o Mohan Myneni  
682 Highway 440  
Jersey City, New Jersey 07304

**Project:** A Mixed-Use Project  
650 Communipaw Avenue  
Block 17905, Lot 1 (formerly Block 1931, Lot 36;  
and Block 1931, Lots 1 and 1.A)  
Jersey City, New Jersey

300 Magnolia Avenue is referred to herein as the "Project."

**Applicant's Architect:** Louis L. Garcia  
LLG Architects  
99 Garside Avenue  
Wayne, New Jersey 07470

**Applicant's Engineer:** Karter S. Israni, P.E.  
Israni Enterprises, Inc.  
9 Tomalyn Hill Road  
Montville, New Jersey 07045

**Applicant's Attorney:** Connell Foley LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, NJ 07311-4025  
(201) 521-1000  
Attn: Charles J. Harrington, III, Esq.

**Loan Advisor and/or Consultants:** None

APPLICATION FOR EXEMPTION AND/OR ABATEMENT FOR THE IMPROVEMENT, CONVERSION OR CONSTRUCTION OF PROPERTY PURSUANT TO P.L. 1991, C.441 (N.J.S.A. 40A:21-1 et seq.) AND AUTHORIZED BY MUNICIPAL ORDINANCE.

(Italicized words are defined in law excerpts on reverse side)

RECEIVED

2012 JUN 12 A 10:13

Municipality City of Jersey City County Hudson

CITY CLERK'S OFFICE JERSEY CITY, N.J.

This application must be filed with the assessor within 30 days following completion of the improvement, conversion or conversion alteration, or construction.

I. I/we, Milton Fantin, Owner: Saint Pauls LLC, residing/having offices at 12 Small Brook Circle (Name of Applicant) (Address)

in the Municipality of Randolph, NJ in the County of Morris

hereby make claim for a tax exemption and/or abatement of taxes, pursuant to P.L.1991, Chapter 441, and the authorizing municipal ordinance, for premises located at 68-76 St. Pauls Ave & 70-74 Oakland Ave, Jersey City which is further described as Block 6801, Lot 21 on the Tax Map of the municipality. (Formerly Block 563 Lot 34)

II. COMPLETE THE APPLICABLE SECTION "A" OR "B" The following statements are made in support of this claim:

A. The subject property is a one or two family dwelling upon which claimant has completed:

- X New construction; Conversion or conversion alteration of a building or structure into a dwelling; Improvement of an existing dwelling.

B. The subject property is a multiple dwelling, commercial or industrial structure:

- Improvement to a multiple dwelling; Conversion or conversion alteration of building or structure to a multiple dwelling; Improvement to a commercial or industrial building or structure; X Construction of multiple dwelling under tax agreement; Construction of commercial or industrial structure under tax agreement.

III. ALL APPLICANTS MUST COMPLETE THIS SECTION

- A. Date of completion of new construction, conversion, or improvement No C of 0 issued Yet (Expected 2012) Aug
B. Total cost of project \$ 9,320,000 (includes Purchase Price)
C. Brief description of the nature and type of construction, conversion, or improvement.

55 Unit REsidential Building - Rental Building with 60 Parking

Spaces on-site. Replacing an Old Industrial Warehouse Structured

IV. Prior exemptions and/or abatement granted under P.L.1991, c.441 amount to

\$ N/A

(State "none" if no prior exemptions have been granted on subject premises.)

Attached hereto is proof of all matters required (Assessor may require copy of ordinance, evidence of governing body's approval of categories of improvements or specific project improvements, and such additional proof as may be required to establish eligibility.)

Attached hereto is a copy of the tax agreement, if applicable, executed between the municipality and claimant.

There are no delinquent or unpaid property taxes or penalties for non-payment of taxes due on the property.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Date 5/30/12

Signature [Signature]

Title (if any) Owner

Date [ ] Approved

[ ] Disapproved (Assessor)

**APPLICATION FOR**  
**5 YEAR TAX EXEMPTION**  
**For Saint Pauls, LLC**

**PROJECT: CORNER OF ST PAULS &**  
**OAKLAND AVENUE**  
**JERSEY CITY, NJ**

5/15/12

Saint Pauls, LLC

**APPLICATION FOR 5 YEAR TAX ABATEMENT**

In compliance with Executive Orders of the Mayor of the City of Jersey City, Saint Pauls LLC (the "Applicant") hereby submits the following information in support of its application for a Five (5) Year Tax Exemption under and pursuant to the New Jersey Housing and Mortgage Finance Agency Law (N.J.S.A 40A:21-1, et seq.).

**Applicant:** St. Pauls, LLC  
c/o Milton Fantin  
12 Small Brook Circle  
Randolph, New Jersey 07869  
201-424-6161

**Property:** 68-76 St. Pauls Avenue and 90-94 Oakland Avenue  
Block 6801 Lot 21 and formerly as Block 563 Lot34  
Jersey City, NJ

**Project:** 55 Residential Unit with 60 Parking Spaces  
On a 4 ½ Story building, with the Parking area ½ Story  
underground and the First Floor ½ Story aboveground.

**Applicant's General Contractor:** FM Home Improvement  
3125 State Highway 10  
Unit 1D  
Denville, NJ 07834  
973-989-1616

**Applicant's Architect:** Ron Russell, R.A NJ AI11408  
LWDMR Architects, PC  
140 Bay Street, Suite 4  
Jersey City, NJ07302  
201-333-5017

**Applicant's Consultant:** Brian Philipson, Saint Pauls, LLC  
300 Newark Street, #8H  
Hoboken, NJ 07030  
732-501-8925

## **Table of Contents:**

1. General Description of Project
2. Description of Employees for Project after completion
3. Reasons for Seeking Tax exemption
4. Good Faith Costs for Completion
5. Construction Time Schedule
6. Statement of Current Property Taxes
7. Description of units types
8. Disclosure statement of all interests in project
9. Certification that project meets Zoning requirements
10. Statement of Truth and Accuracy

## **List of Exhibits**

### **Exhibit:**

- A. Legal Description of the Property (Survey)
- B. Deed and Contract of Sale
- C. Site Plan and General Plans
- D. Total Project Costs
- E. Funding Sources (Acquisition and Construction funding)
- F. Description of Leases and Projected Rent Roll (Residential Leases and Good Faith Estimate of Initial Rents)
- G. Projected Statement of Property Operations
- H. Planning Board Resolution
- I. Current Tax Assessment
- J. Current Tax Payment Status
- K. Certificate of Formation, and Operating Agreement for Applicant
- L. Tax Exemption Agreement and Disclosure Statemet

## **General Description of Project**

### **1. Identification of the Property:**

The land upon which the Project is located is Block 6801 Lot 21 and formerly know as Block 563, Lot 34 on the Official Tax Maps of the City of Jersey City and more commonly known as 68-76 St. Pauls Avenue and 90-94 Oakland Avenue, Jersey City, NJ. The metes and bounds description of the land that constitutes the Property is attached hereto as Exhibit A.

### **2. Type of Project:**

This project is a 55 unit Residential Rental Building with 60 parking spaces. It is located on the corner of St Pauls and Oakland Avenue situated in the Heights Section of Jersey City. This area of the Heights is a vibrant residential community with close proximity to the Journal Square area and transportation hub. This project will offer the Heights a brand new place to live and will aid in the continuing gentrification of the neighborhood.

The designed building is a 4 ½ story structure which steps down to a 3 ½ story structure on the East section of the St Pauls side of the building. The project will have the 60 parking spaces located on the sub-ground level and be accessed through a ramp from St. Pauls Avenue. The below ground parking level will have 3 utility rooms, a trash compactor room, and access to the building elevator. The first floor residential level will have a main lobby which will have access to the building elevator as well as a set of half stairs which takes residents to the first floor. Each floor will have access to a trash compactor room and the hallways will be ventilated with heat and AC as needed. Each unit will contain a washer/dryer, its own hot water heater as well as its own HVAC system. Some of the first floor units and two third floor units will contain outdoor patios with access from within the respective units.

The configuration of the Apartments will be as follows:

- 35 One Bedroom Units
- 20 Two Bedroom Units
- 60 Parking Spaces

All units will be provided at market rates.

The layouts of each unit will be provided in Exhibit C.

### **3. Financing/ Type of Abatement Requested:**

- a. Acquisition: Funding from the LLC, Saint Pauls, LLC

b. Remaining Construction: Funding from the LLC, Saint Pauls, LLC

Requesting Five (5) Year Tax Exemption

The applicant seeks a five (5) year tax exemption under and pursuant to the NJSA 40A:21-1 et seq and City of Jersey City Ordinance 02-048 as follows:

<u>Year</u>	<u>Percentage Tax on Improvement</u>	<u>Estimated Amount</u>
1	0.0 %	\$ 0
2	39%	\$ 57,549
3	59%	\$ 87,061
4	79%	\$ 116,574
5	80%	\$ 118,049
<u>Total</u>		
6	100%	\$ 147,562

The foregoing is based on the land assessed value of \$247,200, improvement assessed value of 2,105,618 and a purchase price of \$1,790,000. See the proposed statement of property operation in Exhibit G.

4. Term of Abatement:

The term of the tax exemption being requested by the applicant is five (5) years from the date of the adoption of the ordinance granting the tax abatement or five (5) years from the date of issuance of a certificate of occupancy (whichever later occurs).

5. Description of the Project:

The project land is 20,000 sq feet on the corner of St Pauls and Oakland avenue. This project is situated in an area that is primarily residential. When complete, the project will have a total of approximately 61,000 sq feet of space and an additional 18,000 sq feet of garage/ utility room space. The livable space will be 52,000 sq feet divided between the 55 residential units.

Expected Monthly Rental Amounts:

One Bedroom: \$1,300 - 1,500

Two Bedroom: \$1,600 - 1,900

Parking Spaces: \$100

This building will be a rental building. Common space Contains a Lobby with Wide Stairs, a mailroom and an elevator. The common areas will be heated and cooled except for the garage area. There is a trash shoot on each floor and a trash room in the garage area. The units will each have their own heat and cooling devices as well as a washer and dryer, dishwasher and upgraded appliances and fixtures. The garage will have access to the building through the elevator or the stairwells. Some units will have a rear yard or a roof deck. All two bedroom units will also have two bathrooms. The lobby will have a large glass façade and include a seating area. The building will strive to stay well maintained and be one of the most desirable places to live in all of Jersey City Heights.

6. Estimated Cost of the Project:

The total project cost, which can be summarized in Exhibit D, will be approximately \$9,320,000 based on the acquisition cost and all related hard and soft costs in order to complete this project in its entirety. The cost of land was \$1,790,000 and the Estimated Hard costs are \$6,355,000 and estimated Soft costs are \$1,175,000.

7. Annual Gross Revenue and Expenses:

The projected Statement of Operations is attached and can be viewed in Exhibit G.

8. Construction Schedule:

Foundation Begin: 9/10

Pour slab and Transfer slab: 2/11

Begin work on Framing and other Structural: 5/11

Begin roof, windows, building wrap, and all rough-in (Electric, Plumbing, Sprinkler):  
7/11

Complete Superstructure, roof and all outer Protection: 10/11

Complete Rough-in of Electric and Plumbing: 1/12

Begin Inspections for Electric, Plumbing and Framing: 11/11

Begin Sheetrock: 1/12

Bathroom and Kitchen installation: 2/12

Doors and Trim and all other finishing work begin: 3/12

Painting and Tile work and Final décor work: 4/12

Final Inspections Begin: 5/12

Building Completion: 8/12

9. Real Estate Tax Assessment (2011):

- a. Land: \$247,200
- b. Improvements: \$118,200
- c. Total: \$365,400

10. Real Estate Tax Information:

The real estate taxes assessed against the property are as follows:

2011 Tax Year: \$25,607

1<sup>st</sup> Quarter 2012: \$6,402

11. Certificate of Commencement of the Project:

Construction of the Project has commenced but has not been completed and no certificate of occupancy has been issued.

12. Estimated Jobs to be Created:

- a. During Term of Construction:

It is estimated that during the term of construction approximately 68 full time equivalent construction jobs will have been created. Additionally, it is estimated that 15 part time equivalent construction jobs will have been created.

During construction, the project will also generate 3 full time management positions.

- b. Description of Employees after Project Completion

Super: The building will employ one on site super who will live at the building and be responsible for coordinating and managing all maintenance issues or repair

projects. The super will also coordinate and manage all contractors, utilities, inspections, tenant moves, or any other building operation or person that may be entering or working around the building. This super will also address the immediate and longer term needs of all tenants as part of the job responsibilities.

Maintenance Person: The building will hire or sub contract a person who will be responsible for cleaning the building on a daily basis. This includes cleaning all areas of the building as well as maintaining and removing all trash and managing the compactor room.

Snow Cleaning: The building will sub contract a person who will be responsible for all snow removal around the building, as well as cleaning the roof solar panels as needed.

Electrical/ Plumber: The building will sub-contract, as needed an electrician or plumber who will be responsible for any building repairs as well as any mechanical repairs or maintenance, including all HVAC throughout the building.

Management Person: The building will hire or sub-contract a person who will be responsible for overseeing the daily management responsibilities of the building on a daily/weekly basis. This person will be on call and respond on-site to any repair, maintenance, cleaning or tenant issue. This person will also oversee all other people working for or at the building on a regular basis.

### 13. Reason for Seeking Tax Abatement

This building is an important aspect in the revitalization/gentrification of Jersey City Heights due to the severely needed improvement for this section of Jersey City. This project will help to bring / retain young people to the area who wish to live in Jersey City or return to the area after leaving the city for various reasons. This building will be one of the first new projects, in several years, to this neighborhood. The developer is looking to build a family friendly, well maintained project and seeks to attract people with the desire to remain in Jersey City and start a family and establish their roots in the urban community that Jersey City has to offer. This building will be attracting young professional/working people to the neighborhood who will grow and thrive along with this part of the city over the next several years.

This building, however, will be an extremely costly building to construct and maintain. In addition, it will take a good deal of time before the building is full with tenants and begins to provide a return on investment. One of the reasons the

developer took on this project is there was the knowledge that the city offered this tax abatement to lower the operating costs for the first 5 years. Therefore, the developer is seeking the 5 year tax abatement, being offered by the city. This abatement will make the large negative cash flow more manageable over the first few year and allow the finances of the building to adequately cover the large up front building and start up expenses.

**14. Compliance with State and Local Redevelopment Laws and Compliance with all State and Local Law:**

The project will comply with all applicable redevelopment laws. The Project meets the requirements of the laws of the State of New Jersey and the City of Jersey City to qualify for a tax exemption. As a new residential building the project conforms to Zoning regulation pursuant to an approval granted by the Planning Board on January 18, 2007 attached hereto as Exhibit H.

**15. Form of Financial Agreement:  
Proposed Draft Attached**

**16. Certificate of Formation:**

The applicant is a limited liability company formed pursuant to the laws of the State of New Jersey and is in good standing and qualified to do business in the State of New Jersey.

Attached hereto as Exhibit K is the certificate of formation, disclosure statements and operating agreement for the Applicant's owner/members

**17. Fees: \$10,000 tax exemption application fee paid by the applicant.**

**Disclosure statement of all interests in project**

This property and project is owned by St. Pauls, LLC, a New Jersey Limited Liability Corporation, whose location is Randolph, NJ.

The owners of St. Pauls, LLC are as following:

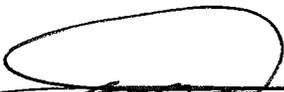
50% Owner: Milton Fantin

50% Owner: Martinou Fantin

There are no other owners parties with interests in this LLC or this property.

**Certification that project meets Zoning requirements**

This is to certify that this project meets with all Zoning requirements and conforms to all city planning requirements set forth in the Resolution which was passes by the Jersey City Board of Adjustments on January 18, 2007. This project has had all plans reviewed by the Zoning Department of Jersey City and has been extensively reviewed by the Jersey City Building Department. The proposed use for this building will serve the public welfare by eliminating a non-conforming use and providing residences in a residential zone as well as reducing the number of curb cuts from that which conforming development would generate. This project will blend the area and bring the site more nearly into the nature of development anticipated by the zone plan than what had been on the site without substantially deviating from the heights of several area buildings. Enclosed please find a copy of the resolution for this project for your review.



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Milton Fantin: Owner, St. Pauls, LLC

5/30/12

Date:

## **Statement of Truth and Accuracy**

This is to certify that I, Milton Fantin, Owner of St. Pauls, LLC confirm that all statements and contents of this application for a 5 year tax abatement are true and accurate to my knowledge. If you require any further information from our organization, please do not hesitate to contact us.



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Milton Fantin , St. Pauls, LLC

05/30/12

Date:

**EXHIBIT: A**

Description of the Property

## Legal Description of Property

DESCRIPTION OF PROPERTY  
BLOCKS 563 (LOTS 8.A, 10.A, 11, 12, 13, 14, 15 )  
CITY OF JERSEY CITY

AKA Lot 34

BEGINNING AT A POINT FORMED BY THE INTERSECTION OF THE SOUTHEASTERLY LINE OF OAKLAND AVENUE WITH THE NORTHEASTERLY LINE OF ST. PAULS AVAENUE AND RUNNING, THENCE

1. ALONG THE SOUTHEASTERLY LINE OF OAKLAND AVENUE NORTH 53 DEGREES 47 MINUTES EAST A DISTANCE OF 75.00 FEET; THENCE
2. SOUTH 36 DEGREES 11 MINUTES EAST A DISTANCE OF 107.67 FEET; THENCE
3. NORTH 53 DEGREES 47 MINUTES EAST A DISTANCE OF 25.00 FEET; THENCE
4. SOUTH 36 DEGREES 11 MINUTES EAST A DISTANCE OF 125.00 FEET; THENCE
5. SOUTH 53 DEGREES 47 MINUTES WEST A DISTANCE OF 100.00 FEET TO THE NORTHEASTERLY LINE OF ST. PAULS AVENUE; THENCE
6. ALONG THE NORTHEASTERLY LINE OF ST. PAULS AVENUE NORTH 36 DEGREE 11 MINUTES WEST A DISTANCE OF 232.67 FEET TO THE POINT AND PLACE OF BEGINNING.

⊛ New Block + Lot  
563     34





**EXHIBIT: B**

Deed and Contract of Sale

**REAL ESTATE CONTRACT**  
**FOR PURCHASE OF 68 ST. PAULS AVENUE**  
**JERSEY CITY, NJ 07030**

**ARTICLE ONE: BASIC TERMS**

This Article One contains the Basic Terms of this Contract between the Buyer and Seller named below. Other Articles, Sections and Paragraphs of this Contract referred to in this Article One explain and define the Basic Terms and are to be read in conjunction with the Basic Terms.

**Effective Date:** The date both parties have executed this Contract

**Seller:** 68 St. Pauls Avenue, LLC

**Seller's Address:** 232 Madison Street  
 Hoboken, NJ 07030

**Buyer:** Milton Fantin

**Buyer's Address:** 12 Small Brook Circle, Randolph, NJ 07689

**Property:** 68 St. Pauls Avenue, LLC being also known and designated as Lot 64 in Block 563 of the Tax Assessment Map of the City of Jersey City, which land and premises are more particularly described in the attached Schedule "A", together with all right, title and interest, if any of Seller, in any to any rights of way or easements appurtenant thereto, together with all rights and interests appurtenant thereto, if any, including, without limitation, all right, title, and interest of Seller, if any, in and to adjacent streets, roads, alleys, and rights of way, any water and mineral rights, development rights, air rights, easements and rights-of-way, together with all parking, roadways, utilities, landscaping and all licenses, permits and approvals granted to Seller by any governing or regulatory authority with respect to the Property, all surveys, drawings and reports between Seller and any other party existing as of the date hereof with respect to the Land and the construction of the proposed improvements thereon, together with any improvements, including fixtures, equipment systems and other personal property owned by the Seller and used in the operation of the Property if applicable

**Purchase Price:** One Million Seven Hundred Ninety Thousand and no/100 Dollars (\$1,790,000.00)

**Deposit:** One Hundred Thousand and no/100 Dollars (\$100,000.00). Said deposit shall be paid upon execution of the contract. Said deposit shall be non refundable upon the completion of attorney review. Deposit shall be released to the Seller upon the completion of due diligence as set forth below.

**Balance** The balance of the purchase price of One Million Six Hundred Ninety Thousand Dollars and 00/100 (1,690,000.00) shall be paid in the form of certified funds or a wire transfer at the time of closing.

**Closing Date:** Closing of title shall take place no later than thirty (30) days from the execution of contract. In the event that the Closing does not take place on the Closing Date then the Closing Date shall be extended for a period of 10 days, which Extended Closing Date shall be a "time of the essence" Closing Date;

**Due Diligence:** Five (5) business days following the Execution Date of this Contract to inspect the property, review the plans and accept the project and land in "AS-IS" condition and perform any additional environmental analysis of the property. If the Buyer raises no objections within said time Buyer waives all rights under this contingency with time being of the essence.

**Mortgage Contingency:** The parties acknowledge that this transaction shall not be subject to or contingent upon the Buyer obtaining mortgage financing and Buyer waives any mortgage contingency.

**Escrow Holder:** Law Offices of Brian H. Kappock  
232 Madison Street  
Hoboken, NJ 07030

**Buyer's Attorney:** Gary Jeffes, Esq.  
54 Washburn Avenue  
Jersey City, New Jersey 07036  
201-216-0800

**Seller's Attorney:** Brian H. Kappock, Esq.  
232 Madison Street  
Hoboken, NJ 07030  
201-659-7300

**Leases:** N/A

Exhibits:            Exhibit "A" -     Legal Description.  
                      Exhibit "B" -     Title Policy  
                      Exhibit "C" -     NO FURTHER ACTION LETTER (Already  
supplied to the Buyer)

#### ARTICLE TWO: PURCHASE OF PROPERTY

Section 2.01. Seller hereby agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller the Property, subject to and in accordance with the terms and conditions contained herein.

#### ARTICLE THREE: PAYMENT OF PURCHASE PRICE

Section 3.01. The Purchase Price for the Property shall be payable as follows:

(a) On the Execution Date, Buyer shall deposit \$100,000.00 with Escrow Holder, at Escrow Holder's office, by check or by wire transfer, funds in the amount of the Deposit as a deposit on account of the Purchase Price. The Deposit shall be released per the terms of the Contract as noted above;

(b) On the Closing Date, Buyer shall pay to Seller the Purchase Price in immediately available funds (certified, bank, cashier's or treasurer's check or wire transfer), less a credit for the Deposit, the Purchase Money Mortgage and the adjustments otherwise provided for herein.

#### ARTICLE FOUR: INTENTIONALLY DELETED

#### ARTICLE FIVE: TITLE TO PROPERTY

Section 5.01. At Closing, Seller shall convey to Buyer by bargain and sale deed with covenants against grantor's acts, good and marketable title in fee simple to the Property, insurable at regular rates by a title insurance company licensed to do business in the State of New Jersey, subject to the following liens, easements, restrictions, conditions or other encumbrances (hereinafter collectively referred to as the "Permitted Encumbrances"), provided same do not unreasonably limit (in Buyer's commercially reasonable judgment) or prohibit the use of the Property for its present uses and any legally permissible uses, there are no violations or breaches of same and future violations will not result in any forfeiture or reversion of title, all improvements shall remain as presently located, Buyer shall not incur loss or expense resulting from any encroachment or overlap.

(a) such liens, easements, restrictions, conditions or other encumbrances as are listed in Exhibit "B" attached hereto and made a part hereof (the encumbrances listed in Exhibit "B" attached hereto shall be acceptable to the Buyer upon Buyer obtaining, at its sole cost and expense, a new survey of the Property and obtaining affirmative insurance from Buyer's title insurance company as to such encumbrances);

- (b) general real estate taxes and municipal utility charges, if any, for the year of Closing which are not yet due and payable (subject to adjustment, as provided in Section 6.04);
- (c) Liens for municipal betterments which are assessed after the date hereof;
- (d) zoning regulations and municipal building restrictions, and all other laws, ordinances, regulations and restrictions of any duly constituted public authority enacted prior to the Closing Date;
- (e) Any de minimis encroachments, minor measurement discrepancies, minor variations in area or content or other facts as an accurate survey or a physical inspection of the Property may disclose;
- (f) other covenants, easements and restrictions which do not materially and adversely affect the use of the Property as permitted by zoning and related ordinances and laws on the date hereof, as well as grants to utility and/or power companies, the rights of the public in sidewalks and abutting public rights-of-way, and easements given to the public for water course maintenance, slope rights or sight rights;
- (g) Standard exceptions set forth in the form of title insurance policy of the title insurance company selected by Buyer;
- (h) INTENTIONALLY DELETED.
- (i) Any other matter which would constitute a Title Objection (as hereinafter defined) that Buyer waives pursuant to the following subsections.

Section 5.02. Buyer covenants and agrees to promptly obtain a commitment for title insurance (the "Commitment") from Premier Abstract Title or from Old Republic Title Insurance authorized to do business in the State of New Jersey, and shall use commercially reasonable efforts to deliver to Seller a copy of the Commitment within ten (10) business days of the Effective Date and shall deliver to Seller a copy of any and all additional title endorsements issued subsequent to the initial Commitment promptly upon receipt thereof. In the event the title company selected by Buyer to insure its interest in the Property shall report to Buyer any objections to title; other than the Permitted Encumbrances (as long as said Permitted Encumbrances are rendered acceptable to Buyer, as provided in Section 5.01(a) hereof); which are unacceptable to Buyer ("Title Objection"), Buyer shall notify Seller of any such Title Objection at the time of Buyer's delivery of a copy of the Commitment to Seller.

Section 5.03. If Buyer notifies Seller, as herein provided, of a Title Objection, Seller shall elect, upon delivery of written notice to Buyer within five (5) calendar days after receipt of notification from Buyer of a Title Objection, whether to cure such Title Objection. Seller shall have the right, at its sole election, to adjourn the Closing Date one or more

times, for a period or periods not in excess of sixty (60) calendar days in the aggregate, to enable Seller to convey title to the Property without such Title Objection. If Seller does not so elect to cure such Title Objection or, if having elected to cure such Title Objection, Seller is unable to convey title subject to and in accordance with the provisions of this Contract, Buyer may either (i) terminate this Contract by written notice to the Seller on or after the latter of the Closing Date or any adjournment by Seller, in which event this Contract shall become void and of no further effect, Escrow Holder shall promptly return the Deposit to Buyer, and thereupon neither party shall have any further obligations of any nature to the other hereunder or by reason hereof, or (ii) upon notice to Seller, accept such title as Seller can convey without reduction of the Purchase Price or any credit or allowance on account thereof. Notwithstanding the foregoing, however, Seller covenants and agrees to cure any Title Objection which, by its terms, is reasonably capable of cure within sixty calendar (60) days.

Section 5.04. If at the Closing Date there may be any monetary liens or mortgages affecting title to the Property, Seller shall discharge the same by payment on or prior to the Closing Date and Seller may use all or any portion of the Purchase Price payable at the Closing to satisfy the same or Buyer may deduct from the Purchase Price due at Closing all sums of money necessary to pay off any such existing liens or mortgages. Any such liens or mortgages shall not be a Title Objection if Seller shall comply with the foregoing requirements.

#### **ARTICLE SIX: CLOSING**

Section 6.01. On the Closing Date, all matters to be performed under this Contract incident to the conveyance of the Property and the payment of the Purchase Price, subject to the terms hereof (collectively, the "Closing") shall be performed concurrently at the offices of Buyer's Attorney. The Closing shall commence on the Closing Date at a time to be agreed upon between Seller's Attorney and Buyer's Attorney. All documents to be delivered at the Closing and all payments to be made shall be delivered on the Closing Date. The parties agree that each respective Seller shall deliver to each respective Buyer (and each respective Buyer shall accept from the respective Seller) the appropriate deed, Seller's affidavit of title and title closing statement for the respective lot to be conveyed.

Section 6.02. On the Closing Date, Seller shall deliver at the Closing the following documents and materials:

- (a) A duly executed bargain and sale deed with covenants against grantor's acts in proper recordable form with Residency Certification and Affidavit of Consideration;
- (b) A sworn Seller's affidavit of title in standard form;
- (c) such documentation as may be reasonably required by Buyer's title insurance company to confirm the authority of Seller to consummate the transaction contemplated hereunder, including, without limitation, a limited liability company authorization, 1099-S reporting form and FIRPTA affidavit;

- (d) INTENTIONALLY DELETED
- (e) The current real estate taxes bill (if available);
- (f) a title closing statement setting forth the applicable closing adjustments, duly executed by Seller;
- (g) such other instruments or documents as may be reasonably requested by Buyer's Attorney or Buyer's Title Agency;

**Section 6.03.** On the Closing Date, Buyer shall pay to Seller at the Closing the balance of the Purchase Price for the Property (plus any additional funds necessary to pay Buyer's share of closing costs and prorations, as hereinafter set forth) with immediately available funds. Buyer also shall deliver at the Closing the following documents and materials:

- (a) A duly executed counterpart of the closing statement; and
- (b) Such other instruments or documents as may be reasonably requested by Seller or Seller's Attorney; and
- (c) Mansion Tax Certification, if applicable;

**Section 6.04.** At the Closing, closing costs shall be paid and prorations made as follows:

- (a) Buyer and Seller shall each pay their own attorneys' fees. Seller shall pay the New Jersey Realty Transfer Tax. Buyer shall pay all other recording costs, costs for survey and any title insurance coverage desired by Buyer.
- (b) All prorations shall be made as of 12:01 a.m. on the Closing Date, so that for purposes of prorations, Buyer shall be deemed in ownership of the Property throughout such day. The following adjustments and payments shall be made at Closing:
  - (i) real property taxes, subject to apportionment when final rates are fixed;
  - (ii) Water rates and charges, if any; and
  - (iii) Sewer taxes and rents, if any.

Final readings shall be obtained for all private utilities, if any, and the Seller shall be responsible for the payment of same through the Closing Date. The apportionment of real property taxes, water rates and charges and sewer

taxes and rents shall be made on the basis of the fiscal year for which assessed.

#### **ARTICLE SEVEN: RISK OF LOSS**

Section 7.01. The risk of loss or damage to the Property by fire or otherwise until the Closing Date is assumed by Seller. However, Buyer agrees and will accept the property in case of damage or destruction since Buyer intends to remove the current improvement to the land. In the event of such injury, Seller shall assign and transfer to Buyer at Closing, without recourse or warranty, all of the right, title and interest of Seller in and to the insurance proceeds covering such damage or casualty which Seller may be entitled to receive there under.

#### **ARTICLE EIGHT: CONDEMNATION**

Section 8.01. If between the Effective Date and the Closing Date, all or any portion of the Property is taken by any governmental authority (or notice thereof is given of the intention to take the Property or any portion thereof), Buyer may terminate this Contract within thirty (30) calendar days of its receipt of written notice thereof, by delivery to Seller of its election to terminate. In the event of a termination of this Contract in accordance with this Section 8.01, the Escrow Holder shall promptly return the Deposit to Buyer and this Contract shall terminate and be null and void. If this Contract is not terminated as aforesaid, at the Closing, Seller shall assign to Buyer, without recourse, all of its right, title and interest in and to the entire award to which it may otherwise be entitled in the condemnation proceedings and shall pay to Buyer at the Closing any portion of the award theretofore received by Seller. Seller shall notify Buyer if it receives actual or constructive notice of any proposed condemnation with respect to any portion of the Property.

#### **ARTICLE NINE: CONDITION OF PROPERTY**

Section 9.01. Buyer acknowledges and agrees that, except as expressly set forth herein, Seller has made no representations or warranties, either express or implied, regarding the Property including, without limitation, its condition, its past use or its suitability for Buyer's intended use thereof, and that Buyer is acquiring the Property on an "AS IS" basis. Buyer acknowledges that it has conducted or will conduct such independent inspections, investigations and analyses of the Property as it deems necessary or appropriate in acquiring the Property from Seller (including, without limitation, any and all matters concerning the condition, use, development or suitability for development of the Property). Except as set forth herein, neither Seller nor Seller's agent have made any express statement, representation or warranty accepting past, present or future liability arising out of or related to the environmental condition or value of the Property and, except as provided by applicable laws and judicial decisions, Seller shall have no liability to Buyer by reason of the presence of any hazardous substances or wastes within the meaning of the New Jersey Spill Compensation and Control Act (N.J.S.A. 58:10-23.11 et seq.) or any other toxic or other hazardous material, as may be defined under applicable environmental statute, regulation, rule or ordinance (collectively, "hazardous substances") on the

Property, or the migration of any hazardous substances from the Property in, on or under any adjacent property.

Section 9.02. In the event a zoning permit, certificate of occupancy or other inspection certificate or other governmental approvals are required by any federal, state, county, regional or local governmental authority or agency before the Property may be transferred by Seller to Buyer or in connection with the lawful use by tenants of those portions of the Property demised under the Leases, Buyer, at Buyer's sole cost and expense, shall have the obligation to secure such permits, certificates or approvals and Buyer shall be responsible for all costs incidental thereto. Buyer agrees to indemnify and hold the Seller harmless with respect to any such costs or expenses, which indemnification shall include any legal fees, court costs and any liabilities of any nature whatsoever arising in connection with the indemnity. The provisions of this Section 9.02 shall survive the closing of title and delivery of the Deed.

Section 9.03. Not in limitation of the foregoing, Seller makes no statement, representation or warranty regarding any municipal land use approvals that may still be extant or the current or prospective zoning or development conditions affecting the Property.

#### **ARTICLE TEN: BROKER**

Section 10.01. The parties hereto represent that the only brokers which has been engaged in this subject sale is the Weichert Realtors and ReMax Villa Realtors for a total commission of four (4%) of the selling price to be paid by the Sellers. Said commission shall be paid with 2% going to Weichert Realtors and 2% paid to ReMax Villa Realtors. No commission shall be deemed earned in connection with this transaction until the transfer of title and payment in full of the Purchase Price. Seller agrees to pay the Broker a commission pursuant to a separate agreement between Seller and the Broker.

Section 10.02. Buyer warrants and represents to the Seller that there are no other brokerage commissions due to any broker by reason of Buyer's acts, other than the Broker, with respect to the sale of the Property and Buyer agrees to indemnify and hold the Seller harmless with respect to any judgment, damages, legal fees, court costs and any liabilities of any nature whatsoever arising from breach of its representations. The provisions of this Section 10.02 shall survive the closing of title and delivery of the Deed.

Section 10.03. Seller warrants and represents to the Buyer that there are no other brokerage commissions due to any broker by reason of Seller's acts, other than the Broker, with respect to the sale of the Property and Seller agrees to indemnify and hold the Buyer harmless with respect to any judgment, damages, legal fees, court costs and any liabilities of any nature whatsoever arising from breach of its representations. The provisions of this Section 10.03 shall survive the closing of title and delivery of the Deed.

#### **ARTICLE ELEVEN: ESCROW PROVISIONS**

Section 11.01. Escrow Holder shall not be liable to any party for any act or omission except for bad faith or gross negligence, and the parties agree to indemnify Escrow Holder and hold Escrow Holder harmless from any claims damages, losses or expenses arising in connection herewith. The parties acknowledge that Escrow Holder is

acting solely as a stakeholder for their convenience. Escrow Holder shall not be required to defend any legal proceedings which may be instituted against it with respect to the escrowed funds, the Property or the subject matter of this Contract unless requested to do so by Seller and Buyer and indemnified to its satisfaction against the cost and expense of such defense. Escrow Holder shall not be required to institute legal action or proceedings of any kind or nature and shall have no responsibility for the genuineness or validity of any document or other item deposited with it or the collectibility of any check delivered in connection with this Contract. Escrow Holder shall be fully protected in acting in accordance with any written instructions given to it hereunder and believed by it to be signed by the proper parties.

Section 11.02. All interest accruing on the Deposit shall follow the Deposit. The parties hereto shall provide Escrow Holder with their respective federal tax identification numbers at the time the Deposit is tendered to Escrow Holder.

**Section 11.03. INTENTIONALLY DELETED.**

Section 11.04. In the event Escrow Holder receives written notice of an objection to the release of the Deposit, Escrow Holder shall not release or deliver the Deposit to either party but shall either continue to hold the Deposit until otherwise directed in a writing signed by Buyer and Seller, or by order of a court of competent jurisdiction or shall deposit the Deposit with the clerk of any court of competent jurisdiction in the State of New Jersey.

Upon such deposit, Escrow Holder will be released from all duties and responsibilities hereunder.

**ARTICLE TWELVE: RECORDING**

Section 12.01. Neither this Contract, nor a memorandum thereof, shall be recorded in any place of public record by the Buyer, and any such recording shall be deemed a default by Buyer hereunder. Nothing herein contained shall limit Buyer's right to file a Notice(s) of Settlement with respect to the Property.

**ARTICLE THIRTEEN: NOTICE**

Section 13.01. All notices, requests, consents, approvals or other communications under this Contract shall be in writing and mailed by regular mail, postage prepaid, sent by a recognized overnight delivery service, or by telecopy addressed (a) if to Seller, at Seller's Address, with a copy to Seller's Attorney, and (b) if to Buyer, at Buyer's Address, with a copy to Buyer's Attorney, or at such other address as either party shall designate by giving notice thereof to the other party in the manner above provided. Any notices under this Contract shall be deemed to be given upon their receipt by the addressee or upon the addressee's refusal to accept delivery.

#### **ARTICLE FOURTEEN: DUE DILIGENCE BY BUYER**

Section 14.01. Except as otherwise provided herein, Seller makes no representation or warranty regarding the exact size of the Land or the square footage of any improvements located thereon. Buyer may conduct, at its sole cost and expense, a limited due diligence inspection of the Property related solely to environmental condition of the Property and the structural integrity of the Property. If Buyer, in its sole discretion, is not satisfied with the results of its inspection of the environmental records pertaining to the Property, then in such event, Buyer shall have 5 business days, the "Due Diligence Period"), to elect to terminate this Contract by giving written notice of such election, which notice shall set forth the basis upon which Buyer has elected to terminate this Contract (the "Termination Notice"), on or before 5:00 p.m. (local time) on the Contingency Date by Written notice and time shall be of the essence. The results of all inspections shall be deemed confidential in nature and shall not be disclosed to any third parties by Buyer without Seller's express written authorization in each instance. In the event of such termination, Escrow Holder shall immediately refund to Buyer the Deposit and this Contract shall be without any further force, effect or obligation of either party to the other, except for those provisions which expressly survive the termination of this Contract. If Buyer has not delivered a Termination Notice within the required time period in accordance with this Section 14.01, then Buyer shall have no further right to terminate this Contract pursuant to this Section 14.01, and this Contract shall continue in full force and effect, unless due to a material adverse change in condition or circumstances from those existing during the Due Diligence Period.

#### **ARTICLE FIFTEEN: DEFAULT**

Section 15.01. In the event Seller should default in its obligations under this Contract, Buyer's remedies shall be to either: (i) seek specific performance of Seller's obligations hereunder, including any ancillary claim for Buyer's damages as a result of the Seller's failure to comply with the terms and/or conditions of this Contract; or (ii) terminate this Contract, together with reimbursement by Seller of Buyer's cost of title searches and survey not to exceed \$750.00. If, for any reason other than Seller's willful default, Seller shall be unable to deliver title to the Property in accordance with the provisions hereof, Buyer's sole remedy shall be to terminate this Contract, together with reimbursement by Seller of Buyer's cost of title searches and survey not to exceed \$750.00.

Section 15.02. In the event Buyer should default in its obligations under this Contract, the Escrow Holder shall, subject to the terms of the contract, deliver the Deposit to the Seller (if deposit has not already been released to Seller as per the terms of the contract. Upon receipt of the Deposit, Seller shall thereafter retain the Deposit as liquidated damages and this Contract shall be terminated.

#### **ARTICLE SIXTEEN: MISCELLANEOUS**

Section 16.01. This Contract supersedes all prior discussions and agreements between Seller and Buyer with respect to the Property, and contains the sole and entire understanding between Seller and Buyer with respect to the Property. All promises,

inducements, offers, letters of intent, solicitations, agreements, commitments, representations and warranties heretofore made between such parties are merged into this Contract. This Contract shall not be modified or amended in any respect except by a written instrument executed by or on behalf of each of the parties to this Contract.

Section 16.02. All captions, headings, section, paragraph and subparagraph numbers and letters and other reference numbers or letters are solely for the purposes of facilitating reference to this Contract and shall not supplement, limit or otherwise vary in any respect the text of this Contract.

Section 16.03. All references to sections, paragraphs or subparagraphs shall be deemed to refer to the appropriate section, paragraph or subparagraph of this Contract. Unless otherwise specified in this Contract, the terms "herein," "hereof," "hereunder" and other terms of like or similar import shall be deemed to refer to this Contract as a whole and not to any particular section, paragraph or subparagraph hereof.

Section 16.04. This Contract may be executed in any number of counterparts, each of which, when executed, shall be an original, and all of which, taken together, shall constitute one and the same instrument as if all parties hereto had executed the same instrument; and any party or signatory hereto may execute this Contract by signing any such counterpart.

Section 16.05. Any condition or right of termination, cancellation or rescission granted by this Contract to Buyer or Seller may be waived by such party.

Section 16.06. Except as expressly limited by the terms of this Contract, all rights, powers and privileges conferred hereunder shall be cumulative and not restrictive of those given by law.

Section 16.07. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, which assignment by Buyer shall be permitted after obtaining the prior written consent of Seller in each instance, which consent shall not be unreasonably withheld, conditioned or delayed; notwithstanding the foregoing, however, Seller consents to the assignment of this Contract by Buyer to a related entity, in which event the Buyer shall remain liable under the terms of this Contract.

Section 16.08. If the time period by which any right, option or election provided under this Contract must be exercised, or by which any act required hereunder must be performed, or by which the Closing must be held, expires on a Saturday, Sunday or legal or bank holiday, then such time period shall be automatically extended through the close of business on the next business day.

Section 16.09. Seller and Buyer shall each provide such tax information to Seller's and/or Buyer's respective counsel promptly upon request therefor as Seller's and/or Buyer's counsel may deem to be reasonably necessary in order to effect compliance with any reporting requirements of the Internal Revenue Code of 1986, as amended, which obligation shall survive the Closing.

Section 16.10. Each party agrees that it does not have and will not have any claims or causes of action against any disclosed or undisclosed officer, director, employee, trustee, shareholder, partner, member, principal, parent, subsidiary, attorney or other affiliate of the other party including, without limitation, any officer, director, employee, trustee, shareholder, partner, member, attorney or principal of any such parent, subsidiary or other affiliate of the other party (collectively, "Affiliates"), arising out of or in connection with this Contract or the transactions contemplated hereby. Each party agrees to look solely to the other for the satisfaction of any liability or obligation arising under this Contract, if any. Without limiting the generality of the foregoing provisions of this Section 16.10, each party hereby unconditionally and irrevocably waives any and all claims and causes of action of any nature whatsoever it may now or hereafter have against the other's Affiliates, and hereby unconditionally and irrevocably releases and discharges the other's Affiliates from any and all liability whatsoever which may now or hereafter accrue in favor of such party against Affiliates of the other party in connection with or arising out of this Contract of the transactions contemplated hereby. The provisions of this Section 16.10 shall survive the Closing.

Section 16.11. The submission of an unsigned copy of this Contract to Buyer for Buyer's consideration does not constitute an offer to sell the Property. This Contract shall become effective and binding only upon the execution and delivery of this Contract by Seller and Buyer.

Section 16.12. It is a condition precedent to Closing that the following representations and warranties, which are now true, will be true as of the date of Closing and, except as specifically indicated below, shall survive Closing:

- (a) Seller is a limited liability company duly organized and validly existing under the laws of the State of New Jersey, has all legal right, power and authority to enter into this Contract, execute the documents required of each Seller hereby and to consummate the transactions contemplated hereby and this Contract is enforceable against each Seller in accordance with its terms;
- (b) no consent, filing or approval of any person, agency, commission, governmental authority or other entity is required for the execution and delivery of this Contract by the Seller, the execution and delivery of the documents required of Seller hereby or the performance of its obligations hereunder;
- (c) There are no contracts or rights of others outstanding for the transfer or conveyance of all or any portion of the Property;
- (d) The conveyance contemplated hereby shall be of all of Seller's contiguous real property and no subdivision or other governmental approval is required for the consummation of the transaction contemplated by this Contract;

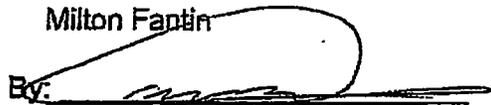
- (e) Seller has no knowledge of and has not received any notice(s) of any planned public improvements which may result in any special assessment on the Property or otherwise materially affect the Property;
- (f) The Property contains approvals from the City of Jersey City Zoning Board to build 55 units and 58 parking spaces.
- (g) INTENTIONALLY LEFT BLANK
- (h) except for the Permitted Encumbrances, the building, driveways, parking areas and all other improvements located upon the Property are within the boundary lines of the Property and there are no encroachments thereon and the building and all other improvements located on the Property comply with current governmental ordinances applicable thereto (this representation shall not survive Closing);
- (i) Seller does not own any real property not included in the sale contemplated by this Contract which is contiguous to the Property (this representation shall not survive Closing);
- (j) Seller shall not further sell, encumber, lease, convey, assign or contract to sell, encumber, lease, convey or assign all or any part of the Property or any interest therein at any time between the Effective Date and the earlier of: (i) the Closing Date; or (ii) the earlier termination of this Contract pursuant to its terms;
- (k) INTENTIONALLY LEFT BLANK

Section 16.13. Buyer makes only the following representations and warranties, which are now true and which will be true at Closing:

- (a) Buyer is a limited liability company duly organized and validly existing under the laws of the State of New Jersey, has all legal right, power and authority to enter into this Contract, execute the documents required of each Buyer hereby and to consummate the transactions contemplated hereby and this Contract is enforceable against each Buyer in accordance with its terms; and
- (b) No consent, filing or approval of any person, agency, commission, governmental authority or other entity is required for the execution and delivery of this Contract by Buyer, the execution and delivery of the documents required of Buyer or the performance of its obligations hereunder.

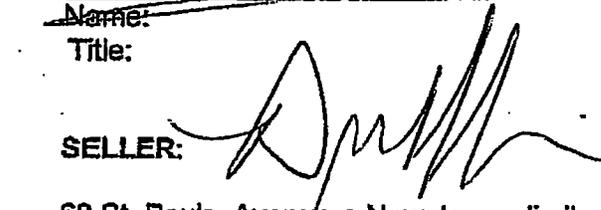
IN WITNESS WHEREOF, the parties have executed this Contract the day and year first below written.

BUYER:  
Milton Fantin

By:   
Name:  
Title:

SELLER:

68 St. Pauls, Avenue a New Jersey limited Liability

By:   
Name: Brian Philipson  
Title: Member

ESCROW HOLDER:

LAW OFFICE OF BRIAN H. KAPPOCK

By:   
Name:

Company

Date: 8/26/09

Date: 8/25/09

**RIDER TO CONTRACT OF SALE**

**BETWEEN**

**Milton Fantin**

(hereinafter referred to as "Buyer" or "Purchaser")

**AND**

**68 St. Pauls Avenue, LLC.**

(hereinafter collectively referred to as "Seller")

**PROPERTY: 68 St. Pauls Avenue, Jersey City, New Jersey**

**IN THE EVENT OF ANY INCONSISTENCY OR CONFLICT BETWEEN THE TERMS AND PROVISIONS OF THE PRINTED PORTION OF THE CONTRACT OF SALE AND THE TERMS AND PROVISIONS OF THIS RIDER, THE TERMS AND PROVISIONS OF THIS RIDER SHALL GOVERN AND BE BINDING.**

1. Contract shall be amended that the Buyer will be a limited liability company which is currently being formed. The Buyer will have the majority membership interest in the company.

2. The contract shall be amended to reflect that the deposit shall be held in a non-interest bearing trust account of the seller's attorney. The funds will remain in the Sellers attorney Trust Account until conclusion of the due diligence period and buyer's receipt and approval of the title search.

3. Balance of the deposit shall be paid by New Jersey Attorney Trust Account check.

4. Closing of Title. Closing shall take place on or about 10 days following conclusion of the due diligence period at the law office of Buyers' attorney, Vyzas & Associates, P.C., 54 Washburn Street, Jersey City, New Jersey.

5. Section 5.01 (e) and (f) are acceptable provided the title insurer will provide affirmative insurance with regard to exceptions. Buyer agrees to order the title search once the Rider to Contract has been executed by all parties.

6. Section 5.02 shall be <sup>Amended</sup> deleted and replaced as follows: The buyer will have the right to obtain title insurance from any Title Insurer authorized to do business in the State of New Jersey. If the buyer's title insurer is unable to issue policy which is acceptable to the buyer, the buyer may then elect, at their option, to either cancel the contract or utilize Premier Abstract Title to perform title search.

7. Section 14.01 shall be amended to reflect that the buyer will have a fifteen (15) day due diligence period. The due diligence will include all aspects of the property, i.e., environmental, property dimensions, approvals, etc. The due diligence will also include the buyer's investigation and satisfaction that the property may be developed into a four (4) story multiple dwelling residential building in accordance with the plans the seller has provided to the buyer. The buyer may cancel the

the property they may waive the due diligence period earlier by serving notice upon seller. Closing will take place within ten (10) days following buyer's waiver or expiration of due diligence period.

8. ~~Section 15.02 shall be amended to reflect that if the buyer defaults the seller may exercise any legal or equitable remedies available to them. (may remove - must check with client)~~ *MF*

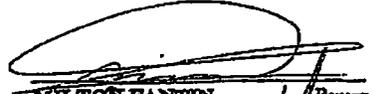
9. Any errors in monetary adjustments at closing shall be corrected and parties notified within ten (10) days of closing. This clause shall survive closing of title.

10. This rider may be executed in counterparts.

Dated:

Dated:

8/26/09

  
MILTON FANTIN Buyer  
  
68 ST. PAULS AVENUE LLC Seller

**RIDER TO CONTRACT OF SALE**

***BETWEEN***

**Milton Fantin**  
(hereinafter referred to as "Buyer" or "Purchaser")

***AND***

**68 St. Pauls Avenue, LLC.**  
(hereinafter collectively referred to as "Seller")

**PROPERTY: 68 St. Pauls Avenue, Jersey City, New Jersey**

IN THE EVENT OF ANY INCONSISTENCY OR CONFLICT BETWEEN THE TERMS AND PROVISIONS OF THE PRINTED PORTION OF THE CONTRACT OF SALE AND THE TERMS AND PROVISIONS OF THIS RIDER, THE TERMS AND PROVISIONS OF THIS RIDER SHALL GOVERN AND BE BINDING.

1. Contract shall be amended that the Buyer will be a limited liability company which is currently being formed. The Buyer will have the majority membership interest in the company.
2. The contract shall be amended to reflect that the deposit shall be held in a non-interest bearing trust account of the seller's attorney. The funds will remain in the Sellers attorney Trust Account until closing of Title and shall not be released to the seller thereto. Any reference in the Contract that the deposit be non-refundable shall be deleted.
3. Balance of the deposit shall be paid by New Jersey Attorney Trust Account check.
4. **Closing of Title.** Closing shall take place on or about 20 days following conclusion of the due diligence period at the law office of Buyers' attorney, Vyzas & Associates, P.C., 54 Washburn Street, Jersey City, New Jersey.
5. Section 5.01 (e) and (f) are acceptable provided the title insurer will provide affirmative insurance with regard to exceptions.
6. Section 5.02 shall be deleted and replaced as follows: The buyer will have the right to obtain title insurance from any Title Insurer authorized to do business in the State of New Jersey. If the buyer's title insurer is unable to issue policy which is acceptable to the buyer, the buyer may then elect, at their option, to either cancel the contract or utilize Premier Abstract Title to perform title search
7. Section 5.03 change "sixty (60) calendar days" to "thirty (30) calendar days".
8. Section 5.04, delete the last sentence beginning with "Any such liens or mortgages..." to the end of the sentence.
9. Section 9.01 shall be deleted and replaced as follows: "Buyer acknowledges that the Seller has represented that all necessary approvals have been received from the City of Jersey to Construct a four (4) story multi-family mid-rise apartment building with fifty five (55) units over a fifty eight (58) car parking garage in the R-1 district. If the property has not been approved for said project, the buyer may cancel the Contract and receive a return of all the deposit monies.
10. Section 9.02 shall be amended to reflect that the seller will be responsible for obtaining all necessary federal, state, county and local government permits or approvals for sale of the property at their own cost and expense.
11. Section. 9.03 shall be removed from the Contract.
12. Section 14.01 shall be amended to reflect that the buyer will have a thirty (30) day dues diligence period. The due diligence will include all aspects of the property, i.e., environmental, property dimensions, permits, approvals, etc. The due diligence will also include the buyer's investigation and satisfaction that the property may be developed into a four (4) story multiple dwelling residential building in accordance with the plans the seller has provided to the buyer. The buyer may cancel the contract for any reason within the due diligence period. If the buyer is satisfied with the condition of the property they may wave the due diligence period earlier by serving notice

upon seller. Closing will take place within twenty (20) days following buyers wavier or expiration of due diligence period.

13. Section 15.02 shall be amended to reflect that if the buyer defaults the seller may exercise any legal or equitable remedies available to them.

14. Paragraph 16.12 (d) shall be deleted from the contract.

**15. Seller's Representations**

- a. Seller represents that to the best of Seller's knowledge, the premises is in compliance with all environmental laws and regulations.
- b. Seller has not received, in the past twelve (12) months, any notices respecting any governmental applications which may affect the subject premises, including, but not limited to variance applications or the like.
- c. Seller represents that to the best of Seller's knowledge" (i) the property has never been used as a dump site or storage facility for hazardous substances; (ii) no environmental hazards have been identified on the property

These representations shall not survive closing of title.

**16. Flood Hazard Area.** The Federal and State Governments have designated certain areas as "flood areas". This means they are more likely to have floods than other areas. If this property is in a "flood area" the Buyer may cancel the contract within thirty (30) days of the signing of the Contract and Rider by all parties. If the Contract is canceled under this provision, Seller will reimburse Buyer for search and survey costs.

17. Seller will obtain and deliver to Buyer at closing a Letter of Non-Applicability issued by the State of New Jersey, Department of Environmental Protection, that the Property is not subject to the provisions of Industrial Site Recovery Act (ISRA). Seller will also provide Buyer at closing with a copy of the Affidavit submitted to NJDEP for obtaining this letter of Non-Applicability.

18. Any errors in monetary adjustments at closing will be promptly corrected upon notice of the error being brought to either of the parties or their counsel. This clause shall survive closing of title.

19. This rider may be executed in counterparts.

Dated:

MILTON FANTIN *Buyer*

Dated:

68 ST. PAULS AVENUE, LLC *Seller*

# Deed

This Deed is made on **October 23, 2009**

**BETWEEN**

**68 St. Pauls Avenue, LLC**

a corporation of the state of **New Jersey**

having its principal office at

**232 Madison Street**

**Hoboken, New Jersey 07030**

referred to as the Grantor,

**AND**

**Saint Pauls, LLC**

whose post office address is

**Milton Fantin**

**12 Small Brook Circle**

**Randolph, New Jersey 07030**

referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

1. **Transfer of Ownership.** The Grantor grants and conveys (transfers ownership of) the property (called the "Property") described below to the Grantee. This transfer is made for the sum of **\$1,790,000.00**

**One Million Seven Hundred Ninety Thousand Dollars and No Cents**

The Grantor acknowledges receipt of this money.

2. **Tax Map Reference.** (N.J.S.A. 46:15-1.1) Municipality of **Jersey City**

Block No. **563**

Lot No. **34**

Qualifier No.

Account No.

No property tax identification number is available on the date of this Deed. (Check Box if Applicable.)

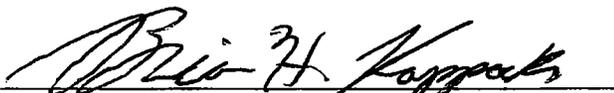
3. **Property.** The Property consists of the land and all the buildings and structures on the land in the **City** of **Jersey City**, County of **Hudson** and State of New Jersey. The legal description is:

Please see attached Legal Description annexed hereto and made a part hereof. (Check Box if Applicable.)

**BEING the same premises conveyed to the Grantor 68 St. Pauls Avenue, LLC by deed from Mahaveer, LLC dated April 25, 2006, recorded June 9, 2006 in Book 7915 of deeds, page 292; by Deed from Mahaveer, LLC dated April 25, 2006, recorded June 9, 2006 in Book 7915 of Deeds, page 296; and by Deed from Mahaveer, LLC dated April 25, 2006, recorded June 9, 2006 in Book 7915 of Deeds, page 300 in Register's Office of the County of Hudson.**

Prepared by: *(print signer's name below signature)*

(For Recorder's Use Only)

  
BRIAN H. KAPPOCK, ESQ.

The street address of the Property is:

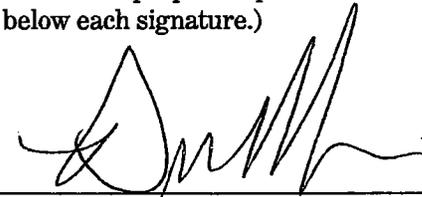
**68 St. Pauls Avenue, Jersey City, New Jersey 07306 also being an designated as lot 34 (FORMERLY LOTS 8.A, 10.A, 11,12, 13, 14 and 15) in Block 563**

4. **Signatures.** This Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. Its corporate seal is affixed. (Print name below each signature.)

Witnessed or Attested by:



**BRIAN H. KAPPOCK, ESQ.**

By: 

**BRIAN PHILIPSON**

STATE OF NEW JERSEY, COUNTY OF HUDSON

SS:

I CERTIFY that on **October 23, 2009**

**BRIAN PHILIPSON**

personally came before me and stated to my satisfaction that this person (or if more than one, each person):

- (a) was the maker of the attached Deed;
- (b) was authorized to and did execute this Deed as **MANAGING MEMBER** of **68 St. Pauls Avenue, LLC** the entity named in this Deed;
- (c) made this Deed for \$ **1,790,000.00** as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5); and
- (d) executed this Deed as the act of the entity.

RECORD AND RETURN TO:  
**Gary M. Jeffas, Esq.**  
**Vyzas & Associates, P.C.**  
**54 Washburn Street**  
**Jersey City, New Jersey 07306**  
**201-216-0800**



**BRIAN H. KAPPOCK, ESQ.**  
**ATTORNEY AT LAW IN THE STATE OF NJ**  
*Print name and title below signature*

**AFFIDAVIT OF CONSIDERATION FOR USE BY BUYER**

(Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

**BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.**

STATE OF NEW JERSEY }  
COUNTY OF HUDSON } SS. County Municipal Code  
Municipality of Property Location: Jersey City 0906

**FOR RECORDER'S USE ONLY**  
Consideration \$ \_\_\_\_\_  
RTF paid by buyer \$ \_\_\_\_\_  
Date \_\_\_\_\_ By \_\_\_\_\_

(1) **PARTY OR LEGAL REPRESENTATIVE** (See Instructions 3 and 4 on the reverse side.) XXX-XX-X  
(Last 3 digits in Grantee's Social Security No.)

Deponent, Saint Pauls, LLC, being duly sworn according to law upon his/her oath, deposes and says  
that he/she is the Grantor in a deed dated 10/26/09  
(State whether Grantee, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.)  
transferring real property identified as Block No. 563, Lot No. 34  
located at 68 St. Pauls Avenue, Jersey City, New Jersey 07307 and annexed thereto.  
(Street Address, Town)

(2) **CONSIDERATION** \$ 1,790,000.00 (See Instructions 1, 5 and 11 on the reverse side.)

Entire consideration is in excess of \$1,000,000:

PROPERTY CLASSIFICATION CHECKED BELOW SHOULD BE TAKEN FROM THE OFFICIAL TAX LIST (A PUBLIC RECORD) OF THE MUNICIPALITY WHERE THE REAL PROPERTY IS LOCATED IN THE YEAR THAT THE TRANSFER IS MADE.

(A) When Grantee is required to remit the 1% fee, complete below:

- Class 2 - Residential
- Class 3A - Farm property (Regular) and any other real property transferred to same grantee in conjunction with transfer of Class 3A property.
- Class 4A - Commercial Properties (if checked, calculation on (c) required below)
- Class 4C - Residential Cooperative Unit (4 Families or less)

(B) When Grantee is not required to remit the 1% fee, complete below:

- Property class. Circle applicable class(es): 1 4B 4C 15  
Property classes: 1-Vacant Land, 4B-Industrial Properties, 4C-Apartments (other than cooperative unit), 15-Public Property
- Exempt Organization pursuant to federal Internal Revenue Code of 1986
- Incidental to corporate merger or acquisition and equalized assessed valuation less than 20% of total value of all assets exchanged in merger or acquisition. (If checked, calculation in (C) below required and **MUST ATTACH COMPLETED RTF-4.**)

(C) **REQUIRED CALCULATION OF EQUALIZED ASSESSED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS** (See Instructions 6 and 7 on the reverse side.)

Total Assessed Valuation ÷ Director's Ratio = Equalized Valuation

\$ \_\_\_\_\_ ÷ \_\_\_\_\_ % = \$ \_\_\_\_\_

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized value.

(3) **TOTAL EXEMPTION FROM FEE** (See Instruction 8 on the reverse side.)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to the exemption symbol is insufficient. Explain in detail.

(4) Deponent makes this Affidavit of Consideration for Use by Buyer to induce the county clerk or register of deeds to record the deed and accept the fee submitted herewith pursuant to the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 26th day of October, 2009  
Signature of Deponent: Milton Fantin, Managing Member  
Grantee Name

Gary M. Jeffas  
Notary Public  
Att-y-at-law, state of New Jersey

12 Small Brook Circle  
Randolph, New Jersey  
Deponent Address

12 Small Brook Cricle  
Randolph, New Jersey 07030  
Grantee Address at Time of Sale  
Gary M. Jeffas, Esq.  
Name/Company of Settlement Officer

This form is prescribed by the Director, Division of Taxation, in the Department of the Treasury, as required by law, and may not be altered or amended without the prior approval of the Director. For further information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at [www.state.nj.us/treasury/taxation/tp/localtax.htm](http://www.state.nj.us/treasury/taxation/tp/localtax.htm).

**FOR OFFICIAL USE ONLY**  
Instrument Number \_\_\_\_\_ County \_\_\_\_\_  
Deed Number \_\_\_\_\_ Book \_\_\_\_\_ Page \_\_\_\_\_  
Deed Dated \_\_\_\_\_ Date Recorded \_\_\_\_\_

**AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER**  
 (Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)  
**BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.**

STATE OF NEW JERSEY

FOR RECORDER'S USE ONLY	
Consideration	\$ _____
RTF paid by seller	\$ _____
Date	By _____

COUNTY Hudson } SS. County Municipal Code 0906

MUNICIPALITY OF PROPERTY LOCATION Jersey City

\*Use symbol "C" to indicate that fee is exclusively for county use.

**(1) PARTY OR LEGAL REPRESENTATIVE** (See Instructions #3 and #4 on reverse side)

Deponent, 68 St. Pauls Avenue, LLC being duly sworn according to law upon his/her oath,  
 (Name)  
 deposes and says that he/she is the Grantor \_\_\_\_\_ in a deed dated October 20, 2009 transferring  
 (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)  
 real property identified as Block number 563 Lot number 34 located at  
68 St. Pauls Avenue, Jersey City, NJ 07308 Hudson County and annexed thereto.  
 (Street Address, Town)

**(2) CONSIDERATION** \$ 1,790,000.00 (See Instructions #1 and #5 on reverse side)

**(3)** Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

**(3A) REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS:**  
 (See Instructions #5A and #7 on reverse side)

**Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation**

\$ \_\_\_\_\_ ÷ \_\_\_\_\_ % = \$ \_\_\_\_\_

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

**(4) FULL EXEMPTION FROM FEE** (See Instruction #8 on reverse side)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.

**(5) PARTIAL EXEMPTION FROM FEE** (See Instruction #9 on reverse side)

**NOTE:** All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic Fee, Supplemental Fee, and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

- A.  SENIOR CITIZEN Grantor(s) 62 years of age or over. \* (See Instruction #9 on reverse side for A or B)
- B.  BLIND PERSON Grantor(s) legally blind or,\*
- DISABLED PERSON Grantor(s) permanently and totally disabled Receiving disability payments Not gainfully employed\*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:  
 Owned and occupied by grantor(s) at time of sale. Resident of State of New Jersey.  
 One or two-family residential premises. Owners as joint tenants must all qualify.

\*IN THE CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEEDS TO QUALIFY IF TENANTS BY THE ENTIRETY.

**C. LOW AND MODERATE INCOME HOUSING** (See Instruction #9 on reverse side)

- Affordable according to H.U.D. standards.  Reserved for occupancy.
- Meets income requirements of region.  Subject to resale controls.

**(6) NEW CONSTRUCTION** (See Instructions #2, #10 and #12 on reverse side)

- Entirely new improvement.  Not previously occupied.
- Not previously used for any purpose.  "NEW CONSTRUCTION" printed clearly at the top of the first page of the deed.

(7) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 23 day of October, 2009

Signature of Deponent 68 St. Pauls Avenue, LLC  
 Grantor Name  
232 Madison St, Hoboken, NJ  
 Deponent Address Grantor Address at Time of Sale  
 XXX-XXX-\_\_\_\_\_  
 Last 3 digits in Grantor's Social Security Number Brian Phillips Managing Member  
 Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY	
Instrument Number _____	County _____
Deed Number _____	Book _____ Page _____
Deed Dated _____	Date Recorded _____

County Recording Officers shall forward one copy of each Affidavit of Consideration for Use by Seller when Section 3A is completed.

STATE OF NEW JERSEY - DIVISION OF TAXATION  
 PO BOX 251  
 TRENTON, NJ 08695-0251  
 ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at: [www.state.nj.us/treasury/taxation/lpt/localtax.shtml](http://www.state.nj.us/treasury/taxation/lpt/localtax.shtml)

Title No.: HAANJ-464

**SCHEDULE A**  
**DESCRIPTION**

All that certain plot, piece or parcel of land, with the building and improvements thereon erected, situate, lying and being in City of Jersey City, County of Hudson, State of New Jersey, bounded and described as follows:

BEGINNING at the intersection of the southeasterly sideline of Oakland Avenue. (60 feet wide) with the northeasterly sideline of St. Pauls Avenue (60 feet wide), and running, thence:

1. Along the southeasterly sideline of Oakland Avenue., North 53 degrees 47 minutes East a distance of 75.00 feet to a point, thence;

2. South 36 degrees 11 minutes East a distance of 107.67 feet to a point, thence;

3. North 53 degrees 47 minutes East a distance of 25.00 feet to a point, thence;

4. South 36 degrees 11 minutes East a distance of 125.00 feet to a point, thence;

5. South 53 degrees 47 minutes West, a distance of 100.00 feet to a pint in the northeasterly sideline of St. Pauls Avenue, thence;

6. Along the same, North 36 degrees 11 minutes West a distance of 232.67 feet to the point and place of BEGINNING

FOR INFORMATION ONLY:

Commonly known as: 68 St. Pauls Ave.  
Jersey City, New Jersey 07302  
Block 563 Lot 34

End Schedule A Description

State of New Jersey

# Seller's Residency Certification/Exemption

(C.55, P.L. 2004)

(Please Print or Type)

**SELLER(S) INFORMATION (See Instructions, page 2):**

Name(s) 68 St. Pauls Avenue, LLC

Current Resident Address 232 Madison Street

City, Town, Post Office Hoboken State NJ Zip Code 07030

**PROPERTY INFORMATION (Brief Property Description):**

Block(s) 563 Lot(s) 34 Qualifier \_\_\_\_\_

Street Address 68 St. Pauls Avenue

City, Town, Post Office Jersey City State NJ Zip Code 07306

Seller's Percentage of Ownership 100 Consideration \$1,790,000.00 Closing Date 10/26/09

**SELLER ASSURANCES (Check the Appropriate Box):**

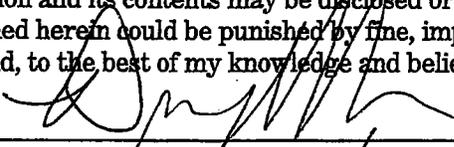
- 1.  I am a resident taxpayer of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
- 2.  The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the Federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
- 3.  I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
- 4.  Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
- 5.  Seller is not individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
- 6.  The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
- 7.  The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION.) If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale.

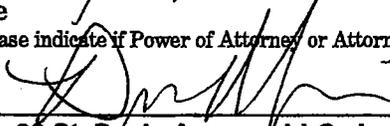
**SELLER(S) DECLARATION:**

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

10/23/09  
Date

October 23, 2009  
Date

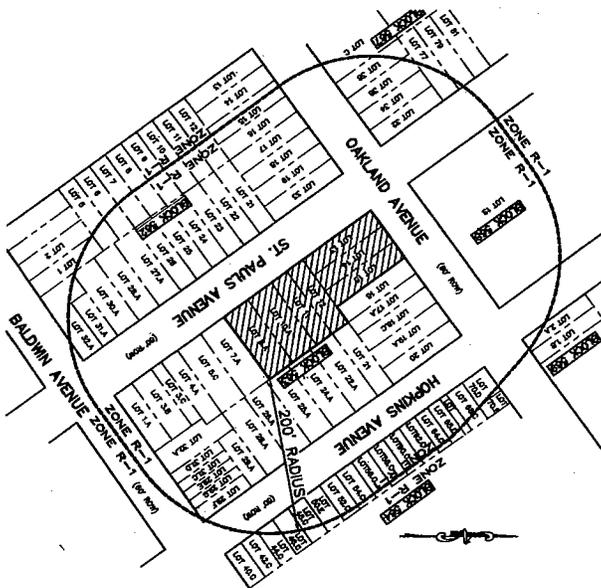
  
Signature  
(Seller) Please indicate if Power of Attorney or Attorney in Fact

  
Signature 68 St. Pauls Avenue, LLC by Brian Philipson  
(Seller) Please indicate if Power of Attorney or Attorney in Fact

**EXHIBIT: C**

Site Plan

# PRELIMINARY AND FINAL SITE PLAN FOR PROPOSED RESIDENTIAL BUILDING LOTS 11-15, 10.A & 8.A, BLOCK 563 CITY OF JERSEY CITY HUDSON COUNTY, NEW JERSEY



**ZONE SCHEDULE**

ZONE	RESIDENTIAL (ZONE R-1)	RESIDENTIAL (ZONE R-1.5)
MIN. LOT AREA	100 SQ. FT.	100 SQ. FT.
MIN. LOT FRONT	30 FT.	30 FT.
MIN. LOT DEPTH	30 FT.	30 FT.
MIN. FRONT YARD	10 FT.	10 FT.
MIN. SIDE YARD	5 FT.	5 FT.
MIN. REAR YARD	5 FT.	5 FT.
MAX. BUILDING COVERAGE	40%	40%
MAX. LOT COVERAGE	40%	40%
MAX. HEIGHT	35 FT.	35 FT.
MAX. NUMBER OF UNITS	1	1
MAX. NUMBER OF STORIES	3	3
MAX. NUMBER OF GARAGES	1	1
MAX. NUMBER OF DRIVEWAYS	1	1
MAX. NUMBER OF DRIVEWAYS PER LOT	1	1
MAX. NUMBER OF DRIVEWAYS PER BLOCK	1	1
MAX. NUMBER OF DRIVEWAYS PER LOT	1	1
MAX. NUMBER OF DRIVEWAYS PER BLOCK	1	1
MAX. NUMBER OF DRIVEWAYS PER LOT	1	1
MAX. NUMBER OF DRIVEWAYS PER BLOCK	1	1

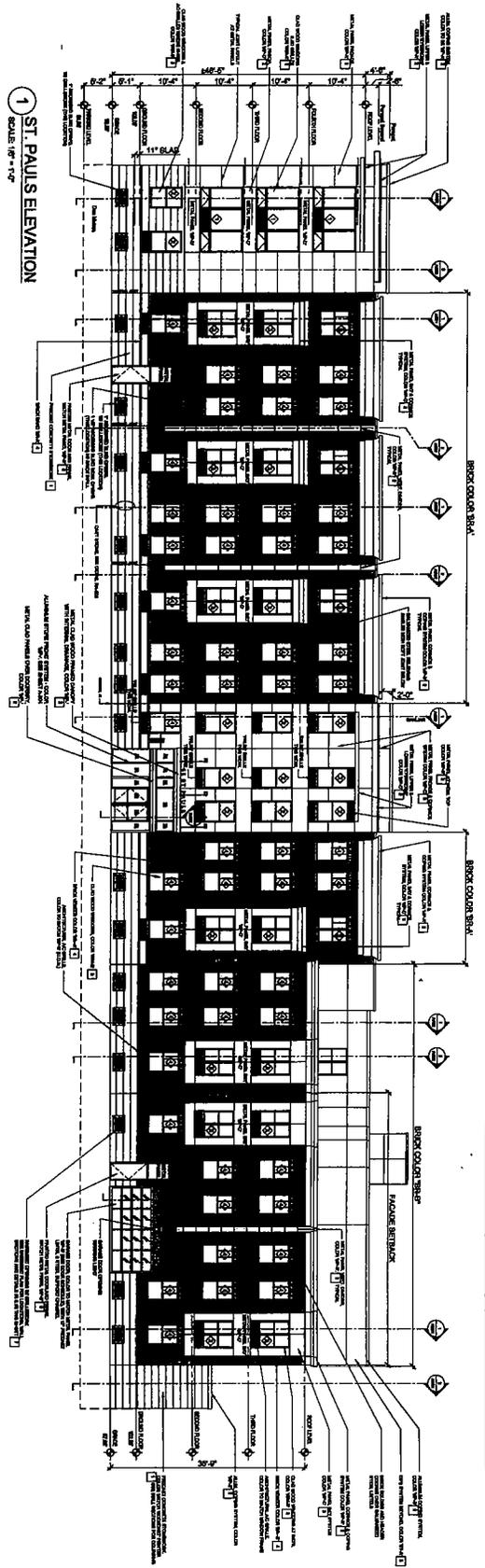
- ADDITIONAL NOTES:**
1. THE CITY ENGINEER HAS REVIEWED THIS SITE PLAN AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE ZONING ORDINANCE OF THE CITY OF JERSEY CITY.
  2. THE CITY ENGINEER HAS REVIEWED THE ENGINEERING DRAWINGS AND HAS FOUND THEM TO BE IN ACCORDANCE WITH THE ZONING ORDINANCE OF THE CITY OF JERSEY CITY.
  3. THE CITY ENGINEER HAS REVIEWED THE PROPOSED RESIDENTIAL BUILDING AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE ZONING ORDINANCE OF THE CITY OF JERSEY CITY.
  4. THE CITY ENGINEER HAS REVIEWED THE PROPOSED DRIVEWAYS AND HAS FOUND THEM TO BE IN ACCORDANCE WITH THE ZONING ORDINANCE OF THE CITY OF JERSEY CITY.
  5. THE CITY ENGINEER HAS REVIEWED THE PROPOSED DRIVEWAYS AND HAS FOUND THEM TO BE IN ACCORDANCE WITH THE ZONING ORDINANCE OF THE CITY OF JERSEY CITY.
  6. THE CITY ENGINEER HAS REVIEWED THE PROPOSED DRIVEWAYS AND HAS FOUND THEM TO BE IN ACCORDANCE WITH THE ZONING ORDINANCE OF THE CITY OF JERSEY CITY.
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  9. THE CITY ENGINEER HAS REVIEWED THE PROPOSED DRIVEWAYS AND HAS FOUND THEM TO BE IN ACCORDANCE WITH THE ZONING ORDINANCE OF THE CITY OF JERSEY CITY.
  10. THE CITY ENGINEER HAS REVIEWED THE PROPOSED DRIVEWAYS AND HAS FOUND THEM TO BE IN ACCORDANCE WITH THE ZONING ORDINANCE OF THE CITY OF JERSEY CITY.



**OWNER/APPPLICANT:**  
88 ST. PAULS AVENUE  
HUDSON, NJ 07030

THIS DRAWING IS INTENDED TO BE USED FOR PERMITS AND CONSTRUCTION. IT IS THE RESPONSIBILITY OF THE ENGINEER TO VERIFY THE ACCURACY OF THE INFORMATION PROVIDED BY THE CLIENT. ANY AMENDMENTS TO THIS DRAWING SHALL BE MADE BY THE ENGINEER AND SHALL BE SUBJECT TO THE ATTENTION OF THE CITY ENGINEER.

NO.	DATE	DESCRIPTION
1	10/15/10	PRELIMINARY SITE PLAN
2	11/15/10	FINAL SITE PLAN
3	12/15/10	FINAL SITE PLAN
4	01/15/11	FINAL SITE PLAN
5	02/15/11	FINAL SITE PLAN
6	03/15/11	FINAL SITE PLAN
7	04/15/11	FINAL SITE PLAN
8	05/15/11	FINAL SITE PLAN
9	06/15/11	FINAL SITE PLAN
10	07/15/11	FINAL SITE PLAN
11	08/15/11	FINAL SITE PLAN
12	09/15/11	FINAL SITE PLAN
13	10/15/11	FINAL SITE PLAN
14	11/15/11	FINAL SITE PLAN
15	12/15/11	FINAL SITE PLAN
16	01/15/12	FINAL SITE PLAN
17	02/15/12	FINAL SITE PLAN
18	03/15/12	FINAL SITE PLAN
19	04/15/12	FINAL SITE PLAN
20	05/15/12	FINAL SITE PLAN
21	06/15/12	FINAL SITE PLAN
22	07/15/12	FINAL SITE PLAN
23	08/15/12	FINAL SITE PLAN
24	09/15/12	FINAL SITE PLAN
25	10/15/12	FINAL SITE PLAN
26	11/15/12	FINAL SITE PLAN
27	12/15/12	FINAL SITE PLAN
28	01/15/13	FINAL SITE PLAN
29	02/15/13	FINAL SITE PLAN
30	03/15/13	FINAL SITE PLAN
31	04/15/13	FINAL SITE PLAN
32	05/15/13	FINAL SITE PLAN
33	06/15/13	FINAL SITE PLAN
34	07/15/13	FINAL SITE PLAN
35	08/15/13	FINAL SITE PLAN
36	09/15/13	FINAL SITE PLAN
37	10/15/13	FINAL SITE PLAN
38	11/15/13	FINAL SITE PLAN
39	12/15/13	FINAL SITE PLAN
40	01/15/14	FINAL SITE PLAN
41	02/15/14	FINAL SITE PLAN
42	03/15/14	FINAL SITE PLAN
43	04/15/14	FINAL SITE PLAN
44	05/15/14	FINAL SITE PLAN
45	06/15/14	FINAL SITE PLAN
46	07/15/14	FINAL SITE PLAN
47	08/15/14	FINAL SITE PLAN
48	09/15/14	FINAL SITE PLAN
49	10/15/14	FINAL SITE PLAN
50	11/15/14	FINAL SITE PLAN
51	12/15/14	FINAL SITE PLAN
52	01/15/15	FINAL SITE PLAN
53	02/15/15	FINAL SITE PLAN
54	03/15/15	FINAL SITE PLAN
55	04/15/15	FINAL SITE PLAN
56	05/15/15	FINAL SITE PLAN
57	06/15/15	FINAL SITE PLAN
58	07/15/15	FINAL SITE PLAN
59	08/15/15	FINAL SITE PLAN
60	09/15/15	FINAL SITE PLAN
61	10/15/15	FINAL SITE PLAN
62	11/15/15	FINAL SITE PLAN
63	12/15/15	FINAL SITE PLAN
64	01/15/16	FINAL SITE PLAN
65	02/15/16	FINAL SITE PLAN
66	03/15/16	FINAL SITE PLAN
67	04/15/16	FINAL SITE PLAN
68	05/15/16	FINAL SITE PLAN
69	06/15/16	FINAL SITE PLAN
70	07/15/16	FINAL SITE PLAN
71	08/15/16	FINAL SITE PLAN
72	09/15/16	FINAL SITE PLAN
73	10/15/16	FINAL SITE PLAN
74	11/15/16	FINAL SITE PLAN
75	12/15/16	FINAL SITE PLAN
76	01/15/17	FINAL SITE PLAN
77	02/15/17	FINAL SITE PLAN
78	03/15/17	FINAL SITE PLAN
79	04/15/17	FINAL SITE PLAN
80	05/15/17	FINAL SITE PLAN
81	06/15/17	FINAL SITE PLAN
82	07/15/17	FINAL SITE PLAN
83	08/15/17	FINAL SITE PLAN
84	09/15/17	FINAL SITE PLAN
85	10/15/17	FINAL SITE PLAN
86	11/15/17	FINAL SITE PLAN
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90	03/15/18	FINAL SITE PLAN
91	04/15/18	FINAL SITE PLAN
92	05/15/18	FINAL SITE PLAN
93	06/15/18	FINAL SITE PLAN
94	07/15/18	FINAL SITE PLAN
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124	01/15/21	FINAL SITE PLAN
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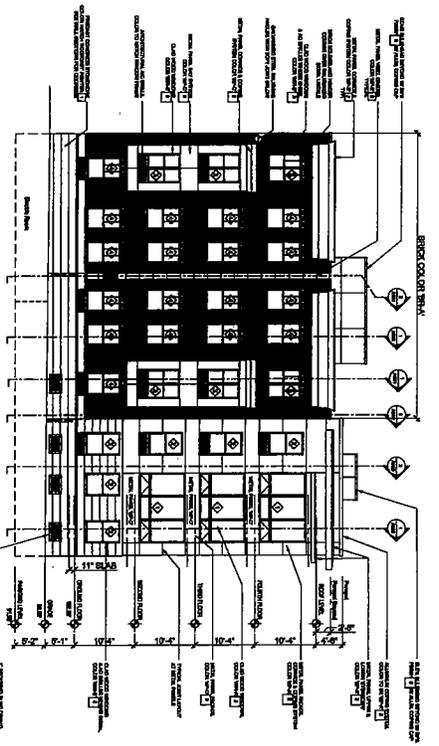


**1 ST. PAUL'S ELEVATION**  
SCALE: 1/8" = 1'-0"

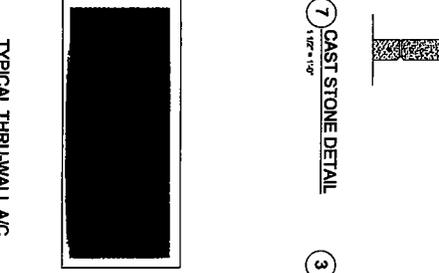
**EXTERIOR ELEMENTS COLOR CHART:**

- 1. PRECAST CONCRETE
  - 2. METAL PANELS
  - 3. BRICK
  - 4. STONE
  - 5. STAIN
  - 6. PAINT
  - 7. BRICK & BROWNE
  - 8. EXTENSION METAL DOORS
  - 9. GARAGE DOOR
- BRICK COLOR BREAK:**
- 1. BRICK
  - 2. BRICK
  - 3. BRICK
  - 4. BRICK
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  - 6. BRICK
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  - 100. BRICK

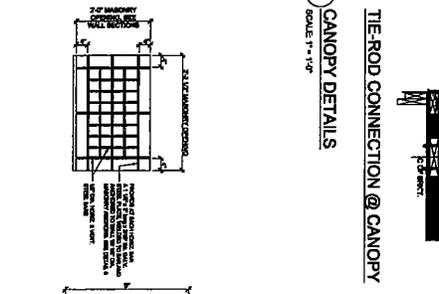
**NOTE: SUBMIT SAMPLES FOR ALL COLORS INDICATED**



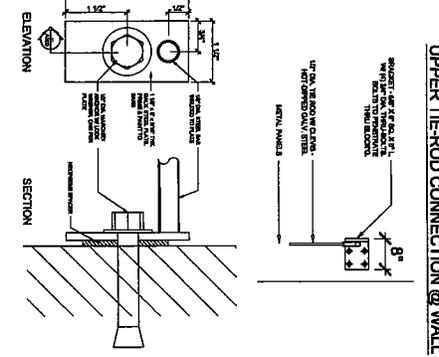
**2 OAKLAND AVENUE ELEVATION**  
SCALE: 1/8" = 1'-0"



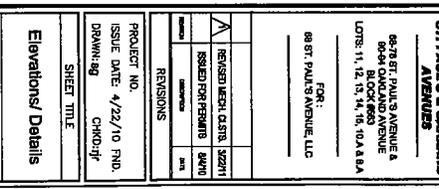
**4 TYPICAL THRU-WALL A/C SLEEVE GRILLE**  
SCALE: 1/8" = 1'-0"



**7 CAST STONE DETAIL**  
SCALE: 1/8" = 1'-0"



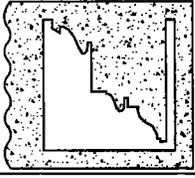
**3 CANOPY DETAILS**  
SCALE: 1/8" = 1'-0"



**UPPER TIE-ROD CONNECTION @ WALL**

**5 GARAGE WDW. OPENING ELEV.**  
SCALE: 1/8" = 1'-0"

**6 GRILLE DETAILS**  
SCALE: 1/8" = 1'-0"



**LWDMR**  
LAWRENCE W. DUNN ARCHITECTS  
1000 W. 10TH AVENUE, SUITE 100  
DENVER, CO 80202  
TEL: 303.733.1111  
WWW.LWDMR.COM

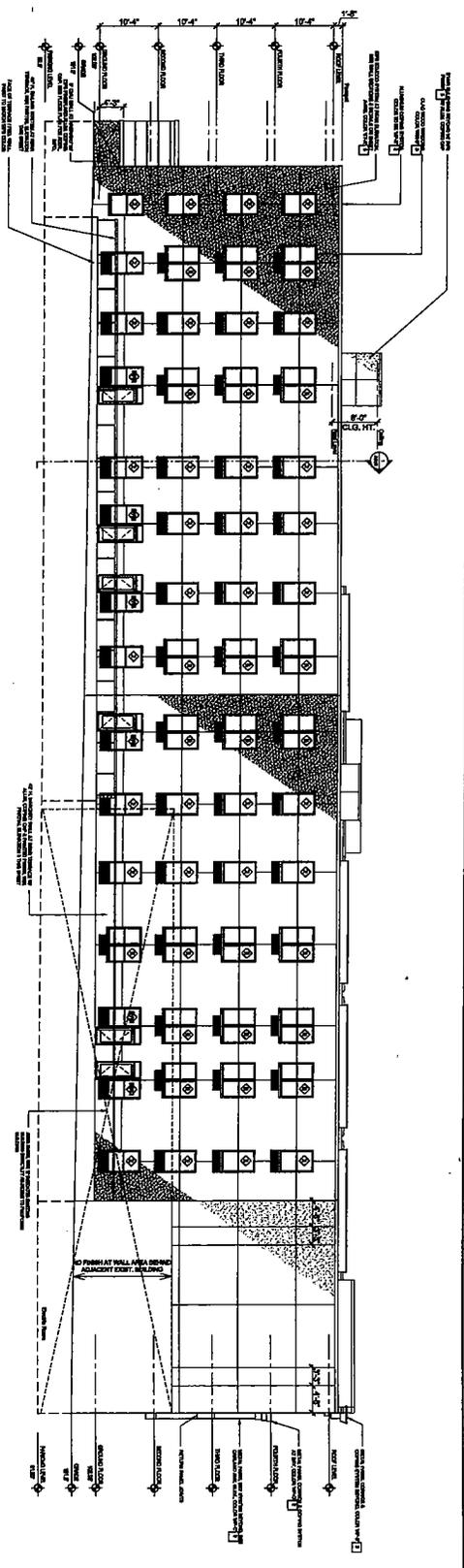
**CONSTRUCTION SET**  
4/27/11  
ARCHITECT: LAWRENCE W. DUNN ARCHITECTS  
DATE: 4/27/11  
PROJECT: ST. PAUL'S & OAKLAND AVENUES

**NEW RESIDENTIAL STRUCTURE AT ST. PAUL'S & OAKLAND AVENUES**  
FOR: PFM  
66-78 ST. PAUL'S AVENUE & 66-84 OAKLAND AVENUE  
LOT: 11, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 36, 38, 40, 42, 44, 46, 48, 50, 52, 54, 56, 58, 60, 62, 64, 66, 68, 70, 72, 74, 76, 78, 80, 82, 84, 86, 88, 90, 92, 94, 96, 98, 100

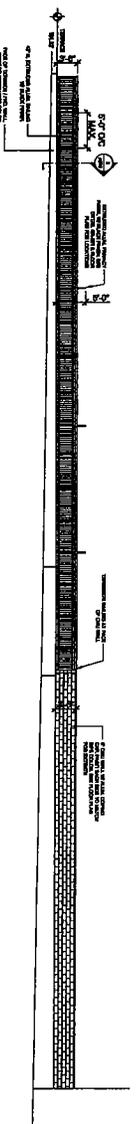
NO.	REVISIONS	DATE
1	REVISED METAL GRILLE	5/27/11
2	ISSUED FOR PERMITS	5/27/11

PROJECT NO. CHD-017  
ISSUE DATE: 4/22/10  
DRAWN BY: CHD:JF

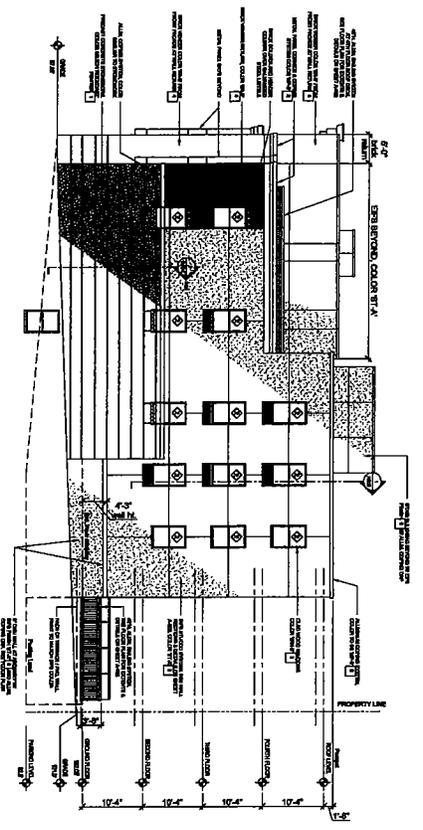
PROJECT TITLE: Elevations/Details  
SHEET NO.: 15  
OF: 21 DWGS. A-200



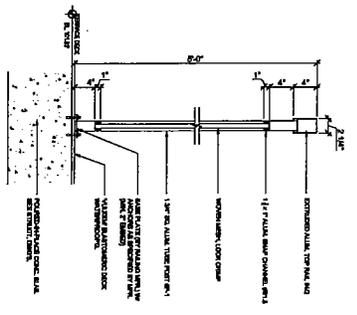
1 REAR (NORTH) ELEVATION  
SCALE: 1/8" = 1'-0"



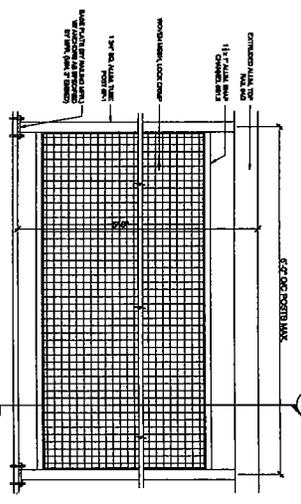
3 PARTIAL REAR ELEVATION SHOWING TERRACE RAILING / CMU WALL  
SCALE: 1/4" = 1'-0"



2 SIDE (EAST) ELEVATION  
SCALE: 1/8" = 1'-0"



4 TERRACE PRIVACY SCREEN DETAIL  
SCALE: 3/4" = 1'-0"

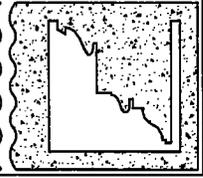


5 TERRACE PRIVACY SCREEN ELEV.  
SCALE: 3/4" = 1'-0"

**PRIVACY SCREEN SYSTEM:**  
 MFR: S&B MANUFACTURING (or approved equal)  
 MODEL: S&B TYPE 100  
 COLOR: POWDER COATED COULDER MATCH FINISH/ONE KING C  
 FINISH: POWDER COATED COULDER MATCH FINISH/ONE KING C

**RAILING SYSTEM:**  
 MFR: S&B MANUFACTURING (or approved equal)  
 MODEL: S&B TYPE 100  
 COLOR: POWDER COATED COULDER MATCH FINISH/ONE KING C  
 FINISH: POWDER COATED COULDER MATCH FINISH/ONE KING C

**NOTES:**  
 1. PROVIDE S&B FINISHING ON ALL COMPONENTS OF THE RAILING SYSTEM TO MATCH APPROVAL OF THE ARCHITECT FOR FINISH TO BE USED.  
 2. PROVIDE ALL NECESSARY HARDWARE FOR PROPER ATTACHMENT TO STRUCTURE AND PERMIT WEIGHT AND DOWNDRAW NEW HARDWARE FOR ULTIMATE LOAD REQUIREMENTS.



**LWDNR**  
 LANDSCAPE, WOOD, DESIGN, AND NATURE RESOURCES  
 10000 W. 10TH AVENUE, SUITE 100  
 DENVER, CO 80202  
 TEL: 303.755.1111  
 WWW.LWDNR.COM

**CONSTRUCTION SET**  
 4/27/11

DATE: 4/27/11  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 PROJECT NO.: [Number]

**NEW RESIDENTIAL**  
**ST. PAUL'S & CRAWFORD**  
**AVENUES**

9678 ST. PAUL'S AVENUE &  
 8644 CRAWFORD AVENUE  
 LOTS: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

FOR:  
 86 ST. PAUL'S AVENUE, LLC

REVISIONS

NO.	DATE	DESCRIPTION
1	4/27/11	ISSUED FOR PERMITS

PRODUCT NO.: [Number]  
 ISSUE DATE: 4/27/11  
 DRAWN BY: [Name]

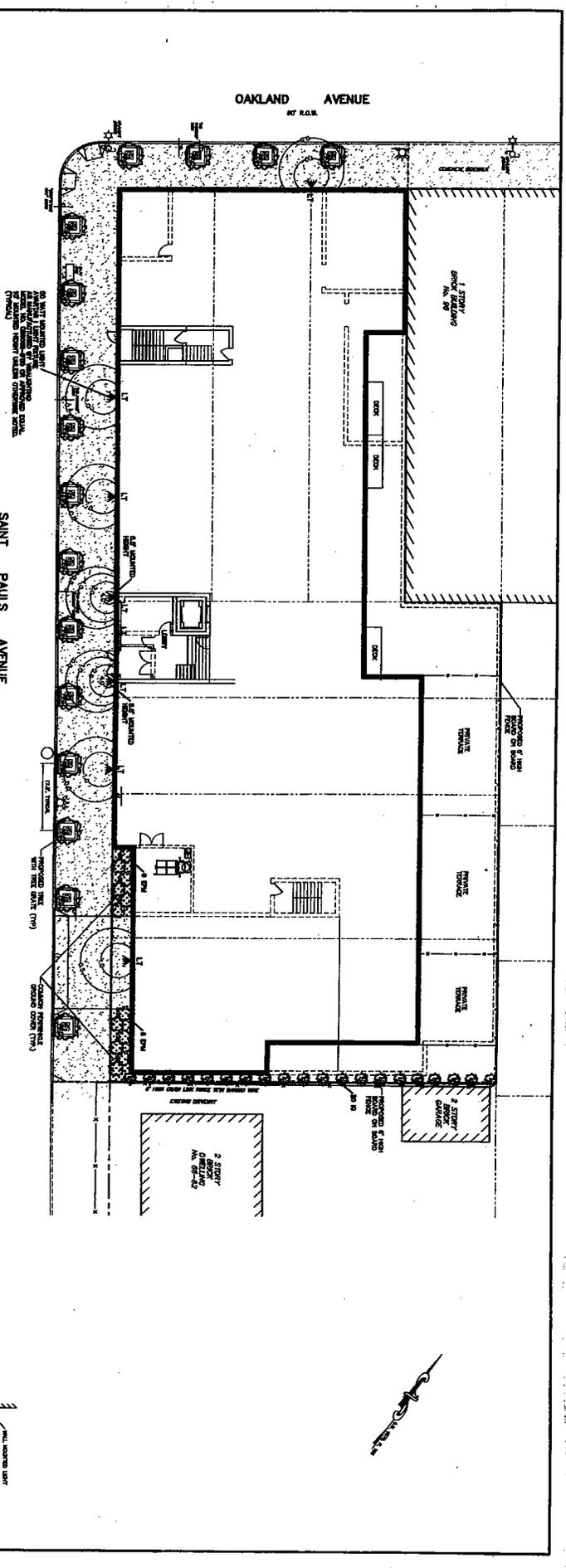
SHEET TITLE  
 Rear & Side Elevations  
 SHEET NO.: 18  
 OF 27 DWGS. A-201





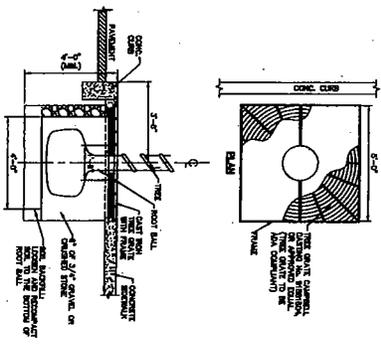
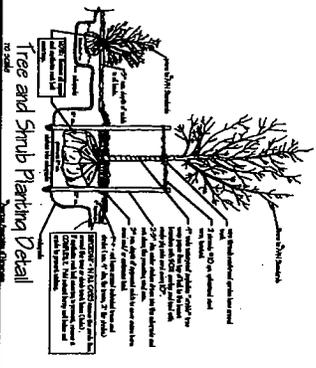






**PAINTING SCHEDULE**

Item	Color	Material	Quantity	Notes
1	White	Latex Enamel	100	Exterior Walls
2	White	Latex Enamel	50	Exterior Windows
3	White	Latex Enamel	20	Exterior Doors
4	White	Latex Enamel	10	Exterior Trim
5	White	Latex Enamel	5	Exterior Railings
6	White	Latex Enamel	5	Exterior Stairs
7	White	Latex Enamel	5	Exterior Balconies
8	White	Latex Enamel	5	Exterior Fences
9	White	Latex Enamel	5	Exterior Signage
10	White	Latex Enamel	5	Exterior Light Fixtures



- GENERAL LANDSCAPE NOTES:**
1. ALL PLANTS MUST BE HEALTHY, UNBROKEN, UNWATERED, FREE OF PESTS AND DISEASE.
  2. ALL PLANTS MUST BE CONTAINER GROWN OR BUILT UP AND SHIPPED AS SPECIFIED IN THE PLANT LIST.
  3. ALL TREES MUST BE SHIPPED TRUNKED AND FULLY WATERED AND LEAFY AT DELIVERY TO SITE.
  4. ALL PLANTS MUST BE SUITABLE TO THE CLIMATE OF THE LANDSCAPE AND MUST BE SUITABLE TO THE SOIL TYPE AND PH.
  5. ALL TREES MUST BE PLANTED AT THE SPECIFIED SPACING AND PLANTING DATE.
  6. ALL PLANTS MUST BE PLANTED AT THE SPECIFIED SPACING AND PLANTING DATE.
  7. PLANTING DATE SHALL BE DETERMINED BY THE CONTRACTOR AND SHALL BE APPROVED BY THE ARCHITECT.
  8. ALL PLANTS MUST BE PLANTED AT THE SPECIFIED SPACING AND PLANTING DATE.
  9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FOR THE LANDSCAPE.
  10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FOR THE LANDSCAPE.
  11. ALL PLANTS MUST BE PLANTED AT THE SPECIFIED SPACING AND PLANTING DATE.
  12. ALL PLANTS MUST BE PLANTED AT THE SPECIFIED SPACING AND PLANTING DATE.
  13. ALL PLANTS MUST BE PLANTED AT THE SPECIFIED SPACING AND PLANTING DATE.
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  15. ALL PLANTS MUST BE PLANTED AT THE SPECIFIED SPACING AND PLANTING DATE.
  16. ALL PLANTS MUST BE PLANTED AT THE SPECIFIED SPACING AND PLANTING DATE.

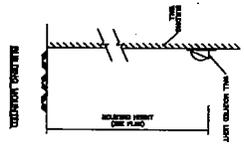
NO.	DESCRIPTION	QTY	UNIT
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**PROPOSED RESIDENTIAL BUILDING**  
 LOTS 84, 104, 114, 134, 14 AND 16, BLOCK 685  
 CITY OF JERSEY CITY,  
 HUDSON COUNTY, NEW JERSEY

**LANDSCAPING and LIGHTING PLAN**

Marcell  
 Engineering, P.C.  
 1000 ...  
 JERSEY CITY, NJ 07310  
 TEL: 201-992-1100  
 FAX: 201-992-1101  
 C-5

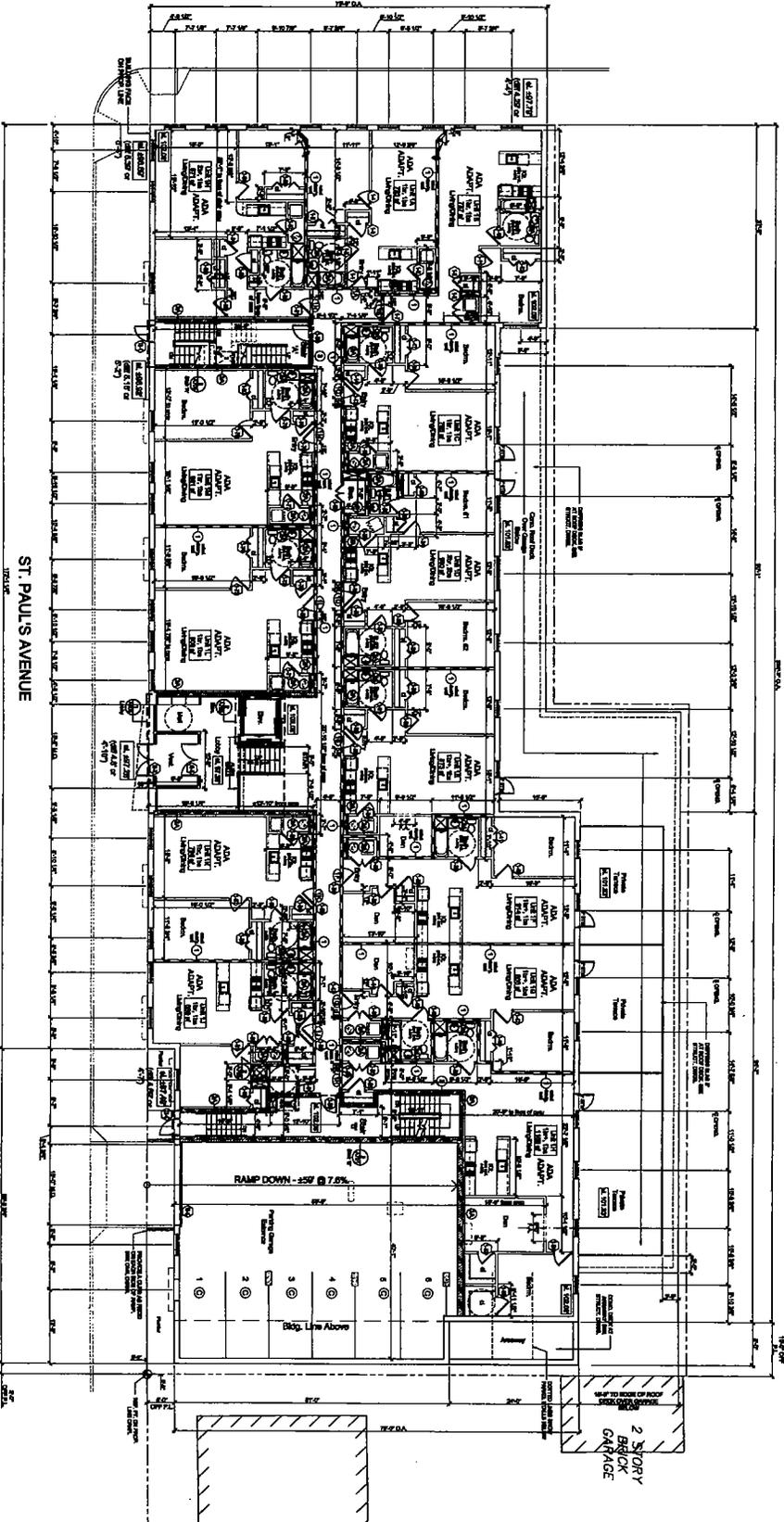
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 BIDDING AND REFERENCE PURPOSES ONLY.  
 IT IS NOT TO BE USED FOR CONSTRUCTION  
 WITHOUT THE PROFESSIONAL ENGINEER'S  
 SIGNATURE AND SEAL.







OAKLAND AVENUE



**1 GROUND FLOOR PLAN - FIRST RESIDENTIAL LEVEL**

- SCALE: 1/8" = 1'-0"
- GROSS S.F. = 18,340 SF
- (7) 1 BEDROOM UNITS
- (4) 1 BEDROOM PLUS UNITS
- (2) 2 BEDROOM UNITS



**KEY LEGEND**

- INDICATES APT. DOWN/UP CORRIDOR WALL - PARTITION TYPE #1
- INDICATES CHIMNEY WALL - PARTITION TYPE #2
- INDICATES SHUT WALL LOCATIONS - PARTITION TYPE #3
- ELECTRICAL PANEL BOX (BOXES TO BE CENTERED ON WALL)
- APT. NUMBER
- DOOR NUMBER
- SPRINKLER RISER

**BUILDING NOTES**

- A. REFER TO STRUCTURAL ENGINEER DRAWINGS FOR INFORMATION ON LOADS & FOUNDATION.
- B. REFER TO MECHANICAL ENGINEERING DRAWINGS FOR INFORMATION ON MECHANICAL SYSTEMS AND LAYOUT.
- C. REFER TO THE CIVIL ENGINEERING DRAWINGS FOR SITE INFORMATION.

**KEY CONSTRUCTION NOTES**

- 1. ALL EXTERIOR NON-COMBUSTIBLE WALLS ARE TO BE PARTITION TYPE #2 UNLESS NOTED OTHERWISE. SEE SHEET A-102.
- 2. ALL WALLS AROUND THE MECHANICAL EQUIPMENT ARE TO BE PARTITION TYPE #2 UNLESS NOTED OTHERWISE. SEE SHEET A-102.
- 3. ALL WALLS AROUND SHUT WALL LOCATIONS (E.G. #1) ARE TO BE PARTITION TYPE #1 UNLESS NOTED OTHERWISE. SEE SHEET A-102.
- 4. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 5. ALL CLOSETS ARE TO RECEIVE FLOOR COATED INTER. BEHAVIOR W/ OTHER FLOORING.
- 6. ALL LUBRICANT CONTAINERS ARE TO RECEIVE (8) EPOXY COATED STEEL LINING/WALLS.
- 7. SEE FLOORING DRAWINGS FOR FINISH SCHEDULE.
- 8. SEE SPECIFICATIONS FOR FINISHED REQUIREMENTS.
- 9. SEE SHEET A-100 FOR TYPICAL FINISHES & MATERIALS SCHEDULE.
- 10. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 11. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 12. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 13. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 14. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 15. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 16. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 17. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 18. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 19. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.
- 20. DIMENSIONS ARE TYPICALLY TAKEN TO FINISH WALL, UNLESS INDICATED BY WALL TYPE OR DIMENSION NOTED OTHERWISE.

**NEW RESIDENTIAL STRUCTURE AT ST. PAUL'S & OAKLAND AVENUES**

82-87 ST. PAUL'S AVENUE & 82-89 ST. PAUL'S AVENUE  
BLOCK 8003  
LOTS: 11, 12, 13, 14, 15, 16A & 16B

FOR:  
88 ST. PAUL'S AVENUE, LLC

**LWDMR**

LEWIS & CLARK ARCHITECTURE, P.C.

1000 N. 10TH STREET, SUITE 200  
ANN ARBOR, MI 48106

PH: 734.769.1234  
WWW.LWDMR.COM

PROJECT NO. \_\_\_\_\_

ISSUE DATE: 4/22/10 PNO.

DRAWN BY: CHD/CJF

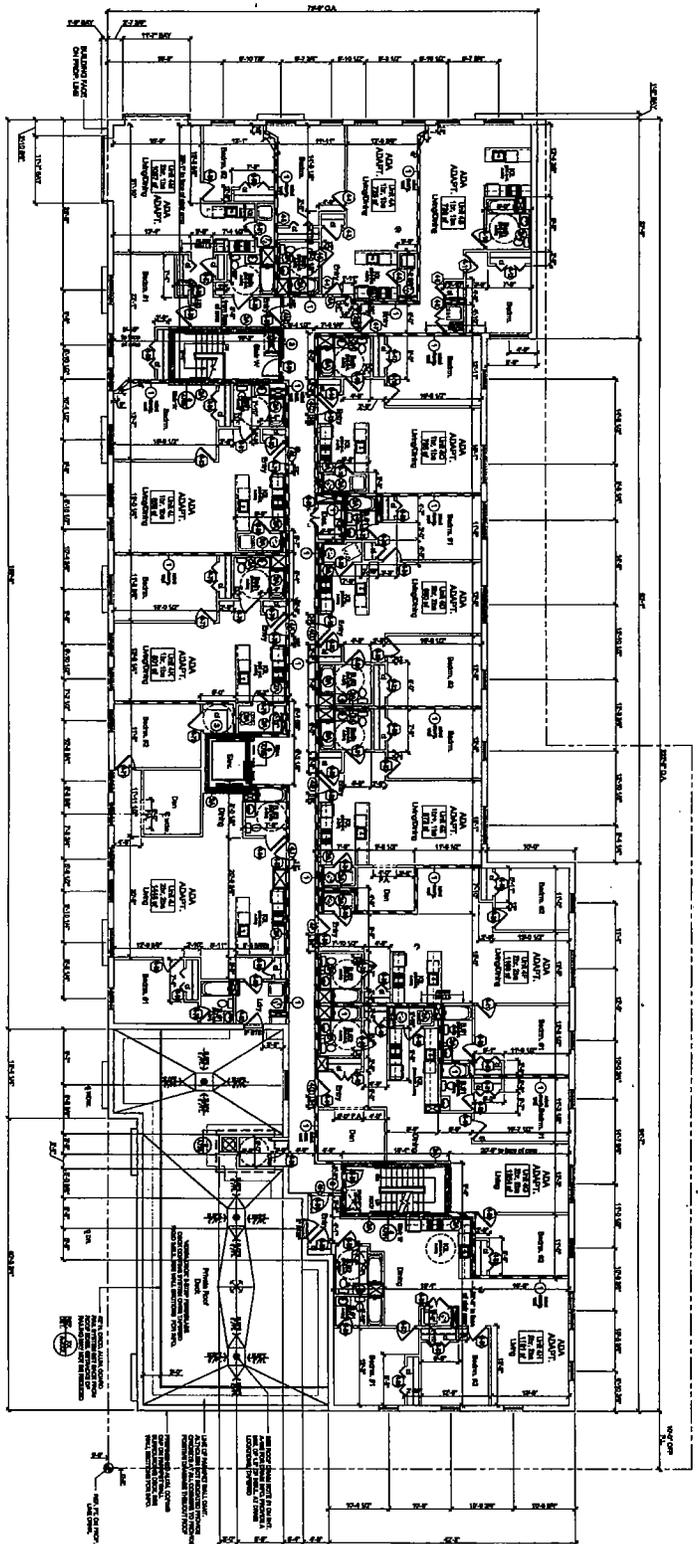
SHEET TITLE: Ground Floor Plan - First Residential Level

DWG. NO.: A-101

DATE: \_\_\_\_\_







**1 FOURTH FLOOR PLAN**  
 SCALE: 1/8" = 1'-0"  
 GROSS S.F. = 14,120 SF  
 (5) 1 BEDROOM UNITS  
 (1) 1 BEDROOM PLUS UNITS  
 (8) 2 BEDROOM UNITS

**KEY LEGEND**

- ▨ INDICATES APT. DEMARKATION/CONCRETE WALL - PARTITION TYPE #1
- ▩ INDICATES CML WALL - PARTITION TYPE #2
- ▧ INDICATES SHWFT WALL LOCATIONS - PARTITION TYPE #3
- ▦ ELECTRICAL PANEL AND PAGES TO BE CHANGED ON WALL
- APT. NUMBER
- ◐ DOOR HULLERS
- ◑ SPRINKLER HEADS

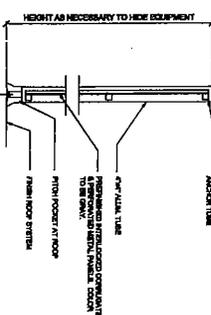
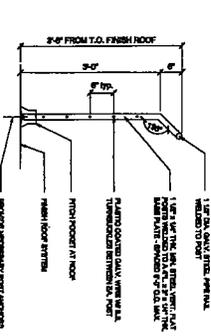
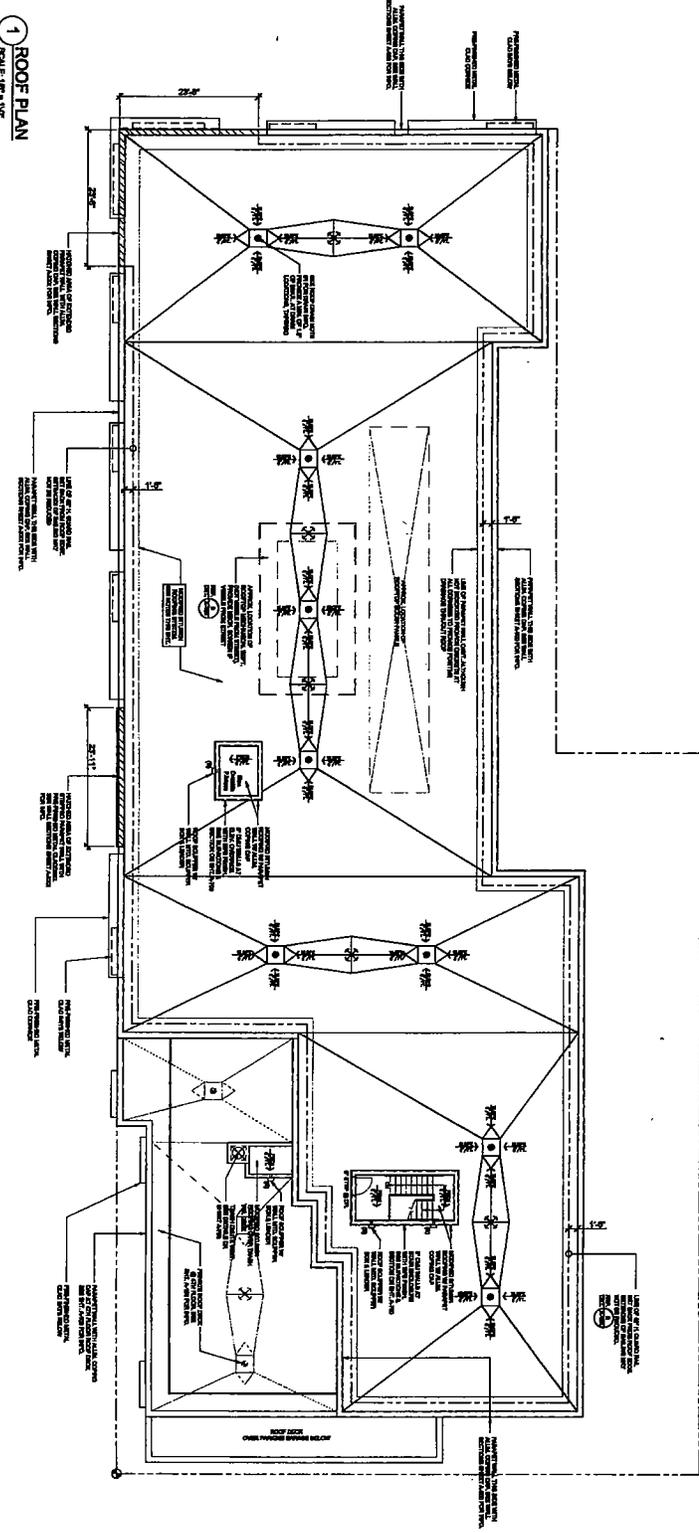
**BUILDING NOTES**

- A. REFER TO STRUCTURAL ENGINEER DRAWINGS FOR INFORMATION ON FOUNDATION, COLUMN CONSTRUCTION, LOAD BEARING WALLS, COLUMN
- B. REFER TO MECHANICAL ENGINEERING DRAWINGS FOR INFORMATION ON MECHANICAL SYSTEMS AND EQUIPMENT.
- C. REFER TO THE CIVIL ENGINEERING DRAWINGS FOR SITE INFORMATION.

**KEY CONSTRUCTION NOTES**

- 1. ALL INTERIOR NON-BEARING WALLS ARE TO BE PARTITION TYPE 2 UNLESS NOTED OTHERWISE. SEE SHEET A-101.
- 2. ALL WALLS AROUND THE MECHANICAL CLOSET ARE TO BE PARTITION TYPE 2. UNLESS NOTED OTHERWISE. SEE SHEET A-101.
- 3. ALL WALLS AROUND SHWFT LOCATIONS (SEE SCHEDULE) ARE TO BE PARTITION TYPE 1. UNLESS NOTED OTHERWISE. SEE SHEET A-101.
- 4. DIMENSIONS ARE TYPICALLY GIVEN TO DRYWALL FACE, UNLESS NOTED OTHERWISE.
- 5. ALL CLOSETS ARE TO RECEIVE EPOXY COATED STEEL SHELVING WITH 1/2" LINER & PANTY CLOSERS ARE TO RECEIVE (8) EPOXY COATED STEEL SHELVING WITH 1/2" LINER.
- 6. REFER TO MECHANICAL ENGINEERING DRAWINGS FOR MECHANICAL SYSTEMS AND EQUIPMENT.
- 7. REFER SHEETS A-101, A-102 FOR TYPICAL CLOSET & BATHROOM FINISHES, DIMENSIONS AND SPECIFICATIONS FOR CABINET TYPES.
- 8. INSPECT ALL BATHROOM DOORS 1".
- 9. PROVIDE FULL GRADE INSULATION IN ALL CLOSET AND BATHROOM WALLS. INSULATION SHALL BE 1/2" RIGID POLYSTYRENE SHEET & COMBINED WITH 1/2" GYPSUM BOARD.
- 10. THERE ARE NO MECHANICAL UNITS & SATO CEILING WALL OR MECHANICAL WALLS IN THE DRIVEWAY. IS TO RECEIVE FLOOR TO CEILING FINISHES. THE DRIVE SHALL BE FINISHED WITH FINISH OVER THE DRIVEWAY.

	<p><b>NEW RESIDENTIAL</b>  <b>ST. PAUL'S &amp; OAKLAND</b>  <b>APARTMENTS</b></p> <p>8575 ST. PAUL'S AVENUE &amp;        8634 OAKLAND AVENUE        LOTS 11, 12, 13, 14, 15, 16A &amp; B</p> <p>FOR:        88 ST. PAUL'S AVENUE, LLC</p>	<p>PROJECT NO.        ISSUE DATE: 4/22/10 P.M.C.        DRAWN: egl/yf CHKD: HJ</p>	<p>SHEET TITLE        Fourth        Floor Plan</p>	<p>DWG. NO.        OF        DWGS. <b>A-104</b></p>
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**NEW RESIDENTIAL STRUCTURES AT ST. PAUL'S & CLEVELAND AVENUES**

66378 ST. PAUL'S AVENUE & CLEVELAND AVENUE  
BLOCK 663  
LOTS: 11, 12, 13, 14, 15, 16A & B

FOR: 68 87 PAUL'S AVENUE, LLC

**LWDMR**  
LAWRENCE W. DUNN, M.D.  
DANIEL W. MURPHY, M.D.  
DANIEL W. MURPHY, M.D.

**PROJECT NO.** 4/22/10 PNO  
**ISSUE DATE:** 4/22/10 PNO  
**DRAWING#:** CHD-017

**SHEET TITLE**  
Roof Plan, Notes & Details

**DWG. NO.** A-105  
**OF** DWGS.

**EXHIBIT: D**

Total Project Costs

## Good Faith Costs for Completion

**Cost of Property:** **\$1,790,000**

**Estimated Hard Construction Costs:**

Demo	\$45,000	
Site Work	\$25,000	
Hard Construction	\$6,285,000	(See next page)
<b>Total:</b>	<b>\$6,355,000</b>	

**Estimated Soft Costs:**

Architect and Engineer	\$285,000	
Permits and Traffic	\$95,000	
Project Management	\$245,000	
Accounting	\$25,000	
Bank Fees	\$65,000	
Utilities and Taxes	\$95,000	
Interest Expense	\$175,000	
Acquisition Costs	\$25,000	
Insurances	\$45,000	
Marketing	\$120,000	
<b>Total:</b>	<b>\$1,175,000</b>	

**Total Cost for Project:** **\$9,320,000**

**68 St Pauls Hard Construction Costs**

<b>Cost Code</b>	<b>Cost Bldg/Unit</b>	<b># of Bldg/Unit</b>	<b>Proposed Total</b>
Excavation	\$ 100,000.00	1	\$ 50,000.00
Grade Beams-Footing	\$ 150,000.00	1	\$ 50,000.00
Under pinning	\$ 40,000.00	1	\$ 45,000.00
Foundation Walls	\$ 116,000.00	1	\$ 195,000.00
Misc. concrete & block work	\$ 116,375.00	1	\$ 115,000.00
Water Proofing	\$ 5,500.00	1	\$ 5,000.00
Ftg. Drain w/ stone	\$ 5,500.00	1	\$ 5,000.00
Slabs-structural	\$ 238,500.00	1	\$ 360,000.00
Garage Slab (concrete)	\$ 95,000.00	1	\$ 95,000.00
Framing Labor	\$ 300,000.00	1	\$ 245,000.00
Framing Material	\$ 500,000.00	1	\$ 450,000.00
Windows	\$ 110,000.00	1	\$ 110,000.00
Lobby Glass	\$ 30,000.00	1	\$ 25,000.00
Common Doors	\$ 8,000.00	1	\$ 10,000.00
Roofing	\$ 85,000.00	1	\$ 95,000.00
Siding- Metal wall system	\$ 165,000.00	1	\$ 160,000.00
Stucco-Ext. Finish	\$ 450,000.00	1	\$ 350,000.00
Gutters/Leaders	\$ 30,000.00	1	\$ 20,000.00
Detention System L&M	\$ 75,000.00	1	\$ 75,000.00
Electric	\$ 650,000.00	1	\$ 475,000.00
Plumbing	\$ 307,000.00	1	\$ 675,000.00
HVAC	\$ 325,000.00	1	\$ 275,000.00
Structured Wiring-TelCom	\$ 1,100.00	55	\$ 40,000.00
Security(access system)/ temp. probes	\$ 60,000.00	1	\$ 50,000.00
Int.Stairs w/ Railings	\$ 74,000.00	1	\$ 75,000.00
Insulation	\$ 109,500.00	1	\$ 120,000.00
Sheetrock (with sound supress board)	\$ 300,000.00	1	\$ 300,000.00
Suspended Ceiling-Garage	\$ 3.00	19540	\$ 50,000.00
Suspended Ceiling-Corridor's	\$ 4.00	11786	\$ 10,000.00
Trim material (Including common areas)	\$ 260,000.00	1	\$ 95,000.00
Trim Labor (including common areas)	\$ 800.00	55	\$ 44,000.00
Paint	\$ 114,000.00	1	\$ 110,000.00
Tile	\$ 123,000.00	1	\$ 95,000.00
Cabinets	\$ 431,000.00	1	\$ 225,000.00
Mirrors,Shelves,Shower Doors	\$ 800.00	55	\$ 30,000.00
Flooring (Units)	\$ 142,000.00	1	\$ 125,000.00
Hallway Carpeting	\$ 40,000.00	1	\$ 25,000.00
Cleaning	\$ 400.00	55	\$ 22,000.00
Misc.Expense	\$ 1,200.00	55	\$ 66,000.00
Dumpsters	\$ 600.00	55	\$ 25,000.00
Appliances	\$ 2,550.00	55	\$ 125,000.00
Balcony Waterproofing	\$ 45,000.00	1	\$ 35,000.00

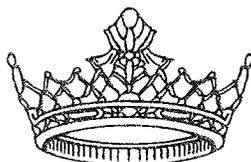
Toilet Rentals (in months)	\$ 100.00	48	\$ 5,000.00
Fire Caulking	\$ 60,000.00	1	\$ 35,000.00
Garage Door w/ Motor	\$ 16,000.00	1	\$ 5,000.00
Exterior rails & Garage grates	\$ 30,000.00	1	\$ 30,000.00
Core Drilling	\$ 50,000.00	1	\$ 5,000.00
Building Permits	\$ 2,200.00	55	\$ 60,000.00
Fire Supression Alarm	\$ 70,000.00	1	\$ 55,000.00
Fire Supression System	\$ 340,000.00	1	\$ 165,000.00
Trash chute	\$ 24,000.00	1	\$ 20,000.00
Elevator	\$ 112,000.00	1	\$ 165,000.00
Special inspections	\$ 35,000.00	1	\$ 50,000.00
Bollards/bumpers	\$ 2,500.00	1	\$ 4,000.00
Mailboxes	\$ 3,000.00	1	\$ 3,000.00
Landscaping	\$ 25,000.00	1	\$ 25,000.00
Site Work inc. sidewalk/curb	\$ 25,500.00	1	\$ 65,000.00
Window blinds	\$ 11,000.00	1	\$ 11,000.00
Roof rail	\$ 50,000.00	1	\$ 20,000.00
Common Area Hardware	\$ 25,000.00	1	\$ 10,000.00
<b>Total</b>			<b>\$ 6,285,000.00</b>

Cost per sq. ft.

\$ 113.86

**EXHIBIT: E**

Funding Sources



**BANK COPY**

# CROWN BANK

August 12 , 2010

Milton Fantin  
Saint Pauls LLC  
3125 State Home Route 10  
Unit 1 D  
Denville, NJ 07834

RE: \$3,500,000.00 Construction /Permanent Commercial Mortgage Loan

Dear Mr. Fantin:

We are pleased to advise you that Crown Bank has approved your request for a Construction/Permanent Commercial Mortgage loan subject to the following terms and conditions:

**Name and Address of Borrowers:**

Saint Pauls LLC  
3125 State Home Route 10  
Unit 1 D  
Denville, NJ 07834

**Amount of Mortgage:**

Three Million Five Hundred Thousand Dollars (\$3,500,000 .00) to be evidenced by borrowers' mortgage note in the full amount, but not to exceed 50% of the "as complete" appraised value of the mortgaged property.

**Purpose:**

To finance the hard construction cost only of \$3,500M of 55-unit apartment building to be constructed at 68-76 St. Pauls Ave and 90-94 Oakland Ave, Jersey City, NJ (two contiguous lots)

**Guarantors:**

This loan shall be personally guaranteed, joint and in several, by the following:

- FM Home Improvements Inc.
- Milton Fantin
- Martinho Fantin

**Collateral/Security:**

- First insured mortgage lien on land and improvements to be made at
  - 68-76 Saint Pauls Avenue and 90-94 Oakland Avenue, Jersey City, NJ.
- Assignment of rents and leases.(if there are leases).
- First security agreement with UCC-1 filing on the business assets of the borrower and guarantor.
- No operating loss will be reported at year end.

**Term of the Construction Mortgage:**

Eighteen (18) months. The Borrower shall have one optional six (6) month extension upon payment of a ½% extension fee, due at the time of the extension.

**Term of the Permanent Mortgage:**

Upon completion of construction and obtaining a Certificate of Occupancy, the construction loan will convert to a ten-year adjustable rate mortgage based on a 15-year amortization schedule (5/5/15).

**Interest Rate:**

Interest rate on the Construction phase Loan is Prime+2% subject to a rate floor of 6.5% Interest on the Commercial Mortgage is 6.75 fixed for the first 5 years and then to adjust for additional 5 years based on FHLB Borrowing 5-year Bullet index plus 375 bp subject to a floor or 6.75%.

**Repayment Terms:**

- Principal and interest monthly, plus taxes, balance of principal at maturity.

**Interest Reserve:**

Interest reserve of approximately \$114M equivalent to 6 months will be established with Crown Bank prior to closing. The reserve will be replenished every six months until conversion to permanent mortgage.

**Application Fee:**

A \$500.00 application fee is due upon acceptance of commitment.

**Commitment Fee:**

Bank is to receive a non-refundable commitment fee of 1% or (\$35,000) to be paid upon acceptance of this commitment. It is agreed that the commitment fee and all fees to be paid have been earned upon issuance of this commitment and are not refundable.

**Modification Fee:**

If the Borrower requests modifications to the commitment, subsequent to its acceptance, a modification fee of \$250.00 will be assessed per modification

**Inspection Fee:**

Each inspection will be paid by the borrower up to a maximum of \$400.00 per inspection.

**Documentation Fee:**

The Bank is to receive a documentation fee in the amount of \$1,000.00 to be paid at closing.

**Review/ Attorney:**

The Bank will be represented by John Frieri. John Frieri located at 777 Walnut Ave. Cranford, NJ 07016. John Frieri can be reach at 908-653-1441 or by Fax 908-653-9101 For all closing matters, please contact Peggy Lane of Crown Bank, located at 27 Prince Street, Elizabeth, NJ 07208. Mrs. Lane can be reached at (908) 659-2100 or by fax # (908) 289-1601

**Fees and Expenses:**

Your acceptance of this commitment shall constitute your unconditional agreement to pay all fees, expenses and charges in respect to the loan or in anyway connected therewith, including, preparation of the closing documents, recording fees and Bank's attorney fees to settle said loan which will be paid to the Bank at closing. The Bank shall not be required to pay any premium or other charge, or any brokerage fee or commission or similar compensation in connection with this commitment, or the commercial mortgage loan. By your acceptance of this commitment, you agree to defend, indemnify, and hold the Bank harmless against and from all claims for any of such matters.

**Appraisal:**

An "as is" and "as complete" appraisal; not to exceed 50% of the "as complete" value will be required on the property located at 68-76 Saint Pauls Ave and 90-94 Oakland Ave Jersey City, NJ . Borrower will be responsible for the costs of the appraisal. **The Bank has received a quote for \$2,900.0 for the appraisal and you must pay this amount to the Bank prior to the actual placement of the appraisal order.**

**Survey:**

Borrower shall deliver to the Bank properly certified survey of the mortgaged premises establishing that all improvements are within the title lines. The survey shall be subject to the approval of the Bank's counsel, shall be prepared by a registered Land Surveyor licensed by the State of New Jersey and dated no more than one (1) year prior to disbursement. The survey shall comply with the minimum detail requirements for land title surveys as adopted be the American Title Association and American Congress on Surveying and Mapping.

**Crown Bank Account Balances:**

Borrower and Guarantors covenant and agree to maintain a primary depository relationship with Crown Bank throughout the term of the loan.

**Prepayment:**

**Construction phase:**

2% if not repaid through Crown Bank permanent mortgage .

**Permanent Mortgage:**

If the Loan is prepaid, in whole or in part, within the first year of its term, the premium shall be five (5%) percent of the prepaid amount. If prepayment occurs in the second year the premium shall be four (4%) percent. If prepayment occurs in the third year the prepayment shall be three (3%) percent. If it occurs in the fourth year the premium shall be two (2%) percent and one (1%) percent if it occurs in the fifth year. The prepayment clause will reset for the second five year period. At no time shall the prepayment premium be less than one (1%) percent.

**Construction Loan:**

- Satisfactory review by Crown Bank appointed engineer of the plans, approvals, hard construction cost, construction permit, at borrower's cost, prior to closing.
- All approvals must be in place as evidenced by building permit, final plans, utility letters, etc.
- Copy of final approved building plans for a 4-story 55-unit apartment units with 61 parking spaces with affirmation from the borrower's architect that the plans are identical to the plans approved for construction.
- Borrower will provide proofs of insurance, as may be applicable as evidenced by Builder's Risk, Workman's Compensation, and Liability Insurance.
- Advances are based on independent inspection of work in progress with a clear title rundown, funds to be released at 90% of the work completed in place. Bank engineer or appraiser will complete the inspection at borrower's expense. A 10% holdback will be in effect for each advance. Upon issuance of the certificate of occupancy for the 55-unit apartment building with rents providing a minimum debt service coverage ratio of 1.30x, the 10% holdback will be released. Otherwise, the holdback will be used as reserve for the payment of amortization until the debt service coverage ratio is met.
- Disbursements will be based on the hard construction costs budget submitted by the borrow as approved by Crown Bank.
- A general contract in the amount of \$3,500M will be submitted by the builder, FM Home Improvements Inc. and the borrower, prior to closing.
- Principals and Builder will guarantee the completion of the proposed 55-unit apartment building, as per schedule and cost.
- Borrower will provide the construction draw schedule acceptable to Crown Bank.
- Crown Bank will place a sign on the subject property during construction. Borrower shall maintain the sign and will provide that the sign is visible, in upright position and clearly positioned. Should the sign be lost or destroyed, a replacement sign will be provided at a cost of \$250.00 to be paid by you the Borrower.

**Commercial Mortgage:**

1. Prior to conversion, borrower will submit to Crown Bank a final inspection letter from the Bank appointed engineer, final inspection from the municipality, certificate of occupancy, and other items which may be required by Crown Bank.
2. Prior to conversion, a rent roll and projected operating expenses will be submitted to Crow Bank to determine the minimum debt service coverage ratio of 1.30x , defined as gross rents less vacancy factor of 5% less operating expenses (excluding and depreciation) equals operating income divided by interest and current portion of long-term debt.
3. Borrower to maintain 10% compensating balance, if balance is not maintained interest rate will be increased to 7.5% balance is to be verified at conversion and yearly after conversion.
4. At conversion, Borrower will be responsible to escrow two months real estate taxes. During life of loan borrower will be billed monthly 1/12 of annual taxes in addition to the scheduled principal and interest payments.

**Insurance:**

A prepaid, original Builder's Risk, Fire & Extended Coverage and General Liability Insurance Policy issued by a company acceptable to Crown Bank, for an amount equal to at least the amount of the proposed mortgage. Such policy must name Crown Bank as first mortgagee and second as applicable. The term of the policy must be at least one year and in place during the term of the loan. The Bank must receive an Accord 25 "Certificate of Liability Insurance and Accord 28 "Evidence of Property Insurance" certificate five (5) days prior to closing.

**Environmental:**

The Bank shall receive a satisfactory Phase I Environmental assessment Report on the subject property, from a reputable environmental engineering firm, acceptable to the Bank. The audit shall provide that there are no apparent violations of any environmental requirements and/or regulations, and there are no violations of underground storage tanks or other areas of environmental concern. **The Bank has received a quote of \$1,900.00 for the environmental report and the Borrower must pay this amount to the Bank prior to the actual placement of the order.**

**Wetlands:**

Prior to closing of the loan, the proposed or current owner(s) of the mortgaged property shall provide the Bank with evidence satisfactory to the Bank that no portion of the mortgaged properties contains any areas designated as wetlands by either the state or federal governments. In the event that any wetlands are present, the owner(s) must provide evidence satisfactory to the Bank in its sole discretion that the owner and the proposed or present use of the mortgaged property complies with the Freshwater Wetlands Protection Act. (N.J.S.A. 13:9b-21 et esq.)

**Flood Insurance:**

If the properties to be mortgaged is located in a "special flood hazard area", as designated by the Secretary of Housing & Urban Development, Crown Bank will require you to deliver, prior to closing, a prepaid original Flood Insurance Policy, for a minimum of one year and in place during the term of the loan.

**Title Insurance:**

Borrower shall purchase and deliver to Lender a preliminary title report and, at closing, a full coverage mortgagee title insurance policy issued by a reputable title company, together with such endorsements as may be required by the Lender. The form and content of the title insurance policy shall be satisfactory to Lender. In addition, UCC, litigation, bankruptcy, judgment and Patriot searches will be required on all Borrowers and Guarantors which must show that there are no potential liens, judgments, financing statements or other security interest of record except those securing the Loan. The Borrower shall pay the cost of such title insurance and searches. The Bank will require a representative of the title company to attend closing.

**Secondary Financing:**

There shall be no secondary financing encumbering any mortgaged premises.

**Approval of Credit and Income:**

Crown Bank reserves the right to re-verify your credit, debts and/or employment and income. This commitment may be canceled if there is a change in such credit, debts and/or employment and income or any other variation from the information set forth in your Loan Application.

**Cancellation of Commitment:**

Crown Bank will not be obligated to close or settle the proposed mortgage if, at or prior to the closing, the property is damaged by fire, smoke, flood or other casualty or affected by any violation of the law, statute, rule or regulation of any government or regulatory authority.

**Financial Statements:**

- (a) Borrower and corporate guarantor to provide copies of Federal Income Tax Returns, along with copies of all supporting schedules, annually upon filing to IRS.
- (b) Personal guarantors to provide updated and signed Personal Financial Statements on Crown Bank form (or form acceptable to the Bank) annually within 30 days of last statement date.
- (c) Annual submission of rent roll and expenses within 30 days of fiscal year end.

**General Provisions:**

Whenever, in this commitment, the word "you" is used, it includes all applicants named in this commitment. This commitment may not be changed except if the change is in

writing by Crown Bank and signed by its officer.

**Loan Closing:**

Loan closing will be held within the offices of Crown Bank located at 27 Prince Street, Elizabeth, NJ. You must give written confirmation, at least **5 business days** prior to the Closing or Settlement as to the date and time of the Closing/Settlement. The funding of this loan shall take place on or before the expiration of the 45<sup>th</sup> day from the date hereof (the "Closing Date"), time being of the essence, otherwise this loan commitment shall automatically expire and terminate without notice to the borrower and without liability of any kind upon the Bank.

**Crown Bank will set the closing date for five days after it receives the last required document from the Borrower's attorney.**

**Original Signatures:**

Only original signatures by each Borrower will be permitted on documents required at Settlement/Closing. **POWERS of ATTORNEY MAY NOT BE USED.**

**Express or Private Delivery:**

If Express or Private Delivery is required to expedite the Settlement/Closing; a charge of not more than \$50 will be made.

**Expiration of Commitment:**

This commitment will expire if:

- 1. You do not sign and return the enclosed copy within ten (10) days from this date.**
- 2. The loan is not closed by September 27, 2010 After this date the Bank is no longer obligated to lend under the present terms and conditions, and could result in a cancelled commitment and additional costs to you, the Borrower.**
- 3. You fail to return any required fees with the signed copy of this commitment.**

Upon expiration of this commitment, Crown Bank shall have no further obligation to lend you money.

This loan commitment is based on representations and statements made by the Borrower(s) and/or his/her agents to Crown Bank, . All such representations are deemed to be material in this commitment. If such representations or statements are found to be false or made in error, or if there is any change in the property to be mortgaged, the selling price and terms of the sale, or in the financial condition or employment status of the Borrower(s) before settlement, this commitment may be canceled at the option of Crown Bank, without any further obligation or liability.

This commitment is subject to the terms, conditions and documents that **MUST** be met and produced at the time of final settlement. Failure to meet these terms, conditions and documents will result in the revocation of this commitment.

In order to expedite the closing process, please indicate the name, address and telephone number of your attorney.

ROSEMARIE SANDO

973-465-4606

We hereby accept this Amendment to Mortgage Commitment and hereby intend to be legally bound by its terms and conditions on 12-30-10 (date).

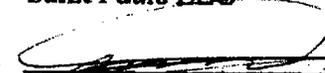
**Witness:**

By: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Borrower:**

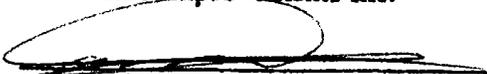
Saint Pauls LLC

\*   
\_\_\_\_\_

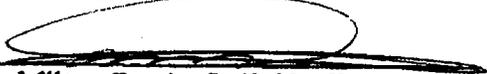
Managing Member

**Guarantors:**

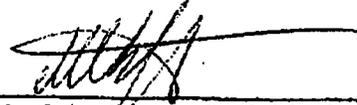
FM Home Improvements Inc.

\*   
\_\_\_\_\_

Managing Member

\*   
\_\_\_\_\_

Milton Fantin, Individually

  
\_\_\_\_\_

Martinho Fantin, Individually

**EXHIBIT: F**

Description of Leases and Good Faith Estimate of Initial Rents

**ST. PAUL'S, LLC  
FISCAL PLAN  
ESTIMATED TAX COMPUTATION FOR YEAR 2012**

Equalization Ratio: 31.35%  
Tax rate (per thousand): \$70.08

Current Assessment:  
Land: \$ 247,200  
Improvement: \$ 118,200  
Total: \$ 365,400

<u>Potential Income:</u>		Total:	Per unit per month:
	<u>#</u>		
1 Bedroom	35	\$ 588,000	\$ 1,400
2 Bedroom	20	\$ 420,000	\$ 1,750
Parking	60	\$ 72,000	\$ 100

Total Gross Income: \$ 1,080,000

Less: Vacancy and Collection Loss 8% 54,000.00

Effective Gross Income: 1,026,000.00

Operating Expenses:

Replacement Reserves	\$ 30,000
Building Insurance	\$ 40,000
Water and Sewer	\$ 40,000
Electrical	\$ 15,000
Heat / Cooling	\$ 15,000
Repair	\$ 17,500
Cleaning and Maintenance	\$ 40,000
Legal / Audit	\$ 12,000
Management	\$ 42,000
Supplies	\$ 12,000
Misc.	\$ 12,000

Total Operating Expenses: \$ 275,500

Projected Net Operating Income: 750,500.00

Cap Rate: 10% 0.1

Projected Market Value: \$ 7,505,000

Assessment: \$ 2,352,818  
Ratio: 0.3135

Estimated Annual Real Estate Taxes: \$ 164,885  
Tax rate: 0.07008

Less: Taxes Attributable to the Land \$ 17,324

Taxes attributable to Improvements: \$ 147,562

**CURRENT ESTIMATED TAX PAYMENTS FOR FIVE YEAR TERM OF EXEMPTION  
Based on 2012 Tax Rate and Equalization Ratio**

Year	1	2	3	4	5	Total
Projected Tax Rate	\$ 70.08	\$ 70.08	\$ 70.08	\$ 70.08	\$ 70.08	
Total Tax	\$164,885	\$ 164,885	\$ 164,885	\$ 164,885	\$ 164,885	\$ 824,427
Land Tax	\$ 17,324	\$ 17,324	\$ 17,324	\$ 17,324	\$ 17,324	\$ 86,619
Tax on Improvements	\$147,562	\$ 147,562	\$ 147,562	\$ 147,562	\$ 147,562	\$ 737,808
Statutory Phase In	0%	39%	59%	79%	80%	
Improvement Tax	\$ -	\$ 57,549	\$ 87,061	\$ 116,574	\$ 118,049	\$ 379,234
Exempted Tax	\$147,562	\$ 90,013	\$ 60,500	\$ 30,988	\$ 29,512	\$ 358,575
Total Taxes Payable	\$ 17,324	\$ 74,873	\$ 104,385	\$ 133,897	\$ 135,373	\$ 465,852

In lieu tax schedule pursuant to a five year phase in percentages on the new improvement on the above application:

1. In the first full year after completion, land tax only, no payment in lieu of taxes.
  2. In the second full year, an amount not less than thirty-nine percent (39%) of the actual taxes otherwise due, currently estimated at: \$ 57,549
  3. In the second full year, an amount not less than fifty-nine percent (59%) of the actual taxes otherwise due, currently estimated at: \$ 87,061
  4. In the second full year, an amount not less than seventy-nine percent (79%) of the actual taxes otherwise due, currently estimated at: \$ 116,574
  5. In the second full year, an amount not less than eighty percent (80%) of the actual taxes otherwise due, currently estimated at: \$ 118,049
- At the expiration of the abatement, the Project's new improvements would generate an estimated annual tax of: \$ 164,885



NEW JERSEY ASSOCIATION OF REALTORS® STANDARD FORM OF RESIDENTIAL LEASE

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THIS IS A LEGALLY BINDING LEASE THAT WILL BECOME FINAL WITHIN THREE BUSINESS DAYS. DURING THIS PERIOD YOU MAY CHOOSE TO CONSULT AN ATTORNEY WHO CAN REVIEW AND CANCEL THE LEASE. SEE SECTION ON ATTORNEY REVIEW FOR DETAILS.

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RESIDENTIAL LEASE AGREEMENT

BETWEEN LANDLORD: \_\_\_\_\_

whose address is \_\_\_\_\_

AND TENANT: \_\_\_\_\_

whose address is \_\_\_\_\_

The word "Landlord" as used in this Lease means all of the landlords above listed. In all instances in which the Landlord may exercise rights or perform obligations under this Lease, it may do so through its authorized agents or representatives.

The word "Tenant" as used in this Lease means all of the tenants above listed.

1. CONDOMINIUM/CO-OPERATIVE RIGHT OF TERMINATION: (The following statement generally, as required by law, must be included in a lease for a condominium or cooperative unit.) THIS BUILDING IS BEING CONVERTED TO OR IS A CONDOMINIUM OR COOPERATIVE. YOUR TENANCY CAN BE TERMINATED UPON 60 DAYS NOTICE IF YOUR APARTMENT IS SOLD TO A BUYER WHO SEEKS TO PERSONALLY OCCUPY IT. IF YOU MOVE OUT AS A RESULT OF RECEIVING SUCH A NOTICE, AND THE LANDLORD ARBITRARILY FAILS TO COMPLETE THE SALE, THE LANDLORD SHALL BE LIABLE FOR TREBLE DAMAGES AND COURT COSTS.

2. PROPERTY: The Tenant agrees to lease from the Landlord and the Landlord agrees to lease to the Tenant (the single family home) (apartment # \_\_\_\_\_) (condominium unit # \_\_\_\_\_) (townhouse unit # \_\_\_\_\_) having a street address of \_\_\_\_\_ located in \_\_\_\_\_, New Jersey (referred to as the "Property").

3. TERM: The Term of this Lease is for \_\_\_\_\_ (months) (years) starting on \_\_\_\_\_ and ending on \_\_\_\_\_. This is referred to as the "Term". If the Landlord is unable to give possession of the Property to the Tenant on the first day of the Term, the Landlord shall not have any liability to the Tenant. However, the Tenant shall not be liable for the payment of rent until the Landlord gives possession of the Property to the Tenant. If the Landlord fails to give possession of the Property within 30 days of the start date set forth above, then the Tenant may terminate this Lease by giving notice to Landlord. If the first day of the Term is delayed, then the last day of the Term shall be adjusted accordingly, so that the Term remains for the number of months or years above stated.

4. RENT: The rent for the Term of this Lease is \$ \_\_\_\_\_, to be paid as follows: \$ \_\_\_\_\_ per month, which is due on the \_\_\_\_\_ day of each month. Rent shall be payable to: \_\_\_\_\_

(Name and Address)

5. INITIAL DEPOSIT: Tenant has paid an initial deposit of \$ \_\_\_\_\_ received on \_\_\_\_\_ that will be credited towards \_\_\_\_\_ the first month's rent or \_\_\_\_\_ the Security Deposit. The balance shall be paid as follows:

First month's rent \$ \_\_\_\_\_ Due on \_\_\_\_\_
Security Deposit \$ \_\_\_\_\_ Due on \_\_\_\_\_

Tenant's Initials: \_\_\_\_\_

Landlord's Initials: \_\_\_\_\_

52 6. SECURITY DEPOSIT: Tenant shall pay to the Landlord the sum of \$ \_\_\_\_\_ (the "Security Deposit" which  
53 cannot exceed one and one-half months rent) to assure that Tenant performs all of Tenant's obligations under this Lease.  
54 Landlord shall comply with the Rent Security Deposit Act (N.J.S.A. 46:8-19 et seq.; the "Act"). This includes depositing the  
55 Security Deposit into a banking institution or investment company in New Jersey and notifying the Tenant in writing within 30  
56 days of Landlord's receipt of the Security Deposit of (i) the name and address of the banking institution or investment company;  
57 (ii) the type of account in which the Security Deposit is deposited or invested (for example, interest bearing or money market);  
58 (iii) the amount of the Security Deposit and (iv) the current rate of interest for the account. The Act also requires payment in  
59 cash to Tenant of all interest earned on the Security Deposit upon the anniversary date of this Lease or the renewal of the term of  
60 this Lease. At such time, or at the time of a change in the type of account or a change in the banking institution or investment  
61 company, Landlord shall again notify Tenant of (i) the name and address of the banking institution or investment company; (ii)  
62 the type of account in which the Security Deposit is deposited or invested; (iii) the amount of Security Deposit and; (iv) the  
63 current rate of interest for the account. Such a notice shall also be given to Tenant within 30 days after conveyance of the  
64 Property.

65 The Landlord may deduct from the Security Deposit any costs resulting from the Tenant's failure to comply with any of the  
66 terms of this Lease. If the Landlord makes any such deductions, then upon demand, the Tenant shall promptly restore the  
67 Security Deposit to its original amount. The Security Deposit may not be used by the Tenant for the payment of rent without the  
68 written consent of the Landlord.

69 The Landlord shall inspect the Property after the Tenant vacates at the end of the Term. Within 30 days of the termination of  
70 this Lease, the Landlord shall return the Security Deposit plus the undistributed interest to the Tenant, less any charges expended  
71 by the Landlord for damages to the Property resulting from the Tenant's occupancy. The interest and deductions shall be  
72 itemized in a statement by the Landlord, and shall be forwarded to the Tenant with the balance of the Security Deposit by  
73 personal delivery, registered or certified mail.

74 If the Landlord sells or transfers the Property during the Term of this Lease, the Landlord will transfer the Security Deposit  
75 plus the undistributed interest to the new owner. Landlord shall notify the Tenant of the sale and transfer, as well as the name  
76 and address of the new owner. The notice shall be given by registered or certified mail within five days after conveyance of title.  
77 After acquisition of the Property, the new owner shall have all responsibility regarding the Security Deposit, and the Landlord  
78 shall have no further responsibility.  
79

80 7. LATE PAYMENT PENALTY: If the Tenant does not pay the rent by the \_\_\_\_\_ day of the month, the Tenant  
81 shall pay a late charge of \_\_\_\_\_ until the rent is received by Landlord. The  
82 late charge shall be added to the rent, and shall be considered as additional rent, which is defined in Section 8. In the event any  
83 rent check is returned unpaid due to insufficient funds, the Tenant agrees to pay the Landlord a \$ \_\_\_\_\_ processing charge.  
84 In such event, the Landlord reserves the right to demand that future rent payments be made in cash, bank or certified check.  
85

86 8. ADDITIONAL RENT: Landlord may perform any obligations under this Lease which are Tenant's responsibility and  
87 which Tenant fails to perform. The cost to Landlord for such performance may be charged to Tenant as "additional rent" which  
88 shall be due and payable with the next installment of monthly rent. The additional rent may include reasonable attorney's fees  
89 incurred by Landlord because of Tenant's failure to perform under this Lease. Landlord has the same rights against Tenant for  
90 failure to pay additional rent as Landlord has for Tenant's failure to pay monthly rent. This means that the Landlord may evict  
91 Tenant for failure to pay additional rent.  
92

93 9. POSSESSION AND USE: The Landlord shall give possession of the Property to the Tenant for the Term of this Lease  
94 except as otherwise provided in this Lease. The Tenant shall occupy the Property only as a private residence, and will not use the  
95 Property for any business, trade or profession. The Tenant shall not store any flammable, dangerous or hazardous materials at  
96 the Property, other than ordinary household cleaning materials. The Property shall not be allowed to be vacant for any extended  
97 period of time.  
98

99 10. UTILITIES: The Tenant shall arrange to have the utilities transferred into Tenant's name prior to occupancy, and shall  
100 be responsible for paying the following utility services:  Gas  Electric  Water  Heat  Sewer  
101  General Trash Disposal  (Other) \_\_\_\_\_  
102 The Landlord shall provide and pay for the following utility services:  Gas  Electric  Water  Heat  
103  Sewer  General Trash Disposal  (Other) \_\_\_\_\_  
104 The Tenant agrees not to waste or unreasonably use any utility or appliance that is provided by the Landlord. Landlord shall not  
105 be responsible for any damage or loss caused to Tenant or Tenant's property because of an interruption in utility services over  
106 which Landlord has no reasonable means of control. Any such interruption shall not be grounds for Tenant to reduce or stop  
107 paying rent.  
108

109 11. NO ASSIGNMENT OR SUBLETTING: The Tenant may not assign this Lease, sublet all or any part of the Property,  
110 or permit any other person to use the Property without the prior written permission of the Landlord. The Landlord may withhold  
111 such permission in Landlord's sole and absolute discretion.  
112

113 12. VIOLATION, EVICTION AND RE-ENTRY: The Landlord reserves the right of re-entry. This means that if the  
114 Tenant violates the terms of this Lease, the Landlord may terminate this Lease and regain possession of the Property. This is  
115 done by a court proceeding known as an eviction. A complaint is served upon the Tenant and the Tenant must appear in court.  
116 The Landlord may also evict the Tenant for any other cause which is permitted by applicable law. When the eviction proceeding  
117 is concluded, the Landlord may regain possession of the Property.  
118

119 13. DAMAGES: The Tenant is liable for all Landlord's damages caused by Tenant's breach of this Lease. Such damages  
120 may include loss of rent, the cost of preparing the Property for re-renting, brokerage commission in finding a new tenant as a  
121 result of Tenant's eviction or Tenant moves out prior to the end of the Term as well as reasonable attorney's fees and court costs.  
122

123 14. QUIET ENJOYMENT: The Tenant may occupy the Property without interference, subject to Tenant's compliance  
124 with the terms of this Lease.  
125

126 15. TENANT'S REPAIRS AND MAINTENANCE: The Tenant shall:

127 (a) Pay for all repairs, replacements and damages caused by the act or neglect of the Tenant, the Tenant's family, domestic  
128 employees, guests or visitors, which includes but is not limited to sewer and plumbing drainage problems caused by the  
129 Tenant.

- 130 (b) Keep and maintain the Property in a neat, clean, safe and sanitary condition.
- 131 (c) Cut the grass and maintain the shrubbery.
- 132 (d) Drive and park vehicles only in designated areas, if any.
- 133 (e) Take good care of the Property and all equipment, fixtures, carpeting and appliances located in it.
- 134 (f) Keep the furnace clean, and regularly change the furnace filters, if applicable.
- 135 (g) Keep nothing in the Property which is flammable, dangerous or which might increase the danger of fire or other
- 136 casualty.
- 137 (h) Promptly notify the Landlord of any condition which requires repairs to be done.
- 138 (i) Use the electric, plumbing and other systems and facilities in a safe manner.
- 139 (j) Promptly remove all garbage and recyclables from the Property and place it at the curb (or other designated area) in the
- 140 proper containers in accordance with the prescribed pick-up schedule.
- 141 (k) Not engage in any activity which may cause a cancellation or an increase in the cost of the Landlord's insurance
- 142 coverages.
- 143 (l) Use no more electricity than the receptacles, wiring or feeders to the Property can safely carry.
- 144 (m) Obey all instructions, written or otherwise, of the Landlord for the care and use of appliances, equipment and other
- 145 personal property.
- 146 (n) Do nothing to destroy, deface or damage any part of the Property.
- 147 (o) Promptly comply with all orders and rules of the Board of Health or any other governmental authority which are
- 148 directed to the Tenant.
- 149 (p) Do nothing which interferes with the use and enjoyment of neighboring properties.
- 150 (q) Do nothing to cause any damage to any trees or landscaping on the Property.
- 151 (r) Keep the walks and driveway free from dirt, debris, snow, ice and any hazardous objects.
- 152 (s) Comply with such rules and regulations that may be published from time to time by the Landlord.

154 **16. LANDLORD REPAIRS:** The Landlord shall make any necessary repairs and replacements to the vital facilities  
 155 serving the Property, such as the heating, plumbing and electrical systems, within a reasonable time after notice by the Tenant.  
 156 The Tenant may be liable for the cost of such repairs and replacements pursuant to Section 15. The Landlord shall not be liable  
 157 for interruption of services or inconvenience resulting from delays in making repairs or replacements if due to circumstances  
 158 beyond Landlord's reasonable control.

159 **17. ACCESS TO THE PROPERTY:** The Landlord shall have access to the Property on reasonable notice to the Tenant in  
 160 order to (a) inspect the interior and exterior of the Property, (b) make necessary repairs, alterations, or improvements, (c) supply  
 161 services, and (d) show it to prospective buyers, appraisers, contractors or insurers. The Landlord may enter the Property without  
 162 prior notice in the event of an emergency or if the Tenant is not home for more than seven consecutive days. If this Lease is not  
 163 renewed as per Section 27 of this Lease Agreement, Landlord shall then be allowed access to the Property at any time prior to  
 164 the end of the Term for showing of Property to prospective tenants.  
 165

166 **18. NO ALTERATIONS OR INSTALLATION OF EQUIPMENT:** The Tenant may not alter or change the Property  
 167 without first obtaining Landlord's written consent. By way of example, the Tenant may not:  
 168 (a) Install any improvement such as carpeting, paneling, floor tiles, or any other improvement which is nailed or tacked  
 169 down, cemented or glued in;  
 170 (b) Install any locks or chain guards;  
 171 (c) Wallpaper, affix wall coverings or other permanent type decorations;  
 172 (d) Install or change the electrical, plumbing, heating or air cooling system.

173 When painting (whether interior or exterior), the Tenant must have the Landlord's permission regarding paint colors. All  
 174 painting must be done in a professional and workmanlike manner. The Tenant shall repair all walls and ceilings which had  
 175 pictures or fixtures attached, prior to vacating. Any and all changes, additions or improvements made without the Landlord's  
 176 written consent shall be removed by the Tenant on demand by the Landlord. The Property shall be in substantially the same  
 177 condition at the end of the Term as it was at the beginning of the Term, reasonable wear and tear excepted.

178 All permitted changes, additions and improvements shall become the property of the Landlord when completed, shall be fully  
 179 paid for by the Tenant, and shall remain as part of the Property at the end of the Term of this Lease, unless the Landlord  
 180 demands that the Tenant remove them. The Tenant shall not allow any construction lien or other claim to be filed against the  
 181 Property. If any such lien or claim is filed against the Property, the Tenant shall have it promptly removed.  
 182

183 **19. INSPECTION:** If the municipality requires a continued use inspection or certificate of occupancy prior to occupancy,  
 184 the Landlord shall be responsible for obtaining such inspections and certificates as well as making the necessary repairs.  
 185

186 **20. INSURANCE:** The Tenant shall be responsible for obtaining, at Tenant's own cost and expense, a tenant's insurance  
 187 policy for the Tenant's furniture, furnishings, clothing and other personal property. The Tenant's personal property shall not be  
 188 the responsibility of the Landlord, and will not be insured by the Landlord. The Tenant's insurance policy must also include  
 189 liability coverage. Upon request, the Tenant shall periodically furnish Landlord with evidence of Tenant's insurance policy.  
 190

191 **21. FIRE AND OTHER CASUALTY:** Immediate notice shall be given by the Tenant to Landlord of any fire or other  
 192 casualty which occurs at the Property. If the Property is uninhabitable, Tenant's obligation to pay rent shall cease until the time  
 193 that the Property is restored by the Landlord. If only a part of the Property is uninhabitable, then the rent shall be adjusted  
 194 proportionately.  
 195

196 If only part of the Property is damaged, the Landlord shall repair the Property within a reasonable period of time. Landlord  
 197 shall not be obligated to repair or restore any improvements that Tenant has made to the Property.

198 Either party may cancel this Lease if the Property is so damaged by fire or other casualty that the Property cannot be repaired  
 199 within 90 days. The Landlord's determination in such regard shall be final, conclusive and binding on both parties.

200 The Lease shall end if the Property is totally destroyed. The Tenant shall pay rent to the date of destruction.

201 If the fire or other casualty is caused by the act or neglect of the Tenant, the Tenant's family, domestic employees, guests or  
 202 visitors, the Tenant shall pay for all repairs and other damages.  
 203

204 **22. LIABILITY OF LANDLORD AND TENANT:** The Landlord is not legally responsible for any loss, injury or damage  
 205 to any person or property unless such loss, injury or damage is directly caused by the Landlord's negligence. The Tenant is  
 206 legally responsible for loss, injury or damage to any person or property caused by the negligence of the Tenant, the Tenant's  
 207 family members, domestic employees, guests or visitors.  
 208

209 23. **PETS:** No dogs, cats or other pets shall be permitted on the Property without the prior written consent of the Landlord,  
210 which the landlord may withhold in the Landlord's sole and absolute discretion.

211 24. **NOTICES:** All notices given under this Lease must be in writing in order to be effective. Delivery of notices may not  
212 be refused. If any notice is refused, it shall be considered to have been effectively given. Notices shall be given by (a) personal  
213 delivery, or (b) certified mail, return receipt requested, unless applicable law requires a different means of notice. Notices to the  
214 Landlord shall be at the address on the first page of this Lease, and to the Tenant at the Property.  
215

216 25. **NO WAIVER:** The Landlord's failure to enforce any obligation of the Tenant contained in this Lease in any one  
217 instance shall not prevent the Landlord from enforcing the obligation at a later time.  
218

219 26. **SEVERABILITY:** If any term or condition of this Lease is contrary to law, the remainder of the Lease shall be  
220 unaffected and shall continue to be binding upon the parties.  
221

222 27. **RENEWAL OF LEASE:** The Tenant must be offered a renewal of this Lease by the Landlord, unless the Landlord has  
223 good cause not to do so under applicable law. Reasonable changes may be included in the renewal Lease. Not less than 75  
224 days before the expiration of the Term of this Lease, the Landlord shall notify the Tenant of the proposed terms for the renewal  
225 Lease. Within 45 days after the Tenant receives the Landlord's renewal notice, Tenant shall notify Landlord whether Tenant  
226 accepts or rejects the proposed renewal Lease. If the Tenant does not notify the Landlord of Tenant's acceptance, then the  
227 Landlord's proposal shall be considered to have been rejected. If the Tenant does not accept the renewal Lease, the Tenant must  
228 vacate the Property at the end of the Term.  
229

230 28. **FURNITURE:** If the Property is leased in furnished condition, or if the Landlord leaves personal property to be used by  
231 the Tenant, the Tenant shall maintain the furniture and furnishings in good condition and repair. A list of such items shall be  
232 attached to this Lease and signed by the Landlord and the Tenant.  
233

234 29. **END OF TERM:** At the end of the Term, the Tenant shall (a) leave the Property clean, (b) remove all of the Tenant's  
235 property, (c) repair any damage including that caused by moving, (d) make arrangements for final utility readings and pay all  
236 final utility bills and (e) vacate the Property and return it with all keys to the Landlord in the same condition as it was at the  
237 beginning of the Term, except for normal wear and tear.  
238

239 30. **ASSOCIATION BYLAWS, RULES AND REGULATIONS:** If Property is subject to any Association Bylaws and  
240 Rules and Regulations, Tenant agrees to comply with such Association Bylaws and Rules and Regulations including any  
241 amendments.  
242

243 31. **BINDING:** This Lease is binding on the Landlord and the Tenant and all parties who lawfully succeed to their rights  
244 and responsibilities.  
245

246 32. **ENTIRE AGREEMENT:** This Lease contains the entire agreement of the Landlord and Tenant. No representations  
247 have been made by the Landlord or its real estate broker or agents except as set forth in this Lease. This Lease can only be  
248 changed in writing by an agreement signed by both the Landlord and the Tenant.  
249

250 33. **ATTORNEY REVIEW CLAUSE:**

251 (1) **Study by Attorney.**

252 The Tenant or the Landlord may choose to have an attorney study this Lease. If an attorney is consulted, the attorney must  
253 complete his or her review of the Lease within a three-day period. This Lease will be legally binding at the end of this three-day  
254 period unless an attorney for the Tenant or the Landlord reviews or disapproves of the Lease.  
255

256 (2) **Counting the Time.**

257 You count the three days from the date of delivery of the signed Lease to the Tenant and the Landlord. You do not count  
258 Saturdays, Sundays or legal holidays. The Tenant and the Landlord may agree in writing to extend the three-day period for  
259 attorney review.

260 (3) **Notice of Disapproval.**

261 If an attorney for the Tenant or the Landlord reviews and disapproves of this Lease, the attorney must notify the Broker(s) and  
262 the other party named in this Lease within the three-day period. Otherwise this Lease will be legally binding as written. The  
263 attorney must send the notice of disapproval to the Broker(s) by certified mail, by telegram, or by delivering it personally. The  
264 telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the Broker's  
265 office. The attorney may also, but need not, inform the Broker(s) of any suggested revision(s) in the Lease that would make it  
266 satisfactory.

267 34. **BROKER'S COMMISSION:** The Broker's Commission is earned, due and payable upon signing of a fully executed  
268 Lease Agreement and satisfaction of the Attorney Review Period set forth in Section 33 of this Lease. The Commission shall be  
269 paid by the

270  Landlord in accord with previously executed Listing Agreement.

271  Tenant and shall be payable as follows: \_\_\_\_\_  
272  
273  
274  
275  
276

277 \_\_\_\_\_  
278 Listing Broker

279 \_\_\_\_\_  
280 Address and Telephone #

281 \_\_\_\_\_  
282 Participating Broker

Commission

283 \_\_\_\_\_  
284 Address and Telephone #

287 **35. LEAD-BASED PAINT DOCUMENT ACKNOWLEDGMENT: (Applies to dwellings built before 1978)**  
 288 The Tenant acknowledges receipt of the EPA pamphlet, "Protect Your Family From Lead In Your Home". Moreover, a copy  
 289 of the document entitled, "Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards" has been fully  
 290 completed, signed by Tenant, Landlord and Broker(s) and is appended to and made a part of this Agreement.  
 291

292 **36. WINDOW GUARD NOTIFICATION:**  
 293 **THE OWNER (LANDLORD) IS REQUIRED BY LAW TO PROVIDE, INSTALL AND MAINTAIN WINDOW**  
 294 **GUARDS IN THE APARTMENT IF A CHILD OR CHILDREN 10 YEARS OF AGE OR YOUNGER IS, OR WILL**  
 295 **BE, LIVING IN THE APARTMENT OR IS, OR WILL BE, REGULARLY PRESENT THERE FOR A SUBSTANTIAL**  
 296 **PERIOD OF TIME IF THE TENANT GIVES THE OWNER (LANDLORD) A WRITTEN REQUEST THAT THE**  
 297 **WINDOW GUARDS BE INSTALLED. THE OWNER (LANDLORD) IS ALSO REQUIRED, UPON THE WRITTEN**  
 298 **REQUEST OF THE TENANT, TO PROVIDE, INSTALL AND MAINTAIN WINDOW GUARDS IN THE**  
 299 **HALLWAYS TO WHICH PERSONS IN THE TENANT'S UNIT HAVE ACCESS WITHOUT HAVING TO GO OUT**  
 300 **OF THE BUILDING. IF THE BUILDING IS A CONDOMINIUM, COOPERATIVE OR MUTUAL HOUSING**  
 301 **BUILDING, THE OWNER (LANDLORD) OF THE APARTMENT IS RESPONSIBLE FOR INSTALLING AND**  
 302 **MAINTAINING WINDOW GUARDS IN THE APARTMENT AND THE ASSOCIATION IS RESPONSIBLE FOR**  
 303 **INSTALLING AND MAINTAINING WINDOW GUARDS IN HALLWAY WINDOWS. WINDOW GUARDS ARE**  
 304 **ONLY REQUIRED TO BE PROVIDED IN FIRST FLOOR WINDOWS WHERE THE WINDOW SILL IS MORE**  
 305 **THAN SIX FEET ABOVE GRADE OR THERE ARE OTHER HAZARDOUS CONDITIONS THAT MAKE**  
 306 **INSTALLATION OF WINDOW GUARDS NECESSARY TO PROTECT THE SAFETY OF CHILDREN.**  
 307

308 **37. MEGAN'S LAW STATEMENT:**  
 309 **UNDER NEW JERSEY LAW, THE COUNTY PROSECUTOR DETERMINES WHETHER AND HOW TO**  
 310 **PROVIDE NOTICE OF THE PRESENCE OF CONVICTED SEX OFFENDERS IN AN AREA. IN THEIR**  
 311 **PROFESSIONAL CAPACITY, REAL ESTATE LICENSEES ARE NOT ENTITLED TO NOTIFICATION BY THE**  
 312 **COUNTY PROSECUTOR UNDER MEGAN'S LAW AND ARE UNABLE TO OBTAIN SUCH INFORMATION FOR**  
 313 **YOU. UPON CLOSING, THE COUNTY PROSECUTOR MAY BE CONTACTED FOR SUCH FURTHER**  
 314 **INFORMATION AS MAY BE DISCLOSABLE TO YOU.**  
 315

316 **38. CONSUMER INFORMATION STATEMENT ACKNOWLEDGMENT:** By signing below, the Landlord and  
 317 Tenant acknowledge they received the Consumer Information Statement on New Jersey Real Estate Relationships from the  
 318 brokerage firms involved in this transaction prior to the first showing of the Property.  
 319

320 **39. DECLARATION OF LICENSEE BUSINESS RELATIONSHIP(S):**  
 321 A. \_\_\_\_\_ (name of firm)  
 322 AND \_\_\_\_\_ (name(s) of licensee(s))  
 323 AS ITS AUTHORIZED REPRESENTATIVE(S) ARE WORKING IN THIS TRANSACTION AS (choose one)  
 324 \_\_\_\_\_ LANDLORD'S AGENTS \_\_\_\_\_ TENANT'S AGENTS \_\_\_\_\_ DISCLOSED DUAL AGENTS  
 325 \_\_\_\_\_ TRANSACTION BROKERS.  
 326 B. INFORMATION SUPPLIED BY \_\_\_\_\_ (name of other firm)  
 327 HAS INDICATED THAT IT IS OPERATING IN THIS TRANSACTION AS A (choose one)  
 328 \_\_\_\_\_ LANDLORD'S AGENT ONLY \_\_\_\_\_ TENANT'S AGENT ONLY \_\_\_\_\_ DISCLOSED DUAL AGENT  
 329 \_\_\_\_\_ TRANSACTION BROKER.  
 330

331 **40. ACKNOWLEDGMENT OF TRUTH IN RENTING STATEMENT: (Applies to all Tenants with a rental term of**  
 332 **at least one month living in residences with more than two dwelling units or more than three if the Landlord occupies**  
 333 **one.) By signing below, Tenant acknowledges receipt of the booklet, "Truth In Renting - A guide to the rights and**  
 334 **responsibilities of residential tenants and landlords in New Jersey".**  
 335

336 **41. SMOKE DETECTORS, CARBON MONOXIDE ALARM AND PORTABLE FIRE EXTINGUISHER**  
 337 **COMPLIANCE:** The Certificate of smoke detectors, carbon monoxide alarm and portable fire extinguisher compliance  
 338 (CSDCMAPFEC), as required by law, shall be the responsibility of the Landlord. If such alarms are battery operated, the  
 339 Tenant shall be responsible for their maintenance.  
 340

341 **42. PRIVATE WELL TESTING: (This section is applicable if the Property's potable water supply is provided by a**  
 342 **private well for which testing of the water is not required by any State law other than the Private Well Testing Act (the**  
 343 **"Act" - N.J.S.A. 58:12A-26 to 37). By March 14, 2004, and at least once every five years thereafter, the Landlord is required**  
 344 **to test the potable water supply for the Property in accordance with the Act. Within thirty (30) days after receiving the test**  
 345 **results, the Landlord shall provide a written copy thereof to the Tenant. Also, the Landlord is required to provide a written copy**  
 346 **of the most recent test results to any new tenant at the Property. If the Property is for "seasonal use or rental," the Landlord shall**  
 347 **either post the tests results in a readily visible location inside of the Property or provide a written copy thereof to the tenant. A**  
 348 **"seasonal use or rental" means use or rental for a term of not more than 125 consecutive days for residential purposes by a**  
 349 **person having a permanent place of residence elsewhere. By signing below, Tenant acknowledges receipt of a written copy of**  
 350 **the test results, or in the case of a seasonal rental, if it has not received the test results, acknowledges the posting thereof inside of**  
 351 **the Property in accordance with the Act.**  
 352

353 **43. MEGAN'S LAW REGISTRY:** Buyer is notified that New Jersey law establishes an Internet Registry of Sex Offenders  
 354 that may be accessed at [www.njsp.org](http://www.njsp.org).  
 355

356 **44. OTHER LEASE PROVISIONS, IF ANY:**  
 357  
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44. OTHER LEASE PROVISIONS, IF ANY (concluded):

Witness:

_____	Landlord	_____	Date
_____	Landlord	_____	Date
_____	Tenant	_____	Date
_____	Tenant	_____	Date

**EXHIBIT: G**

Projected Statement of Property Operations

**ST. PAUL'S, LLC  
FISCAL PLAN  
ESTIMATED TAX COMPUTATION FOR YEAR 2012**

Equalization Ratio: 31.35%  
Tax rate (per thousand): \$70.08

Current Assessment:  
Land: \$ 247,200  
Improvement: \$ 118,200  
Total: \$ 365,400

<u>Potential Income:</u>		Total:	Per unit per month:
	<u>#</u>		
1 Bedroom	35	\$ 588,000	\$ 1,400
2 Bedroom	20	\$ 420,000	\$ 1,750
Parking	60	\$ 72,000	\$ 100

Total Gross Income: \$ 1,080,000

Less: Vacancy and Collection Loss 8% 54,000.00

Effective Gross Income: 1,026,000.00

Operating Expenses:

Replacement Reserves	\$ 30,000
Building Insurance	\$ 40,000
Water and Sewer	\$ 40,000
Electrical	\$ 15,000
Heat / Cooling	\$ 15,000
Repair	\$ 17,500
Cleaning and Maintenance	\$ 40,000
Legal / Audit	\$ 12,000
Management	\$ 42,000
Supplies	\$ 12,000
Misc.	\$ 12,000

Total Operating Expenses: \$ 275,500

Projected Net Operating Income: 750,500.00

Cap Rate: 10% 0.1

Projected Market Value: \$ 7,505,000

Assessment: \$ 2,352,818  
Ratio: 0.3135

Estimated Annual Real Estate Taxes: \$ 164,885  
Tax rate: 0.07008

Less: Taxes Attributable to the Land \$ 17,324

Taxes attributable to Improvements: \$ 147,562

**CURRENT ESTIMATED TAX PAYMENTS FOR FIVE YEAR TERM OF EXEMPTION  
Based on 2012 Tax Rate and Equalization Ratio**

Year	1	2	3	4	5	Total
Projected Tax Rate	\$ 70.08	\$ 70.08	\$ 70.08	\$ 70.08	\$ 70.08	
Total Tax	\$164,885	\$ 164,885	\$ 164,885	\$ 164,885	\$ 164,885	\$ 824,427
Land Tax	\$ 17,324	\$ 17,324	\$ 17,324	\$ 17,324	\$ 17,324	\$ 86,619
Tax on Improvements	\$147,562	\$ 147,562	\$ 147,562	\$ 147,562	\$ 147,562	\$ 737,808
Statutory Phase In	0%	39%	59%	79%	80%	
Improvement Tax	\$ -	\$ 57,549	\$ 87,061	\$ 116,574	\$ 118,049	\$ 379,234
Exempted Tax	\$147,562	\$ 90,013	\$ 60,500	\$ 30,988	\$ 29,512	\$ 358,575
Total Taxes Payable	\$ 17,324	\$ 74,873	\$ 104,385	\$ 133,897	\$ 135,373	\$ 465,852

In lieu tax schedule pursuant to a five year phase in percentages on the new improvement on the above application:

1. In the first full year after completion, land tax only, no payment in lieu of taxes.
2. In the second full year, an amount not less than thirty-nine percent (39%) of the actual taxes otherwise due, currently estimated at: \$ 57,549
3. In the second full year, an amount not less than fifty-nine percent (59%) of the actual taxes otherwise due, currently estimated at: \$ 87,061
4. In the second full year, an amount not less than seventy-nine percent (79%) of the actual taxes otherwise due, currently estimated at: \$ 116,574
5. In the second full year, an amount not less than eighty percent (80%) of the actual taxes otherwise due, currently estimated at: \$ 118,049

At the expiration of the abatement, the Project's new improvements would generate an estimated annual tax of: \$ 164,885

**Pro Forma**

**Projected Cash Flow Analysis Using 5 Year Tax Abatement  
Using 2% Tax Rate Increase**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<b>Income</b>					
Total Annual Rental	\$ 1,080,000	\$ 1,101,600	\$ 1,123,632	\$ 1,146,105	\$ 1,169,027
Less Vacancy Factor	25%	8%	8%	8%	8%
<b>Total Rental Income</b>	\$ 810,000	\$ 1,013,472	\$ 1,033,741	\$ 1,054,416	\$ 1,075,505
<b>Expense</b>					
Tax on Land	\$ 17,324	\$ 17,324	\$ 17,324	\$ 17,324	\$ 17,324
Tax On Building	\$0	\$ 57,549	\$ 87,061	\$ 116,574	\$ 118,049
Replacement Reserves	\$30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Building Insurance	\$40,000	\$ 40,800	\$ 41,616	\$ 42,448	\$ 43,297
Water & Sewer	\$40,000	\$ 40,800	\$ 41,616	\$ 42,448	\$ 43,297
Electrical	\$15,000	\$ 15,300	\$ 15,606	\$ 15,918	\$ 16,236
Heat / Cooling	\$15,000	\$ 15,300	\$ 15,606	\$ 15,918	\$ 16,236
Repair	\$17,500	\$ 17,850	\$ 18,207	\$ 18,571	\$ 18,943
Maintenance	\$40,000	\$ 40,800	\$ 41,616	\$ 42,448	\$ 43,297
Management 4%	\$42,000	\$ 42,840	\$ 43,697	\$ 44,571	\$ 45,462
Legal / Audit	\$12,000	\$ 12,240	\$ 12,485	\$ 12,734	\$ 12,989
Supplies	\$12,000	\$ 12,240	\$ 12,485	\$ 12,734	\$ 12,989
Misc	\$ 12,000	\$ 12,240	\$ 12,485	\$ 12,734	\$ 12,989
Total Expenses:	\$ 292,824	\$ 355,283	\$ 389,803	\$ 424,425	\$ 431,110
<b>Net Operating Income (NOI)</b>	<b>\$517,176</b>	<b>\$658,189</b>	<b>\$643,938</b>	<b>\$629,992</b>	<b>\$644,394</b>

	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
\$	1,192,407	1,216,255	1,240,581	1,265,392	1,290,700
	8%	8%	8%	8%	8%
\$	1,097,015	1,118,955	1,141,334	1,164,161	1,187,444
\$	17,324	17,324	17,324	17,324	17,324
\$	147,562	151,251	155,032	158,908	162,881
\$	30,000	30,000	30,000	30,000	30,000
\$	44,163	45,046	45,947	46,866	47,804
\$	44,163	45,046	45,947	46,866	47,804
\$	16,561	16,892	17,230	17,575	17,926
\$	16,561	16,892	17,230	17,575	17,926
\$	19,321	19,708	20,102	20,504	20,914
\$	44,163	45,046	45,947	46,866	47,804
\$	46,371	47,299	48,245	49,210	50,194
\$	13,249	13,514	13,784	14,060	14,341
\$	13,249	13,514	13,784	14,060	14,341
\$	13,249	13,514	13,784	14,060	14,341
\$	465,938	475,048	484,359	493,875	503,600
	<b>\$631,077</b>	<b>\$643,907</b>	<b>\$656,975</b>	<b>\$670,286</b>	<b>\$683,844</b>

**EXHIBIT: H**

**Planning Board Resolution**

RESOLUTION  
JERSEY CITY ZONING BOARD OF ADJUSTMENT  
CASE Z06-073

IN THE MATTER OF THE APPLICATION FOR PRELIMINARY AND  
FINAL MAJOR SITE PLAN AND "C" and "D" VARIANCES:

68 ST. PAULS LLC  
68-76 St Paul's Avenue  
Block 563 Lots 11,12,13,14,15,10A,8.A

HEARING DATE: January 18, 2007

---

WHEREAS, 68 St Paul's LLC, applicant, is the owner of the  
above referenced property in the City of Jersey City; and

WHEREAS, the applicant has applied to the Zoning Board of  
Adjustment of the City of Jersey City for variances for height and use,  
pursuant to NJSA 40:55D-70d, and variances for stacked parking and  
parking aisle width pursuant to NJSA 40:55D-70c along with Preliminary  
and Final Major Site Plan approval, and any other variances, waivers,  
deviations, and approvals as may be required in order to construct a 4 story  
multi family mid rise apartment building with fifty five (55) units over a  
fifty eight (58) car parking garage in the R-1 District, and,

WHEREAS, all required fees have been paid and notices have been  
given; and

WHEREAS, the Board has heard and considered the evidence from the applicant's agents and expert witnesses, arguments of counsel for the applicant, the comments of the Board's staff, neighboring property owners, and other interested parties; and

WHEREAS, the Board has made the following findings of fact and conclusions based on said evidence:

1. The property is located in the R-1 District, where the use is not permitted but there pre-exists an industrial building, and replacement of the industrial building with a residential one will bring the site into a more compatible use with the zone plan and the area than the industrial use at this corner location, and the odd shape and dual frontage further contribute to making the site particularly situated and particularly well suited to the proposed use.

2. The proposed use and height, similar to some other area buildings, but with basement parking, will blend with the area and will cause no substantial negative impacts due to the proximity of several four story multi-family buildings, the stepping down of the building height where adjacent to lower buildings, the strict adherence to provide a self-park parking space for each unit, and architectural design features that minimize the impact of the building mass and height.

3. The existing use and building are incompatible with the area and the new use and building will be an aesthetic and functional enhancement to the site and the area.

4. The positive criteria are satisfied by the benefits to the public welfare of eliminating a long existing incompatible use not likely nor wisely to be replaced by conforming uses, which would lead to many more curb cuts and parking maneuvers, resulting in a less safe, more congested, and parking deficient situation.

5. Given the existing lot dimensions and the setbacks of the upper floors, the proposed building footprint is appropriate for the site.

6. The proposed use will serve the public welfare by eliminating a non-conforming use, providing residences in a residential zone, and reducing the number of curb cuts from that which conforming development would generate, these factors support both the positive and the negative criteria with respect to the proposal as the use will blend with the area and bring the site more nearly into the nature of development anticipated by the zone plan than what had been on the site without substantially deviating from the heights of several area buildings.

7. Claire Davis, of the Division of City Planning, spoke in support of this application and recommended approval.

NOW THEREFORE, BE IT RESOLVED BY THE ZONING BOARD OF ADJUSTMENT OF THE CITY OF JERSEY CITY THAT the application of 68 St Paul's LLC, applicant, is the owner of the above referenced property in the City of Jersey City; and

WHEREAS, the applicant has applied to the Zoning Board of Adjustment of the City of Jersey City for variances for height and use, pursuant to NJSA 40:55D-70d, and variances for stacked parking and parking aisle width pursuant to NJSA 40:55D-70c along with Preliminary and Final Major Site Plan approval, and any other variances, waivers, deviations, and approvals as may be required in order to construct a 4 story multi family mid rise apartment building with fifty five (55) units over a fifty eight (58) car parking garage in the R-1 District, in accord with the submitted plans, is hereby granted, subject to the conditions that:

1. Proof of payment of water and taxes shall be obtained and provided to staff before application for construction permits.
2. A complete color/material board shall be submitted to planning staff for review prior to application for construction permits, and material selection shall be made to the satisfaction of planning staff.
3. There is to be no change to the approved materials or site design without notification of Planning Staff, which may require an amended site plan application.

4. Recommendations of the Review agents shall be satisfied, particularly as relates to the MUA concern regarding potential flooding in the below grade garage, and revised plans shall be submitted to the satisfaction of the planning staff.

5. Rooftop HVAC shall be screened (or through-wall heat pumps with sleeve and louvers or grills shall be used) and, if rooftop installation is preferred, screening shall be added to revised plans to the satisfaction of planning staff. No window air conditioning units shall be permitted.

6. The setback of the front railing for the third floor roof deck facing St Pauls Ave shall not be reduced and the east side railing shall be revised to show a setback of at least eight feet from the side of the building.

7. The height variance shall be based on the approved height and there shall be no increase to the approved height of either the four story or three story components of the building without further application to the board, which would require notice to property owners for an amended height variance.

8. All landscaping and street trees are to be installed before application for a Final Certificate of Occupancy may be made.

And, BE IT FURTHER RESOLVED THAT this Board's secretary shall provide a copy of this resolution to the Applicant's attorney and to all who request a copy of same.

RESOLUTION  
JERSEY CITY ZONING BOARD OF ADJUSTMENT  
CASE Z06-073

IN THE MATTER OF THE APPLICATION FOR PRELIMINARY AND  
FINAL MAJOR SITE PLAN AND "C" and "D" VARIANCES:

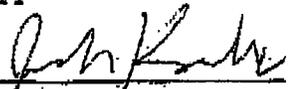
68 ST. PAULS LLC  
68-76 St Paul's Avenue  
Block 563 Lots 11,12,13,14,15,10A,8.A

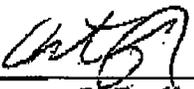
HEARING DATE: January 18, 2007

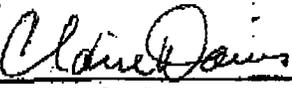
ROLL CALL:

	In Favor	Opposed	Abstained
Chairman Joseph Kealy	X		
Commissioner Debbie Davis	X		
Commissioner Diane Strasz	X		
Commissioner Dominic Forte	X		
Commissioner Aneesha Abdullah	X		
Commissioner George Juchnawich	X		
Commissioner Barbara Gordon	X		

Approved: 7-0

  
Joseph Kealy, Chairman

  
Vincent LaPaglia, Esquire  
Approved as to Legal Form

  
Claire Davis, Secretary

Date Application Approved: January 18, 2007  
Date Resolution Memorialized: February 15, 2007

Res68StPaul.Resosrd

# MEMORANDUM

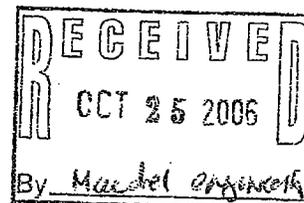
Division of Engineering and Transportation

**TO** : Claire Davis, City Planning

**FROM** : Abdus S. Safi, PE, PP

**SUBJECT** : **Proposed Multi Family Residential Building  
Block 563, Lots 11-15, 10A & 8A  
St. Pauls Avenue**

**DATE** : October 18, 2006



The site plan reviewed was prepared by Macdel Engineering, PC, Clifton, New Jersey, with the following drawings:

<u>DESCRIPTION</u>	<u>NO.</u>	<u>DATE</u>	<u>REVISION</u>
Cover Sheet	C-1	Oct. 06, 06	-
Map of Property	SU-1	Aug. 24, 06	-
Dimensional Plan	C-2	Oct. 06, 06	-
Demolition Plan	C-3	Oct. 06, 06	-
Grading Drainage & Utility Plan	C-4	Oct. 06, 06	-
Landscaping & Lighting Plan	C-5	Oct. 06, 06	-
Construction Details	DT-1	Oct. 06, 06	-
	DT-2		
Soil Erosion & Sediment Control Plan	SE-1	Oct. 06, 06	-

Based on a review of the site plan, we have made the following comments:

1. FEMA has issued a revised flood study and FIRM maps which are effective August 16, 2006. In future site plans, refer to the updated study which is based on NAVD 1988 datum.
2. Comply with the requirements of Construction Guidelines, dated June 23, 2005, for street openings within the public right-of-way.
3. Install handicap ramp in conformance with the ADA requirements at the intersection of St. Pauls Avenue and Oakland Avenue, specifications attached.
4. Mill and pave St. Pauls Avenue and Oakland Avenue full width abutting the site, as shown in the attached sketch, on completion of landscaping work and utility services.
5. Sanitary sewer, drainage service connections and water service connections will require approval of JCMUA.

SP- Block 563, Lots 11-15, 10A & 8A

October 18, 2006

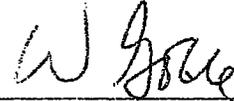
Page 2

6. Entrance from and exit to the street, signage, striping and traffic circulation will be in conformance with requirements of JC Traffic Engineering.

The site plan is recommended for approval subject to above comments.



ABDUS S. SAFI, PE, PP

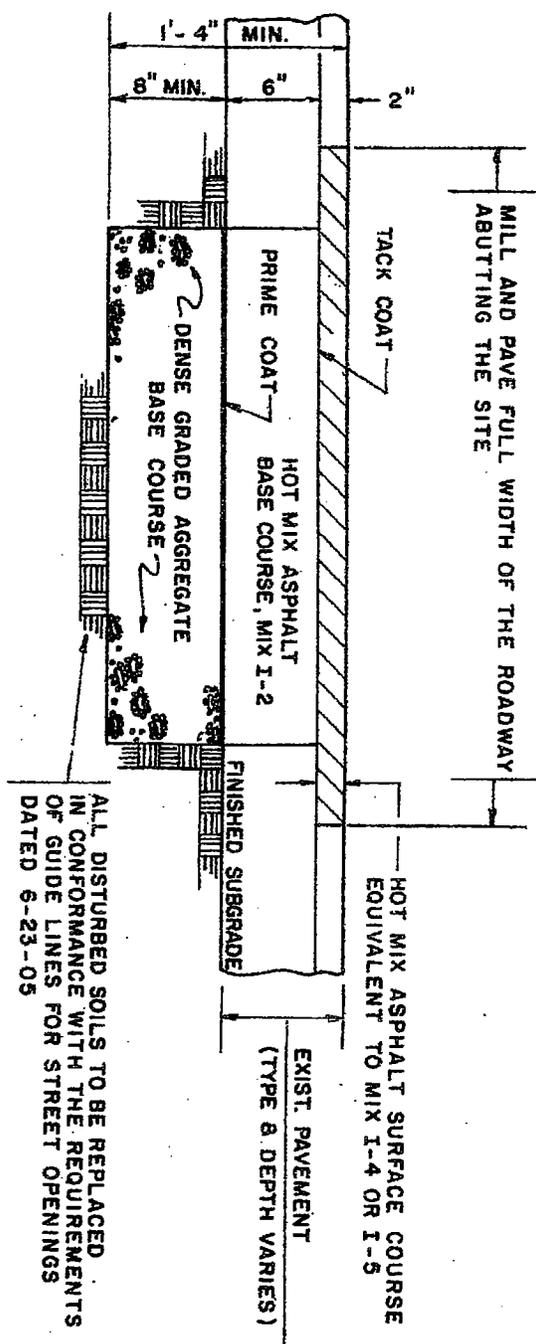


WILLIAM GOBLE, PE  
City Engineer

sip

Attachment

c: Joao D'Souza, JC Traffic Engineering  
Keh-Jong Liu, JC Water Engineering  
Christopher Piersa, JCMUA  
Macdel Engineering, PC



**ROADWAY EXCAVATION / REPAIR / NEW PAVEMENT**



**EXHIBIT: I**

Current Tax Assessment

PRESS(Q)uery, (N)ext, (P)revious, (A)dd, (U)pdate, (R)emove, (O)utput (B)ye  
(S)creen \*\* 1: prc file\*\*

-----Screen:1 of 2

0906 Block: 6801 Lot: 21 Q: M  
Prior Block: 563 Lot: 34 Q: 03/03/11  
Loc: 68 ST. PAULS AVE. 06 JERSEY CITY, NJ 00000  
Owner: SAINT PAULS, L.L.C. % MILTON FANTIN Billing Code: 00000  
Street: 12 SMALL BROOK CIRCLE Account Num: 00630500  
Town: RANDOLPH, NJ Zip: 07869 Mtg Acct#:  
Class: 4B Deductions:S 0 V 0 W 0 R 0 D 0 Own: 1 Amt: 0  
Saled: 10/23/09 Bk: 8697 Pg: 372 Price: 1790000 NU#: 6 Cd: R: 20.41

	2012	2013	Taxes	Exemptions/Abatements
Land:	247200	247200	(57): 25607.23	1 0
Impr:	118200	118200	(58): 0.00	2 0
	0	0		3 0 NetCalc
Net:	365400	365400	Partial:	4 0 0

Land Dim: 124X100	Class4Cd:	YrBlt:
Bldg Desc: 1-2S-CB-IN	BldgClass:	SF: 0
Addl Lots:	Type/Use:	PrcSF 0 UCd: 46
	Style:	Zone: Map: 68

1 record(s) found

**PROPERTY IDENTIFICATION**

BLOCK NUMBER <b>06801</b>	LOT NUMBER <b>00021</b>	QUALIFICATION	
PROPERTY LOCATION <b>68 ST. PAULS AVE.</b>			
ADDITIONAL LOTS			
BUILDING DESC. <b>1-2S-CB-IN</b>			
LAND DIMENSION <b>124X100</b>			
4TH QTR DUE NOV. 1, 2011 <b>6,441.08</b>		3RD QTR DUE AUG. 1, 2011 <b>.00</b>	
1ST QTR DUE FEB. 1, 2012 <b>6,401.81</b>		2ND QTR DUE MAY 1, 2012 <b>6,401.81</b>	
TAX ACCOUNT <b>630500</b>	BANK CODE	MORTGAGE ACCT. NO.	BILL NUMBER <b>1</b>

**SAINT PAULS, L.L.C. % MILTON FANTIN  
12 SMALL BROOK CIRCLE  
RANDOLPH, NJ 07869**

View or Pay your account online at:  
**WWW.JERSEYCITYNJ.GOV**  
Or call our automated service:  
**1.201.547.4809**

**DISTRIBUTION OF TAXES**

COUNTY TAX	1.5500	5,663.70
CTY OPEN SPACE TAX	.0180	65.77
DISTRICT SCHOOL TAX	1.7660	6,452.96
LOCAL SCHOOL TAX	.1110	405.59
MUN. LIBRARY TAX	.1130	412.90
MUN. PURPOSE TAX	3.4500	12,606.08

LAND	247,200	7.0080	GROSS TAX	
IMPROVEMENT	118,200		DEDUCTION	.00
TOTAL	365,400		NET TAX	.00
EXEMPTIONS	0		FIRST HALF BILLED	12,611.78
NET TAXABLE	365,400		BALANCE DUE	-12,611.78
			PRELIMINARY 2012 TAX	12,803.62

**State Aid Used To Offset Local Property Taxes**

The budgets of the government agencies funded by this tax bill include State funding used to reduce local property taxes. Based on the assessed value, the amount of this State Aid used to offset property taxes on this parcel equals:  
**3,837.07**

**DETACH AND MAIL THIS STUB WITH PAYMENT TO:  
CITY OF JERSEY CITY  
SEE REVERSE SIDE FOR INSTRUCTIONS  
2012 2ND QUARTER TAX DUE MAY 1, 2012**

BLOCK NUMBER <b>06801</b>	LOT NUMBER <b>00021</b>	QUALIFICATION	BANK CODE
TAX ACCOUNT <b>630500</b>	BILL NUMBER <b>1</b>	TAX AMOUNT BILLED <b>6,401.81</b>	

**2**

**SAINT PAULS, L.L.C. % MILTON FANTIN  
68 ST. PAULS AVE.**

INTEREST \_\_\_\_\_  
TOTAL DUE \_\_\_\_\_



**DETACH AND MAIL THIS STUB WITH PAYMENT TO:  
CITY OF JERSEY CITY  
SEE REVERSE SIDE FOR INSTRUCTIONS  
2012 1ST QUARTER TAX DUE FEBRUARY 1, 2012**

BLOCK NUMBER <b>06801</b>	LOT NUMBER <b>00021</b>	QUALIFICATION	BANK CODE
TAX ACCOUNT <b>630500</b>	BILL NUMBER <b>1</b>	TAX AMOUNT BILLED <b>6,401.81</b>	

**1**

**SAINT PAULS, L.L.C. % MILTON FANTIN  
68 ST. PAULS AVE.**

INTEREST \_\_\_\_\_  
TOTAL DUE \_\_\_\_\_



**DETACH AND MAIL THIS STUB WITH PAYMENT TO:  
CITY OF JERSEY CITY  
SEE REVERSE SIDE FOR INSTRUCTIONS  
2011 4TH QUARTER TAX DUE NOVEMBER 1, 2011**

BLOCK NUMBER <b>06801</b>	LOT NUMBER <b>00021</b>	QUALIFICATION	BANK CODE
TAX ACCOUNT <b>630500</b>	BILL NUMBER <b>1</b>	TAX AMOUNT BILLED <b>6,441.08</b>	

**4**

**SAINT PAULS, L.L.C. % MILTON FANTIN  
68 ST. PAULS AVE.**

INTEREST \_\_\_\_\_  
TOTAL DUE \_\_\_\_\_



**Tax Sale will include current water and sewer which will be held on Dec. 15th 2011. Any payments received after Nov. 10th 2011 will be subjected to interest back to Nov. 1st. 2011. Payments must be made in cash, money order or bank cashier's check ONLY.**

**EXHIBIT: J**

**Current Tax Payment Status**

Account Inquiry Summary by Years

Exit Help

Account # 630500 Block/Lot 00021 / 21 /

Owner Name SAINT PAULS, L.L.C. & MILTON FANTIN

Address 12 SMALL BROOK CIRCLE

City/St/Zip RANDOLPH, NJ 07869

P.Loc 68 ST. PAULS AVE.

Bank Code

Ded. Amt. .00 Sp. Tax Cd

1st Sch Date Lst Pay Date 2/07/2012

Principal	.00
Interest	.00
Uncoll. Interest	.00
Total Due	.00

Interest thru Date 04/19/2012

New Account# New Blk/Lot/Qual < Prey Next > View Summary

Tax Bills Add Asses. Bills Misc. Bills Payments Int. Payments Billing Adj. Payment Adj.

Tax Yr	Q	Trans/Due Date	Description	Bill/Paid/Adj Amt	Open Balance	Days	Interest	Check#	Dr#	Src
2010	4	10/26/2010	TAXES PAYMENT	-5441.87				1002	1	
2011	1	2/01/2011	TAXES BILL	6305.89						
2011	1	3/03/2011	TAXES PAYMENT	-6305.89					999	@@
2011	1	3/03/2011	TAXES INTEREST	-87.56					999	@@
2011	2	5/01/2011	TAXES BILL	6305.89						
2011	2	5/04/2011	TAXES PAYMENT	-6305.89				10375	1	
2011	3	8/01/2011	TAXES BILL	6554.37						
2011	3	7/26/2011	TAXES PAYMENT	-6554.37				1	6	L6
2011	4	11/01/2011	TAXES BILL	6441.08						
2011	4	11/01/2011	TAXES PAYMENT	-6441.08				1010	1	
2012	1	2/01/2012	TAXES BILL	6401.81						
2012	1	2/08/2012	TAXES PAYMENT	-6401.81					1	

Narrative Edit Account Edit Print Account Duplicate Bill Refresh Utilities ETL Inquiry GIL Inquiry

- Current Taxes have been paid in full through 2nd Q 2012.

Account Inquiry Summary by Years

Exit Help

Account # 630500 Block/Lot 00021 / 21 /

Owner Name SAINT PAULS, L.L.C. & MILTON FANTIN

Address 12 SMALL BROOK CIRCLE

City/St/Zip RANDOLPH, NJ 07869

P.Loc 68 ST. PAULS AVE.

Bank Code

Ded. Amt. .00 Sp. Tax Cd.

1st Sch Date Lst Pay Date 2/07/2012

Principal	.00
Interest	.00
Uncoll. Interest	.00
Total Due	.00

Interest thru Date 04/19/2012

New Account# New Blk/Lot/Qual / / < Prey Next > View Summary

Tax Bills Add Asses. Bills Misc. Bills Payments Int. Payments Billing Adj. Payment Adj.

Tax Yr	Q	Trans/Due Date	Description	Bill/Paid/Adj Amt.	Open Balance	Days	Interest	Check#	Dr#	Src
2009	4	12/17/2009	LOT CLEAN BILL	0.00						
2009	4	12/17/2009	LOT CLEAN INTEREST	-1.87				4214	1	
2009	4	12/17/2009	LOT CLEAN PAYMENT	-468.05				4214	1	
2010	1	2/01/2010	TAXES BILL	7331.61						
2010	1	11/04/2009	TAXES PAYMENT	-32.06				3425	1	
2010	1	2/04/2010	TAXES PAYMENT	-7331.61				1016	1	
2010	1	6/30/2010	TRANSFER TO OPERATIONS	32.06						
2010	2	5/01/2010	TAXES BILL	7008.20						
2010	2	5/24/2010	TAXES PAYMENT	-7008.20				1	5	LB
2010	3	8/01/2010	TAXES BILL	5441.88						
2010	3	9/02/2010	TAXES PAYMENT	-5441.88				1	1	LB
2010	4	11/01/2010	TAXES BILL	5441.87						

Narrative Edit Account Edit Print Account Duplicate Bill Refresh Utilities TTL Inquiry OTL Inquiry

**Account Inquiry Summary by Years**

Exit Help

Account # 630500 Block/Lot 00021 / 21 /

Owner Name SAINT PAULS, L.L.C. & MILTON FANTIN

Address 12 SMALL BROOK CIRCLE

City/St/Zip RANDOLPH, NJ 07869

P.Loc 68 ST. PAULS AVE.

Bank Code

Ded. Amt. .00 Sp. Tax Cd

1st Sch Date Lst Pay Date 2/07/2012

Principal	.00
Interest	.00
Uncoll. Interest	.00
<b>Total Due</b>	<b>.00</b>

Interest thru Date 04/19/2012

New Account# New Blk/Lot/Qual < Prev Next > View Summary

Tax Bills Add Asses. Bills Misc. Bills Payments Int. Payments Billing Adj. Payment Adj.

Tax Yr.	D	Trans/Due Date	Description	Bill/Paid/Adj Amt.	Open Balance	Days	Interest	Check#	Dp#	Src
2009	1	2/01/2009	TAXES BILL	6545.57						
2009	1	6/01/2009	TAXES PAYMENT	-6545.57				1130	1	
2009	2	5/01/2009	TAXES BILL	6546.22						
2009	2	6/01/2009	TAXES INTEREST	-337.02				1130	1	
2009	2	6/01/2009	TAXES PAYMENT	-6546.22				1130	1	
2009	3	8/01/2009	TAXES BILL	5858.17						
2009	3	11/04/2009	TAXES PAYMENT	-5858.17				3425	1	
2009	4	11/01/2009	TAXES BILL	5858.17						
2009	4	11/04/2009	TAXES INTEREST	-228.63				3425	1	
2009	4	11/04/2009	TAXES PAYMENT	-2977.69				3425	1	
2009	4	11/23/2009	LOT CLEAN BILL							

Narrative Edit Account Edit Print Account Duplicate Bill Refresh Utilities ITL Inquiry QTL Inquiry

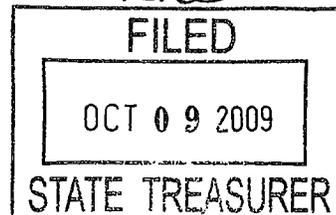
**EXHIBIT: K**

Certificate of Formation, TIN # for LLC

CERTIFICATE OF FORMATION

OF

Saint Pauls, LLC



This Certificate of Formation dated October 02, 2009 is being duly executed and filed by Gary Jeffas, Esquire, as an authorized person, to form a limited liability company under the New Jersey Limited Liability Company Act.

0000350324

1. The name of the limited liability company is

Saint Pauls, LLC

2. The name and address of the limited liability company's initial registered office and agent is:

Milton Fantin  
12 Small Brook Circle  
Randolph, NJ 07030 07869

3. The duration of the limited liability company's existence shall be perpetual.

The undersigned represents that this Limited Liability Company has one or more members, and that this filing complies with the requirements detailed in NJSA 42. The undersigned hereby attests that he is authorized to sign this certificate on behalf of the Limited Liability Company.

  
Gary Jeffas, Esquire  
Authorized person

**OPERATING AGREEMENT  
OF  
SAINT PAULS, LLC.**

This Amended Operating Agreement is entered into on this 19<sup>th</sup> day of October, 2009 by Milton Fantin and Martinho Fantin, having an office address of 12 Small Brook Circle, Randolph, New Jersey 07030 (the "Members").

WHEREAS, the Members previously formed a Limited Liability Company known as Saint Pauls, LLC., (the "Company"), under the laws of the State of New Jersey and to set forth their respective rights and obligations with reference to said Limited Liability Company, as provided in this Agreement;

NOW THEREFORE, in consideration of the promises and covenants stated herein, the Members agree as follows:

**ARTICLE I**

**MEMBERS**

**Section 1. Annual meeting.** The annual meeting of the Members of the Company for the purposes of electing a Manager, considering proposals laid before such meeting, and transacting such other business as may properly be brought before such meeting, shall be held on the second Friday of January of each year, at the principal office of the Company located at 12 Small brook Circle, Randolph, New Jersey 07030.

As of the signing of this Agreement the Members of the Company are Milton Fantin and Martinho Fantin.

## ARTICLE II

### MANAGER

**Section 1. Number.** There shall be one (1) Manager who initially shall be Milton Fantin. The Manager need not be a member of the Company.

**Section 2. Election of manager vacancies.** The Manager shall be elected at each annual meeting of Members or at a special meeting called for the purpose of electing the Manager, or the Manager may be designated at any time by unanimous written action of the Members.

**Section 3. Term of office; resignation.** The Manager shall hold office until the next annual meeting of the Members, or until his or her successor is elected, or until such Manager's resignation, removal from office or death.

The Manager may resign at any time by providing an oral statement to that effect at a meeting of the Members or by submitting a writing to that effect to the Members. Such resignation shall take effect immediately or at such other time as such Manager may specify.

**Section 4. Manager's compensation.** The Manager's compensation shall be determined by the Members on an annual basis.

## ARTICLE III

### INDEMNIFICATION

**Section 1. Third party actions.** The Company shall indemnify any Member who is or was a party, or who is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including all appeals, by reason of the fact that he or she is or was a Member, Managing Member or employee of the Company, or is or was serving at the request of the Company, as a director, trustee, officer or employee of another limited liability company, corporation, partnership, joint venture, trust or

other enterprises, against any and all expenses (including reasonable attorneys' fees), judgments, decrees, fines, penalties and amounts paid in settlement, which were actually and reasonable incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner which he or she reasonable believed to be in, or at least not opposed to, the best interests of the Company, and, with respect to any criminal action or proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonable believed to be in, or at least not opposed to, the best interests of the Company.

**Section 2. Derivative actions.** The Company shall indemnify any Member who is or was a party, or who is threatened to be made a party, to any threatened, pending or completed action of suit, including all appeals, by or on behalf of the Company in order to procure a judgment in its favor by reason of the fact that he is or she is or was a Member of the Company or is or was serving at the request of the Company as its Manager, against any and all expenses (including reasonable attorneys' fees) which were actually and reasonable incurred by him or her in connection with the defense or settlement of such action or suit, so long as he or she acted in good faith and in a manner which he or she reasonable believed to be in, or at least not opposed to, the best interests of the Company; except that no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been finally adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Company unless, and only to the extent that, the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability and in view of all the circumstances of

the case, such person is fairly and reasonably entitled to indemnification for such expenses as the court shall deem proper.

**Section 3. Rights after successful defense.** To the extent that a Member or Manager has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 or 2, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including reasonable attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

**Section 4. Other determination or rights.** Except in a situation governed by Section 3, any indemnification under Section 1 or 2 (unless ordered by a court) shall be made by the Company only as authorized in a specific case upon a determination that indemnification of the Member is proper under the circumstances because he or she has met the applicable standard of conduct set forth in Section 1 or 2. Such determination shall be made by a majority vote of Members, or if such vote is unobtainable, by legal counsel (compensated by the Company) in a written opinion.

**Section 5. Advances of expenses.** Expenses of each person indemnified hereunder, which were incurred in defending against a civil, criminal, administrative or investigative action, suit or proceeding (including all appeals), or threat thereof, may be paid by the Company in advance of the final disposition of such action, suit or proceeding, if authorized by the Manager (whether disinterested or not) following receipt of a written promise by or on behalf of the Manager of Member to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Company.

**Section 6. Nonexclusiveness.** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled as a matter of law.

**Section 7. Purchase of insurance.** The Company may purchase and maintain insurance on behalf of any person who is a Member of the Company, or who is or was serving at the request of the Company as a Manager, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Company would have the power to indemnify him or her against such a liability under the provisions of this Article or of the laws of the State of New Jersey.

#### ARTICLE IV

#### CERTIFICATE FOR UNITS OR SHARES

**Section 1. Form of certificates.** Each holder of units or shares shall be entitled to one or more certificates, signed by the Manager of the Company, which shall certify the number of units or shares held by him or her in the Company. However, no certificate for units or shares shall be issued until they are fully paid.

**Section 2. Transfer of units or shares.** Subject to the laws of the State of New Jersey and the terms of this Agreement, units or shares of the Company shall be transferable upon the books of the Company by the holders thereof, upon surrender and cancellation of certificate(s) for a like number of units or shares, with duly executed assignment and power of transfer endorsed thereon or attached thereto, and with such proof the authenticity of the signatures to such assignment and power of transfer as the Company or its agents may reasonable require. The transferee or assignee of any Member's interest shall have no right to participate in the management of the business and affairs of the Company or to become a member unless the Members, other than the transferring or assigning Members, unanimously approve, in writing, the transfer or assignment to the transferee or assignee.

**Section 3. Lost, stolen or destroyed certificates.** The Company may issue a new certificate for units or shares in place of any certificate previously issued by it and alleged to

have been lost, stolen or destroyed. The Manager may, in his or her discretion, require the owner or the owner's legal representative to give the Company a bond containing such terms as the Manager may require to protect the Company or any person injured by the execution and delivery of a new certificate.

ARTICLE V

FORMATION

**Section 1. Name.** The name of the Company is Saint Pauls, LLC..

**Section 2. Business.** This Company is to be formed to engage in any lawful act, business or activity for which the Company may be formed under the laws of the State of New Jersey.

**Section 3. Term.** The term of this Company shall be until terminated or dissolved pursuant to applicable law or any provision of this Agreement.

**Section 4. Registered Agent.** The Company's registered agent for service shall be Milton Fantin, whose address is 12 Small Brook Circle, Randolph, New Jersey 07030.

**Section 5. Place of Business.** The Company's principal place of business and registered office is 12 Small Brook Circle, Randolph, New Jersey 07030, County of Morris and state of New Jersey.

ARTICLE VI

CAPITAL AND PROFITS AND LOSSES

**Section 1. Capital contributions.** Each Member has contributed or will contribute to the capital of the Company. Members shall have the following Percentage interests:

Milton Fantin..... 66.67%

Martinho Fantin..... 33.33%

An individual capital account shall be established and maintained for each Member and shall be credited with the amount of his capital contribution to the Company. A Member shall not be entitled to interest on his capital contribution, or to withdraw any part of his capital account, or to receive any distribution from the Company, except that distribution from the capital account may be done at the discretion of the managing member or as provided by law.

**Section 2. Profits and losses.** The net profits and the net losses of the Company shall be shared by the Members in proportion to their respective capital interests in the Company. The terms “net profits” and “net losses” shall mean, for each fiscal year or other period, an amount equal to the Company’s taxable income or loss for such year or period, determined in accordance with the Internal Revenue Code of 1986 (the “Code”) as amended.

**Section 3. Cash flow.** The “cash flow of the Company” for each fiscal year or other period shall be equal to the net profits or net losses of the Company for such year or period, determined in accordance with Article VI, Section 2, above, plus:

- (A) depreciation and other non-cash charges deducted in determining such net profits or net losses;
- (B) the net cash proceeds resulting from any refinancing of Company property or the sale of any Company property received during such year or period, and minus:
- (C) principal payment made during such year or period on Company loans;
- (D) any other cash expenditures made during such year or period which have not been deducted in determining the net profits or net losses of the Company for such year or period; and
- (E) any amount determined by the Members to be required to maintain sufficient working capital and/or a reserve for repairs and/or replacements.

The cash flow of the Company shall be determined for each fiscal year and, as so determined, shall, in proportion to their respective interests in the Company, be distributed to the Members as often as determined by the Manager, but not less often than annually.

**Section 4. Fiscal year.** The fiscal year of the Company shall be the calendar year.

## ARTICLE VII

### ADDITIONAL FUNDS

**Section 1. New capital or loans.** The Members acknowledge that the income produced by the business and managed by the Company may be insufficient to pay all of the costs of operating said business, including within the meaning of the terms “costs of operating” (and without limiting the generality of said term) all real estate taxes, assessments and other governmental charges, inventory, insurance premiums, costs of repair and maintenance, costs of improvements and the principal and interest payments required to be made on the Company loans. If, as determined by the vote of all those who hold an interest in the Company, additional funds are required to pay the costs of operating, such additional funds shall be advanced to the Company by the Members (and any assignee/transferee of a Company interest who has not been admitted as a Member) in proportion to the capital interest each Member (or assignee/transferee) then holds in the Company. Such additional funds advanced to the Company shall be treated as additional capital contributions or loans, as determined by the vote of all those holding an interest in the Company.

## ARTICLE VIII

### RESTRICTIONS ON MEMBER’S TRANSFERABILITY

**Section 1. New members.** A new Member may be admitted into the Company only if: (i) the majority of Members approve of such admission; and (ii) said new Member executes such instruments as the other Members determine are necessary or desirable to effect such admission and to confirm the agreement of the person or entity being admitted to be bound by all of the covenants, terms and conditions of this Agreement then in effect. Said new Member shall receive a capital interest and an interest in the net profits and net losses and cash flow of the Company in an amount to be determined by all the other Members at the time of said admission.

**Section 2. Withdrawal from the company.** The Company shall have no obligation to purchase some or all of the Company's interest held by a Member. No Member may partially or completely withdraw from the Company unless agreed to by the majority of the Members.

**Section 3. Restrictions on transfer and encumbrance; right of first refusal.** Except as otherwise specifically permitted pursuant to the further provisions of this Agreement, each of the Members agrees that he or she will not, without the prior written consent of the majority of the Members, transfer, assign, sell, give, pledge, hypothecate or otherwise encumber his or her interest in the Company ("Interest"), and any attempt to do any of the foregoing without such prior written consent shall be null and void and of no effect.

In the event a Member wishes to sell (selling Member) all or a portion of his or her interest in the Company they must offer the interest to the Company for repurchase. The Company may purchase the Offered Interest utilizing such assets, lines of credit or other sources of funds as may be obtained for such purpose. Thereafter, the Offered Interest so purchased by the Company shall be retired; and all further allocations and distributions of the Company to the Members shall be in the proportion which the interest of each remaining Member bears to the interests of all remaining Members after retirement of the Offered Interest.

In the event that the Company and the selling Member cannot agree upon the value of the Member's interest in the Company it shall be established in the following manner: The Company and the selling Member each select one appraiser who shall jointly determine the value of the business of the Company. In the event that the two appraisers cannot agree upon the value then the two appraisers shall select a third appraiser whose finding as to value shall be binding upon the Company and the selling Member. The Company and the selling Member shall be responsible for the cost of their own appraiser and shall share equally the cost of the third appraiser.

In the event the Company shall not elect to purchase the Offered Interest, the selling Member shall then have the right sell their interest to a third party upon the same terms and conditions and for the same price as the selling Member would have agreed upon with the Company. In the event of a proposed sale to an outside party of all or a portion of his or her interest by any Member the selling Member will provide advanced written notice, via certified mail, return receipt requested, to the Company, specifying the name of the prospective purchaser or transferee, the extent of the interest proposed to be sold or otherwise disposed of, and the price and all other terms and conditions of the proposed transaction. The Company shall for an additional twenty (20) days after receipt of said notice to decide whether to purchase the entire Offered Interest on the same terms as set further in the notice. If, after the twenty (20 ) day period has expired, the Company still opts not to purchase the selling members interest than the selling Member may proceed with the sale to the outside party

If a sale or other disposition to an outside party is effected in compliance with the provisions of this Article VIII, Section 3, the Members shall be deemed to have approved of the Purchaser's admission into the Company.

**Section 4. Death of a member.** Upon the death of a Member, the Company shall purchase and the deceased Member's estate shall sell the deceased Member's interest for the price and in the manner determined in Section 6.

**Section 5. Cash flow distribution.** Following the death of a Member, the estate of the deceased Member shall be entitled to receive the deceased Member's proportionate share of the cash flow of the Company for that part of the Company's fiscal year that elapsed prior to the deceased Member's death.

**Section 6. Mandatory purchase and sale of Company interest.** The purchase price of the decedent Member's interest shall be equal to the decedent Member's capital account, as

determined by the provisions of Section 5, as of the date of death, plus the decedent Member's equity in the value of any real estate owned by the Company. However, no allowance shall be made for good will, trade name, or other intangible assets, except as to those assets which are reflected on the Company books immediately prior to the decedent Member's death.

The decedent Member's equity in the value of any real estate shall be decreased by the amount of any outstanding obligations against such real estate. In the event that the Company and the decedent Member's estate cannot agree upon the value of any real estate the value of the real estate shall be established in the following manner. The Company and the decedent Member's estate shall each select one appraiser who shall jointly determine the value of the business of the Company. In the event that the two appraisers cannot agree upon the value then the two appraisers shall select a third appraiser whose finding as to value shall be binding upon the Company and decedent Member's estate. The Company and the decedent Member's estate shall be responsible for the cost of their own appraiser and shall share equally the cost of the third appraiser.

The purchase price of the deceased Member's interest in the Company shall be paid in accordance with the terms to be agreed upon between the Company and the deceased Member's Estate.

## ARTICLE IX

### DISSOLUTION AND TERMINATION

**Section 1. Termination of the Company.** The Company shall be terminated and dissolved upon:

- (A) the vote of all holding an interest in the Company;
- (B) the expiration of the term of the Company; or
- (C) the death, retirement or resignation of a Member, if the remaining Members do not vote unanimously to continue the business of the Company.

Upon the termination of the Company as herein provided, full and general accounting shall be taken of the Company's business, and the affairs of the Company shall be wound up. Any net profits or net losses earned or incurred since the previous accounting shall be allocated among the Members. The Members shall wind up and liquidate the Company by selling the Company's assets and distributing the net proceeds therefrom, in cash, after the payment of all Company liabilities (including expenses and fees incurred in connection with the sale of assets and liquidation), to the Members in proportion to the positive balances in their capital accounts.

**Section 2. Continuing governance.** In the event of a dissolution of the Company, the business affairs of the Company shall continue to be governed by the terms of this Agreement during the winding up of the Company's business and affairs.

#### ARTICLE X

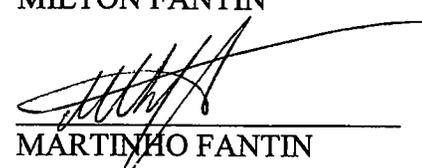
#### AMENDMENTS

**Section 1. Vote for amendments.** This Operating Agreement may be amended, or a new operating agreement may be adopted, by the affirmative vote of all of the Members.

IN WITNESS WHEREOF, the Members hereto have executed this Agreement on the day and year first above written.



MILTON FANTIN



MARTINHO FANTIN

 **IRS** DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
CINCINNATI OH 45999-0023

000361.617361.0003.001 1 MB 0.382 532



  
SAINT PAULS LLC  
MILTON FANTIN MBR  
12 SMALLBROOK CIR  
RANDOLPH NJ 07869

Date of this notice: 10-19-2009

Employer Identification Number:  
27-1106931

Form: SS-4

Number of this notice: CP 575 B

For assistance you may call us at  
1-800-829-4933

IF YOU WRITE, ATTACH THE  
STUB OF THIS NOTICE.

**WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER**

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 27-1106931. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 1065

04/15/2010

If you have questions about the form(s) or the due dates(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, Accounting Periods and Methods.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, Entity Classification Election. See Form 8832 and its instructions for additional information.

000361

**EXHIBIT L**

**Disclosure Statement & Operating Agreement for Applicant**

6-22-11

**TAX AGREEMENT**  
**FIVE YEAR/NEW CONSTRUCTION**

**THIS AGREEMENT** made on this \_\_\_\_\_ day of \_\_\_\_\_, 2012, by and between the **CITY OF JERSEY CITY** [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey, and, Saint Pauls LLC [Applicant], whose principal place of business is 12 Small Brook Circle, Randolph, New Jersey 07869.

**WITNESSETH:**

**WHEREAS**, the Municipal Council has indicated by its intention to utilize the five year tax exemption provisions authorized by Article VIII, Section I, paragraph VI of the NJ State Constitution and the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. for improvements and projects by the adoption of Ordinance 05-060, as amended by Ordinance 07-146; and

**WHEREAS**, the Applicant is owner of certain property located at the corner of St. Pauls and Oakland Avenues, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 6801 Lot 21 and formerly as Block 563, Lot 34 on the Tax Assessor's Map, more commonly known by the street address of 68 St. Pauls Avenue and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

**WHEREAS**, on or about May 1, 2012, the Applicant applied for a five year tax exemption to construct a new Multiple Residential Unit Dwelling 4 ½ story structure with 55 units and 60 parking spaces on the lower level parking area [Improvements] pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

**WHEREAS**, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance \_\_\_\_\_ on \_\_\_\_\_, 2012.

**NOW, THEREFORE, IN CONSIDERATION** of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

**ARTICLE I: APPROVAL OF TAX EXEMPTION**

The City hereby agrees to a tax exemption for the construction of a new Multiple Dwelling [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance \_\_\_\_\_ which authorized the execution of this Tax Agreement, subject to the terms and conditions hereof.

## **ARTICLE II: IN LIEU OF TAX PAYMENTS**

The Applicant agrees to make payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar year of 2013, no payment in lieu of taxes;
2. For the full calendar year of 2014, thirty-nine (39%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$ 57,549;
3. For the full calendar year of 2015, fifty-nine (59%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$ 87,061;
4. For the full calendar year of 2016, seventy-nine (79%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$ 116,574; and
5. For the full calendar year of 2017, eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$ 118,049.

In the event of a City-wide revaluation results in an increase or decrease in the amount of taxes otherwise due, payment shall be the higher of either the taxes estimated above or the amount of actual taxed after the City-wide revaluation.

## **ARTICLE III: APPLICATION FEE**

The Applicant agrees to pay the sum of \$10,000 to the City on or before the date this Agreement is executed. Failure to make such a payment shall cause the tax exemption to terminate.

## **ARTICLE IV: FEDERAL, STATE AND LOCAL LAW**

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

## **ARTICLE V: TERM OF THE EXEMPTION**

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment

to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

#### **ARTICLE VI: REVALUE**

The applicant has agreed that in the event the revalue results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes.

#### **ARTICLE VII: COUNTY EQUALIZATION AND SCHOOL AID**

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

#### **ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY**

If during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the conditions for qualifying for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for each and every year, shall become due and payable from the Applicant as if no exemption had been granted. The Tax Collector shall, within 15 days thereof, notify the owner of the Property of the amount of taxes due.

However, with respect to the disposal of the property, if it is determined that the new owner will continue to use the property pursuant to the conditions which qualify the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

#### **ARTICLE IX; TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION**

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

In the event the owner elects to terminate this tax abatement after the revalue, the owner shall pay the City the difference of 100% of the full amount of the taxes otherwise due from 2013 to the date of termination.

### **ARTICLE X: PROJECT EMPLOYMENT AGREEMENT**

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment Agreement.

### **ARTICLE XI: NOTICES**

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party to be notified at the addresses set forth below or at such addresses as either party may from time to time designate in writing:

**Notice to City:**

Business Administrator  
City Hall, 280 Grove Street  
Jersey City, New Jersey 07302

**Notice to Applicant:**

**Saint Pauls, LLC**  
12 Small Brook Circle  
Randolph, New Jersey 07869

### **ARTICLE XII: GENERAL PROVISIONS**

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

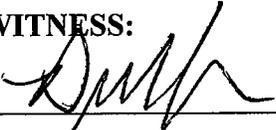
In the event that any provisions or terms of this Agreement shall be held invalid or unenforceable by an Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

**IN WITNESS WHEREOF**, the City and the Applicant have caused this Agreement to be executed on the date and year first above written.

**WITNESS:**

  
\_\_\_\_\_  
*Brian Philipson*

**Saint Pauls, LLC**

BY:   
\_\_\_\_\_

**Milton Fantin, Managing Member**

**ATTEST:**

\_\_\_\_\_  
**Robert Byrne**  
**City Clerk**

**CITY OF JERSEY CITY**

BY: \_\_\_\_\_

**John Kelly**  
**Business Administrator**

**AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6801 LOT 21, FORMERLY AS BLOCK 563, LOT 34, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 68-76 ST. PAULS AVENUE AND 90-94 OAKLAND AVENUE.**

**THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:**

**WHEREAS**, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

**WHEREAS**, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060 (Section 304-1 et seq. of the Municipal Code), and as amended by Ordinance 07-146, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor To regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

**WHEREAS**, **Saint Pauls, LLC** is the owner of a newly constructed mixed use building with commercial and multiple dwelling use, located in Block 6801 Lot 21, Formerly as Block 563, Lot 34 on the City's Tax Map and more commonly known by the street address of 68-76 St Pauls Avenue and 90-92 Oakland Avenue, Jersey City, N.J.; and

**WHEREAS**, the Tax Assessor has certified that Saint Pauls, LLC, substantially completed the improvements and/or received a Certificate of Occupancy on \_\_\_\_\_, 2012 ; and

**WHEREAS**, on May \_\_\_\_\_, 2012 the owner filed an application to tax exempt the newly Constructed Residential Multiple dwelling building, a copy of which application is attached hereto; and

**WHEREAS**, as determined by the assessor on October 1<sup>st</sup> of the year following completion, the owner proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, as follows:

- (a) 2013: the tax year in which the structure will be completed. \$0 taxes;
- (b) 2014: the second tax year, 39% of actual full taxes, estimated to be \$57,549.00;
- (c) 2015: the third tax year, 59% of actual full taxes, estimated to be \$87,061.00;
- (d) 2016: the fourth tax year, 79% of actual full taxes, estimated to be \$116,574.00; and
- (e) 2017: the fifth tax year, 80% of actual full taxes, estimated to be \$118,049.00;

**WHEREAS**, the applicant has agreed that in the event that revalue results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes; and

**WHEREAS**, the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of \$147,562 a year upon completion; and

**WHEREAS**, the application for tax exemption was complete and timely filed; the Application was approved by the Tax Assessor and the newly constructed multiple dwelling and commercial space are eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code: and

**WHEREAS**, upon the expiration of the tax exemption, the total assessment will be \$2,352,818 , that will generate a total tax payment of \$164,885.

**NOW, THEREFORE, BE IT ORDANIED** by the Municipal Council of the City of Jersey City that:

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of the newly constructed four-story mixed use building with commercial, and or multiple dwelling use, located in Block 6801 Lot 21, and formerly as Block 563, Lot 34, and more commonly known by the street address of 68-76 St. Pauls Avenue and 90-94 Oakland Avenue, Jersey City, N.J., is hereby approved.

2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

- (a) tax payment on the new improvements shall be:
  - (i) Year 1: the tax year in which the structure will be completed. \$0 taxes;
  - (ii) Year 2: the second year, 39% of actual full taxes, estimated to be \$57,549.00;
  - (iii) Year 3: the third tax year, 59% of actual full taxes, estimated to be \$87,061.00;
  - (iv) Year 4: the fourth tax year, 79% of actual full taxes, estimated to be \$116,574.00; and
  - (v) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be \$118,049.00.

(b) The project is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements pursuant to N.J.S.A. 40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, and receiving the full benefits of, any other tax preferences provided by law.

3. The form of tax exemption agreement is attached hereto as Exhibit L, subject to such modification as the Corporation counsel or Business Administrator deems necessary.

4. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).

A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

B. This ordinance shall be part of the Jersey City Code as though codified and fully Set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

C. This ordinance shall take effect at the time and in the manner provided by law.

D. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter members, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

**NOTE:** All material is new; therefore underlining has been omitted. For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

date

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Ed Toloza, Tax Assessor

**APPLICATION FOR FIVE-YEAR TAX EXEMPTION**

**of**

**CHOSEN ESTATES, LLC**

In compliance with Executive Order #2010-001 of the Mayor of the City of Jersey City and City Ordinance Nos. 05-060 and 07-146, the Applicant herewith submits the following information in support of its application for a Five-Year Tax Exemption under and pursuant to N.J.S.A. 40A:21-1, et. seq.

**Applicant:** Chosen Estates, LLC  
c/o Srinath Kotla  
61 Joanna Way  
Short Hills, New Jersey 07078

**Project:** A Residential Rental Housing Project  
300 Magnolia Avenue  
Block 10601, Lot 10 (formerly Block 1862, Lot 39)  
Jersey City, New Jersey

300 Magnolia Avenue is referred to herein as the "Project."

**Applicant's Architect:** Lindemon Winckelmann Deupree  
Martin Russell & Associates, P.C.  
140 Bay Street, Suite 4  
Jersey City, New Jersey 07302

**Applicant's Engineer:** Lindemon Winckelmann Deupree  
Martin Russell & Associates, P.C.  
140 Bay Street, Suite 4  
Jersey City, New Jersey 07302

**Applicant's Attorney:** Connell Foley LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, NJ 07311-4025  
(201) 521-1000  
Attn: Charles J. Harrington, III, Esq.

**Loan Advisor and/or Consultants:** None

**1. Identification of the Property:**

The land upon which the Project will be built on is Block 10601, Lot 10 commonly known as 300 Magnolia Avenue, Jersey City, New Jersey (the "Property"). The Property was improved with a dilapidated structure, which was demolished and has been redeveloped with a four story residential building with fifteen units. A metes and bounds description of the Property is attached hereto as Exhibit A. The Property is approximately .1434 acres (+ 6.250sq. ft.).

**2. General Statement of the Nature of the Project:**

The Project consists of a rental project located at 300 Magnolia Avenue, Jersey City, New Jersey. The Project is located within the Zone 4 (Neighborhood Mixed Use) Zoning District of the Journal Square 2060 Redevelopment Plan area. The Project is a four (4) story building with fifteen (15) residential units.

This Project is one of the first, if not the first, development initiated after the adoption of the Journal Square 2060 Redevelopment Plan ("Redevelopment Plan"). The development is consistent with the intent and goals of the Redevelopment Plan by creating higher density developments in close proximity to the Journal Square mass transit facilities. The developer turned a former dilapidated residential structure into a new development for the area. This is a project that can serve as a model and example for similar small to mid-size development within the Journal Square area that can be developed consistent with the Redevelopment Plan.

**3. Abatement Requested:**

The Applicant seeks a five-year tax exemption pursuant to N.J.S.A. 40A:21-1 et. seq. (the "Law"). The Applicant requests that the tax agreement be based on the following formula, in accordance with the Law:

**Project Taxes During Term of Exemption:**

Year One:	\$ 3,504	(land tax only)
Year Two:	\$ 13,188	(land tax plus 39% of real estate taxes on improvements)
Year Three:	\$ 18,154	(land tax plus 59% of real estate taxes on improvements)
Year Four:	\$ 23,120	(land tax plus 79% of real estate taxes on improvements)
Year Five:	\$ 23,369	(land tax plus 80% of real estate taxes on improvements)

Following the expiration of the term of the exemption, the Applicant will pay full real estate taxes.

A Fiscal Plan for the management of the Project and a calculation and breakdown of the aforementioned real estate taxes is set forth in Exhibit C, attached hereto.

Based upon the above formula, it is estimated that the Project will generate real estate taxes payable to the City of Jersey City in the amount of approximately \$81,335.00 during the term of the abatement.

**4. Term of the Exemption Requested:**

The Applicant requests that the term of the exemption be for five (5) years beginning on the first day of the first calendar year following substantial completion of the Project (the "Exemption Commencement Date") and ending on the date that is one day prior to the fifth anniversary of the Exemption Commencement Date.

**5. Improvements to be Constructed:**

The Property currently contains a new four story residential structure. A dilapidated building on the site was previously demolished.

The improvements consist of the following:

A four (4) story building containing fifteen (15) residential rental units. The units will be distributed as follows: 4 studios, which will average approximately 450 square feet and 11 one bedrooms, which will average approximately 600 square feet.

**6. Estimate of Construction Cost:**

The construction cost of the Project, as set forth in Exhibit B is estimated to be \$1,400,000. The construction cost has been calculated in accordance with the provisions of N.J.S.A. 40A:21-3(j). Construction costs have been estimated based upon preliminary information compiled by the Applicant.

**7. Financing Structure:**

The Project was financed through a combination of debt and equity. The construction loan was financed under a two year commitment. The construction loan will be repaid with a permanent mortgage at completion.

**8. Construction Schedule:**

The construction of the Project was completed in December 2011. A certificate of occupancy was obtained on December 23, 2011, and an application for the tax abatement was timely filed with the Tax Assessor on December 22, 2011 along with the application fee for the abatement in the amount of \$3,000.00. See Exhibit D.

**9. Zoning Information:**

The Project is located in the Zone 4 (Neighborhood Mixed Use), a district of the Journal Square 2060 Redevelopment Plan area, and apart from approved variances complies with

the zoning requirements therein and of the Master Plan of the City of Jersey City. The Project received preliminary and final major site plan approval with variance relief from the Planning Board of the City of Jersey City on June 16, 2009 and October 6, 2009, by Resolution P09-023 memorialized on November 4, 2009 and amended preliminary and final major site plan approval on April 5, 2011 by Resolution P09-023.1 memorialized on April 12, 2011. See Resolutions attached to Exhibit E.

**10. Land Assessed Value of Property:**

The land tax assessment on the Property for the year 2012 is as follows:

Lot 10 (formerly Lot 39)  
Land Assessment: \$50,000.00

**11. Current Land Taxes:**

The 2012 annual land taxes for the Property were:

Lot 10 (formerly 39)  
Land Taxes: \$3,504.00

**Total 2012 Annual Land Taxes for Property = \$3,504.00**

**12. Status of Municipal Taxes and other Charges:**

All municipal real estate taxes and charges levied against the Property have been paid in full.

**13. Ownership Disclosure Statement:**

The Property is owned by the Applicant. The Applicant is a limited liability company organized under the laws of the State of New Jersey. The membership of the interests of those persons and entities with an ownership interest in the Applicant and the Project of at least 10% is set forth in Exhibit F.

**14. Financial Agreement:**

A proposed Tax Agreement for the Applicant is attached hereto as Exhibit J.

**15. Projected Job Creation:**

The Project created approximately forty jobs throughout the construction period and approximately one permanent full time real estate, management and service positions following the construction period.

**16. Compliance with State and Local Laws Certification:**

A Certification by the Applicant that the Project meets the requirements of the laws of the State of New Jersey as well as the Journal Square 2060 Redevelopment Plan is attached hereto as Exhibit G.

**17. Diligent Inquiry Certification:**

A Certification by the Applicant that all information contained in the Application is true and correct to the best of its knowledge after having made diligent inquiry is attached hereto as Exhibit H.

**18. Certificate of Formation:**

A copy of the Applicant's Certificate of Formation is attached hereto as Exhibit I.

**19. Fee:**

The fee for the City's consideration of this Application in the amount of \$3,000 was previously submitted to the tax assessor on December 24, 2011 (See Exhibit D).

**20. List of Exhibits:**

- A. Description of the Property;
- B. Estimated Cost of Project Construction and Certification;
- C. Fiscal Plan and Estimated Tax Computation;
- D. Application for Tax Abatement filed with the Tax Assessor and application fee receipt.
- E. Resolution of Site Plan Approval;
- F. Disclosure Statement;
- G. Compliance with State & Local Laws Certification;
- H. Diligent Inquiry Certification;
- I. Certificate of Formation;
- J. Proposed Tax Agreement;
- K. Proposed Project Employment Agreement.

**EXHIBIT A**

**CHOSEN ESTATES, LLC**

**Description of the Property**

Address: 300 Magnolia Avenue  
Jersey City, New Jersey  
Block 10601, Lot 10 (formerly Block 1862, Lot 39)

See metes and bounds description (on the survey), survey and deed attached.

2  
**DEED**

000906581  
RECEIVED  
AND  
RECORDED  
DEE

06/16/2008 01:46P  
WILLIE L. FLOOD  
HUDSON COUNTY  
REGISTER OF DEEDS  
Receipt No. 448177

This Deed is made on June 2, 2008

BETWEEN 300 Magnolia, L.L.C., a New Jersey limited liability company, having an address at 704 Plainfield Avenue, Berkeley Heights, New Jersey referred to as Grantor

AND Chosen Estates, LLC, a New Jersey limited liability company, about to be located at 300 Magnolia Avenue, Jersey City, New Jersey, referred to as Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

1. **Transfer of Ownership.** The Grantor grants and conveys (transfers ownership of) the property (called the "Property") described below to the Grantee. This transfer is made for the sum of SEVEN HUNDRED FORTY-FIVE THOUSAND AND 00/100 DOLLARS (\$745,000.00).

2. **Tax Map Reference.** (N.J.S.A. 46:15-1.) Municipality of Jersey City  
Block No. 1862 Lot No. 32 & 33 Qualifier No. Account No.

then 1862, 39 ... now 10601, 10  
 No property tax identification number is available on the date of this Deed. (Check box if Applicable.)

3. **Property.** The Property consists of the land and all the buildings and structures on the land in the City of Jersey City, County of Hudson and State of New Jersey. The legal description is:

Please see attached Legal Description annexed hereto and made a part hereof. (Check box if Applicable.)

Being the same premises conveyed to 300 Magnolia, L.L.C. by deed from Dorothyjean Jamieson, unmarried, dated January 22, 1999, recorded February 24, 1999, in the Hudson County Clerk/ Register's Office in Deed Book 5402, Page 12.

Subject to easements and restrictions of record, if any, and such statement of facts as an accurate survey might disclose.

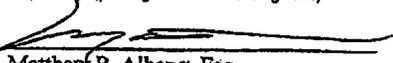
The street address of the property is: 298-300 Magnolia Avenue, Jersey City, New Jersey.

Confirmed with tax assessor,  
only 300 Magnolia Avenue

Consideration : \$745000.00 Exempt Code: S

County	State	N.P.N.R.F	Total
745.00	1862.50	892.50	6722.00
General	Public	Extra	1% Tax
1526.00	372.50	1313.50	0.00
Totals		Date: 06/16/2008	

4/11/2008

Prepared by: (print signer's name below signature)  
  
Matthew P. Albanese, Esq.

(For Recorder's Use Only)

103-Deed-Bargain and Sale  
Cov. To Grantor's Act-Ind. To Ind. Or Corp.  
Plain Language

BK:08538 PG:00163

EXHIBIT A

**FIRST AMERICAN TITLE INSURANCE COMPANY**

File Number: CTA-11057

**SCHEDULE C  
LEGAL DESCRIPTION**

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Jersey City, County of Hudson, State of New Jersey:

*BEGINNING at a point in the northerly sideline of Magnolia Avenue said point being distant easterly 204.89 feet from the corner formed by the intersection of the said northerly sideline of Magnolia Avenue with the easterly sideline of Tonnele Avenue; thence*

- 1. North 34 degrees 00 minutes 00 seconds East, 125.00 feet to a point; thence*
- 2. South 56 degrees 00 minutes 00 seconds East, 50.00 feet to a point; thence*
- 3. South 34 degrees 00 minutes 00 seconds West, 125.00 feet to a point in the aforesaid northerly sideline of Magnolia Avenue; thence*
- 4. Along said sideline of Magnolia Avenue North 56 degrees 00 minutes 00 seconds West, 50.00 feet to the point and place of BEGINNING.*

*Being also known and designated as Lot(s) 32 and 33 in Block(s) 65 as shown on a certain map entitled "Map of Property Belonging to the Estate of Richard Sip, deceased, Fronting on Tonnele, Pavonia & Magnolia Avenues, Jersey City, Hudson County, New Jersey" which map was filed in the Hudson County Clerk's Office on May 26, 1885 as Map No. 54.*

*The above description drawn in accordance with a survey prepared by Pronestl Surveying, Inc dated April 2, 2008.*

NOTE: Being Lot 32, Block 1862; 33, Block ; Tax Map of the City of Jersey City, County of Hudson, State of New Jersey.

NOTE: Lot and Block shown for informational purposes only.

**BK=08538 PG=00164**

New Jersey Lead Title  
Insurance Rating Bureau  
Plain Language Commitment - Schedule C  
**LAST REVISED May 30, 2008**

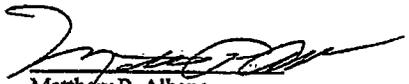
NJRB 3-08  
Effective 2/15/2007

4. **Promises by Grantor.** The Grantor promises that the Grantor has done no act to encumber the Property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the Property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

5. **Signatures.** The Grantor signs this Deed as of the date at the top of the first page. (Print name below each signature.)

Witnessed by:

300 Magnolia, L.L.C.



Matthew P. Albano  
Attorney at Law of New Jersey

By:  (Seal)  
Andrea Damato, Sole Member

STATE OF NEW JERSEY, COUNTY OF ESSEX

I CERTIFY that on June 2, 2008, Andrea Damato, personally came before me and sated to my satisfaction he:

- (a) is the maker of the attached instrument;
- (b) is authorized to and did execute this instrument as Sole Member of 300 Magnolia, L.L.C., a New Jersey Limited Liability Company, the entity named in this instrument; and
- (c) executed this instrument as the act of the entity named in this instrument.



Matthew P. Albano  
Attorney at Law of New Jersey

RECORD AND RETURN TO:

Anthony P. Bufano, Esq.  
411 River Road  
Fair Haven, New Jersey 07704

BK=08533 PG=00165



GIT/REP-3  
(12-07)

State of New Jersey  
**SELLER'S RESIDENCY CERTIFICATION/EXEMPTION**  
(C.55, P.L. 2004)

(Please Print or Type)

**SELLER(S) INFORMATION** (See Instructions, Page 2)

Name(s)  
300 Magnolia, L.L.C.  
Current Resident Address:  
Street: 704 Plainfield Avenue  
City, Town, Post Office Berkeley Heights State NJ Zip Code

**PROPERTY INFORMATION** (Brief Property Description)

Block(s) 1862 Lot(s) 32 & 33 Qualifier  
Street Address: 298-300 Magnolia Avenue  
City, Town, Post Office Jersey City State NJ Zip Code 07302  
Seller's Percentage of Ownership 100% Consideration \$745,000.00 Closing Date 6/21/08

**SELLER ASSURANCES** (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents)

- 1.  I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
- 2.  The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
- 3.  I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
- 4.  Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
- 5.  Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
- 6.  The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
- 7.  The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale (see Instructions).  
 No non-like kind property received.
- 8.  Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

**SELLER(S) DECLARATION**

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

Date 6/21/08 Signature Andrew Amadio  
(Seller) Please Indicate If Power of Attorney or Attorney in Fact  
Date Signature BK-08538 PG-00166  
(Seller) Please Indicate If Power of Attorney or Attorney in Fact

**EXHIBIT B**

**CHOSEN ESTATES, LLC**

**Estimated Cost of Project Construction**

The Estimated Cost per N.J.S.A. 40A:21-3(j) is as follows:

“Cost” per Definition:\*

Direct Labor & Materials (includes Contractor’s Fees)	\$ 700,000
Architectural & Engineering	\$ 60,000
Estimated Cost:	<u>\$ 760,000</u>

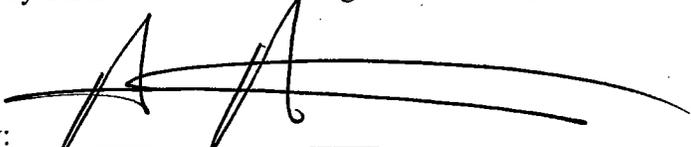
\*Pursuant to N.J.S.A. 40A:21-3(j), estimated “cost” does not include land costs, soft costs (other than architectural and engineering costs), and financing costs. This estimated “cost” differs from the total project cost calculation required under the Long Term Tax Exemption Law, pursuant to N.J.S.A 40A:20-3(h).

**EXHIBIT B-1**

**CHOSEN ESTATES, LLC**

**Certification of Estimated Construction Costs**

On this ~~30~~ day of ~~APRIL~~ 2012, the undersigned being the architect for the Project to be developed by Chosen Estates, LLC, does hereby certify to the best of my knowledge and belief that Exhibit B accurately reflects the estimated construction costs of the Project proposed on Block 10601, Lot 10 (formerly Block 1862, Lot 39), more commonly referred to as 300 Magnolia Avenue, Jersey City, New Jersey.

By: 

Name: Ronald Russell, AIA *RA*

Title: Architect

**EXHIBIT C**

**CHOSEN ESTATES, LLC  
FISCAL PLAN  
ESTIMATED TAX COMPUTATION FOR YEAR 2012**

Equalization Ratio: 31.35%  
Tax rate (per thousand): \$70.08

Current Assessment:  
Land: \$ 50,000  
Improvement: \$ -  
Total: \$ 50,000

<u>Potential Income:</u>		Total:	Per unit per month:
	<u>#</u>		
Studio	4	\$ 38,400	\$ 800
1 Bedroom	11	\$ 151,800	\$ 1,150

Total Gross Income: \$ 190,200

Less: Vacancy and Collection Loss 5% 9,510.00

Effective Gross Income: 180,690.00

Operating Expenses:

Common Area Utilities	\$ 5,400
Maint. Labor	\$ 3,600
Supplies and Repairs	\$ 4,000
Common Area Cleaning	\$ 1,800
Maint. Contracts (elevators)	\$ 1,800
Telephone Lines Maint.	\$ 720
Admin. Labor	\$ 1,800
Management Office Exp.	\$ 2,500
Admin. Legal/Audit	\$ 4,000
Admin. Mgmt, Fee	\$ 2,000
Marketing	\$ 1,800
Insurance	\$ 8,800
Reserves	\$ 3,600
Water/sewer (JCMUA)	\$ 9,900

Total Operating Expenses: \$ 51,720

Projected Net Operating Income: 128,970.00

Cap Rate: 10% 0.1

Projected Market Value: \$1,289,700

Assessment: \$ 404,321

Ratio: 0.3135

Estimated Annual Real Estate Taxes: \$ 28,335

Tax rate: 0.07008

Less: Taxes Attributable to the Land \$ 3,504

Taxes attributable to Improvements: \$ 24,831

**EXHIBIT C**

**CURRENT ESTIMATED TAX PAYMENTS FOR FIVE YEAR TERM OF EXEMPTION  
Based on 2012 Tax Rate and Equalization Ratio**

Year	1	2	3	4	5	Total
Projected Tax Rate	\$ 70.08	\$ 70.08	\$ 70.08	\$ 70.08	\$ 70.08	
Total Tax	\$ 28,335	\$ 28,335	\$ 28,335	\$ 28,335	\$ 28,335	\$ 141,674
Land Tax	\$ 3,504	\$ 3,504	\$ 3,504	\$ 3,504	\$ 3,504	\$ 17,520
Tax on Improvements	\$ 24,831	\$ 24,831	\$ 24,831	\$ 24,831	\$ 24,831	\$ 124,154
Statutory Phase In	0%	39%	59%	79%	80%	
Improvement Tax	\$ -	\$ 9,684	\$ 14,650	\$ 19,616	\$ 19,865	\$ 63,815
Exempted Tax	\$ 24,831	\$ 15,147	\$ 10,181	\$ 5,214	\$ 4,966	\$ 60,339
Total Taxes Payable	\$ 3,504	\$ 13,188	\$ 18,154	\$ 23,120	\$ 23,369	\$ 81,335

In lieu tax schedule pursuant to a five year phase in percentages on the new improvement on the above application:

1. In the first full year after completion, land tax only, no payment in lieu of taxes.
2. In the second full year, an amount not less than thirty-nine percent (39%) of the actual taxes otherwise due, currently estimated at: \$ 9,684
3. In the second full year, an amount not less than fifty-nine percent (59%) of the actual taxes otherwise due, currently estimated at: \$ 14,650
4. In the second full year, an amount not less than seventy-nine percent (79%) of the actual taxes otherwise due, currently estimated at: \$ 19,616
5. In the second full year, an amount not less than eighty percent (80%) of the actual taxes otherwise due, currently estimated at: \$ 19,865

At the expiration of the abatement, the Project's new improvements would generate an estimated annual tax of: \$ 28,335

STATE OF NEW JERSEY

APPLICATION FOR EXEMPTION AND/OR ABATEMENT FOR THE IMPROVEMENT, REVISION OR CONSTRUCTION OF PROPERTY PURSUANT TO P.L. 1991, C.441 (N.J.S.A. 40A:21-1 et seq.) AND AUTHORIZED BY MUNICIPAL ORDINANCE.

(Italicized words are defined in law excerpts on reverse side)

City JERSEY CITY County HUDSON

Application must be filed with the assessor within 30 days following completion of the improvement, conversion or alteration, or construction.

I/we, Chosen Estate LLC (Name of Applicant) residing/having offices at

300 Magnolia Ave, Jersey (Address) 917-287-0909 (Phone #)

Municipality of Jersey City in the County of HUDSON

I/we claim for a tax exemption and/or abatement of taxes, pursuant to P.L. 1991, Chapter 441, and the authorizing

ordinance, for premises located at 300 Magnolia Ave, Jersey City

further described as Block \_\_\_\_\_ Lot \_\_\_\_\_ on the Tax Map of the municipality.

COMPLETE THE APPLICABLE SECTION "A" OR "B"

The following statements are made in support of this claim:

A. The subject property is a one or two family dwelling upon which claimant has completed:

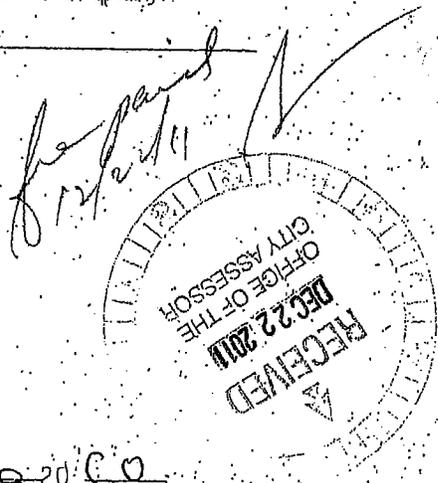
- New construction;
- Conversion or conversion alteration of a building or structure into a dwelling;
- Improvement of an existing dwelling.

B. The subject property is a multiple dwelling, commercial or industrial structure:

- Improvement to a multiple dwelling;
- Conversion or conversion alteration of building or structure to a multiple dwelling;
- Improvement to a commercial or industrial building or structure;
- Construction of multiple dwelling under tax agreement;
- Construction of commercial or industrial structure under tax agreement.

ALL APPLICANTS MUST COMPLETE THIS SECTION

- A. Date of completion of new construction, conversion, or improvement Pending 2010
- B. Total cost of project \$ 1,400,000 (includes land)
- C. Brief description of the nature and type of construction, conversion, or improvement 15 Units



Prior exemptions and/or abatement granted under P.L. 1991, c.441 amount to \$ \_\_\_\_\_

(State "none" if no prior exemptions have been granted on subject premises.)

Attached hereto is proof of all matters required (Assessor may require copy of ordinance, evidence of governing approval of categories of improvements or specific project improvements, and such additional proof as may be required to establish eligibility.)

Attached hereto is a copy of the tax agreement, if applicable, executed between the municipality and claimant.

There are no delinquent or unpaid property taxes or penalties for non-payment of taxes due on the property.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Signature \_\_\_\_\_

Title (if any) PRESIDENT, OWNER

Approved

Disapproved

(Assessor)

This form is prescribed by the Director, Division of Taxation, in the Department of the Treasury, as required by law and may be used for distribution, but no alteration may be made thereto without prior approval.

CITY OF JERSEY CITY  
280 GROVE ST.  
ROOM# 101  
JERSEY CITY, NJ 07302

Tax Payers Receipt

CASHIERS TR 12/22/2011 DP 12/22/2011  
GR# 3108293 ACT# 645855 CK# 2196  
Owner: CHOSEN ESTATES, LLC  
Blk/Lot 01862 00039

2011 4 ASSESSOR FEE PAYMENT 3,000.00

Total Due:	3,000.00
Checks:	3,000.00
Total Paid:	3,000.00
Change Due:	.00

**EXHIBIT E**

**CHOSEN ESTATES, LLC**

**COPY OF RESOLUTION OF APPROVAL OF SITE PLANS  
BY JERSEY CITY PLANNING BOARD**

**SEE ATTACHED**

**RESOLUTION OF THE PLANNING BOARD  
OF THE CITY OF JERSEY CITY**

**APPLICANT: CHOSEN ESTATES, LLC**

**FOR: PRELIMINARY AND FINAL MAJOR SITE PLAN APPROVAL  
WITH VARIANCES  
298-300 MAGNOLIA AVENUE  
JERSEY CITY, NEW JERSEY  
BLOCK 1862, LOTS 32 & 33**

**CASE NO.: P09-023**

**WHEREAS**, the Applicant, **CHOSEN ESTATES, LLC, (the "Applicant")**, per **Connell Foley, LLC**, (Charles J. Harrington, III, Esq., appearing) made application to the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for Preliminary and Final Major Site Plan Approval with variances pursuant to N.J.S.A. 40:55D-70(c) (lot size; lot width; side yard setback; rear yard setbacks; parking stall and drive aisle width), to wit: Calendar No. P09-023, to develop the lot with a five (5) story building with fifteen (15) residential units and five (5) on site parking spaces with regard to the property located at 298-300 Magnolia Avenue, Jersey City, New Jersey, and also known on the Jersey City Tax Maps as 1862, Lots 32 & 33; and

**WHEREAS**, during the course of testimony before the Planning Board, the Applicant revised its application for the development of a four (4) story building with twelve (12) residential units and four (4) on-site parking spaces; and

**WHEREAS**, due notice of a hearing before the Planning Board of the City of Jersey City, on June 16, 2009, was duly published as prescribed in the Zoning Ordinance of the City of Jersey City; and

**WHEREAS**, testimony was provided on June 16, 2009, and this matter was continued from the June 16, 2009 to subsequent hearing dates; and

**WHEREAS**, testimony continued and concluded at the October 6, 2009 hearing; and

**WHEREAS**, the Applicant has submitted proof that it has complied with the applicable procedural requirements including the payment of fees and public notices; and

**WHEREAS**, all testimony having been formally heard for this application; and

**WHEREAS**, after consideration of the application, the testimony presented at the meeting, the Planning Board has made the following findings of fact:

### **FINDINGS OF FACT**

1. The Applicant, Chosen Estates, LLC, initially filed an application for the property located at 298-300 Magnolia Avenue, Jersey City, New Jersey, and known on the Jersey City Tax Maps as Block 1862, Lots 32 and 33 for Preliminary and Final Major Site Plan Approval and for variances pursuant N.J.S.A. 40:55D-70(c) (lot size; lot width; side yard setback; rear yard setbacks; parking stall and drive aisle widths), to develop the lot with a five (5) story building containing fifteen (15) residential units and five (5) on site parking spaces.
2. The Applicant revised its application during the course of testimony for the development of a four (4) story building with twelve (12) residential units and four (4) on-site parking spaces. The revisions to the development plan resulted in a front yard variance being required and requested by the Applicant.
3. The property is located within the O/R, Office/Residential District, and the proposed use is a permitted use within the zone.
4. As set forth in the Jersey City Development Ordinance, the purpose of this district is to accommodate residential and office uses in close proximity to Journal Square. The zone encourages development of attractive high-rise office, residential and mixed use structures. The Jersey City Master Plan states with regard to this district

that the purpose of the office/residential district is to accommodate government office and professional office uses in close proximity to Journal Square as well as low rise and mid-rise residential uses and neighborhood retail.

5. The subject property is located in close proximity to Journal Square, and therefore, close to mass transit as envisioned in the zoning ordinance and Master Plan. The subject property is an undersized lot under the OR zoning requirements, which requires a minimum lot size of 10,000 square feet. Consequently, the development of the lot will require variances for lot size and lot width. Nevertheless, the development will provide for a permitted use consistent with the ordinance and Master Plan, and the proposed development and its scale is compatible with the existing neighborhood development, and compatible in size to other lots in the neighborhood.

6. The applicant is not seeking to maximize the permitted density (21 units) or to maximize the permitted height (110') at the site. The compatible development scale and lot size are benefits that are consistent with the intent of the zoning, and the development will not result in any substantial detriments to the neighborhood or the zone plan. Accordingly, the requested variances will promote the purposes of the Master Plan and zone plan.

7. The additional requested variances with regard to the development (rear, front and side yard setbacks; and parking stall and drive aisle width) are largely related to the fact that the lot is an undersized lot and the bulk standards in the OR Zone are premised on a lot being 10,000 square feet (100' x 100'). Simply, the OR bulk standards are not appropriate for the proposed development. The proposed development is consistent with existing development along this side of the street on Magnolia Avenue, and compatible with the purposes of the Jersey City Master Plan, and similar to the reasoning additionally set forth in the preceding paragraph and on the record, the benefits outweigh any substantial detriments.

8. The proposed development of the property is an appropriate development of the property that will benefit the immediate neighborhood and will promote the general

welfare. The development will also promote a desirable visual environment by removing dilapidated structures and developing a residential use appropriate for the neighborhood and appropriate for the size of the parcels, and the proposed use will not affect any permitted uses in the neighborhood.

9. The proposed variances will not cause a substantial detriment to the public good, or an impairment to the intent and purpose of the Jersey City Zone Plan and Zoning Ordinance and will further the intent and purposes of the Jersey City Zone Plan and Master Plan.

**NOW, THEREFORE, BE IT RESOLVED** that the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for the foregoing reasons, approves the within application for Preliminary and Final Major Site Plan Approval and for variances pursuant to N.J.S.A. 40:55D-70(c) (lot size; lot width; side yard setback; rear yard setback; parking stall and drive aisle widths), to wit: Calendar No. P09-023, to develop the lot, as amended during the testimony before the Planning Board, with a four (4) story building with twelve (12) residential units and four (4) on site parking spaces with regard to the property located at 298-300 Magnolia Avenue, Jersey City, New Jersey, and also known on the Jersey City Tax Maps as 1862, Lots 32 & 33 in accordance with the plans and testimony submitted to the Planning Board of the City of Jersey City, subject to the following conditions:

1. The plans will be amended to have a flat grate (flush mount surface) at the garage opening in the rear of the building instead of fencing around this area.
2. The Applicant shall comply and/or address the comments of the Jersey City Review Agents.
3. The building shall have an elevator as proposed, presented and approved by the Planning Board.

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**APPLICANT:** CHOSEN ESTATES, LLC

**FOR:** PRELIMINARY AND FINAL MAJOR SITE PLAN APPROVAL  
WITH VARIANCES  
298-300 MAGNOLIA AVENUE  
JERSEY CITY, NEW JERSEY  
BLOCK 1862, LOTS 32 & 33

**CASE NO.:** P09-023

**VOTE:** 7 - 0

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COMMISSIONER:	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
Michael Ryan, Chairman	X		
Leon Yost, Commissioner	X		
David Ruiz, Commissioner	X		
Karen McIntyre, Commissioner	X		
Larry Eccleston, Commissioner	X		
Michael Jenner, Commissioner	X		
Roseanna Petruzelli, Commissioner	X		

  
\_\_\_\_\_  
**MICHAEL RYAN, CHAIRMAN**  
JERSEY CITY PLANNING BOARD

  
\_\_\_\_\_  
**ROBERT COTTER, SECRETARY**  
JERSEY CITY PLANNING BOARD

APPROVED AS TO LEGAL FORM:

  
\_\_\_\_\_  
JOHN F. HAMILL, ESQ.

DATE OF HEARINGS:  
DATE OF MEMORIALIZATION:

June 16, 2009 and October 6, 2009  
November 4, 2009

**RESOLUTION OF THE PLANNING BOARD  
OF THE CITY OF JERSEY CITY**

**APPLICANT: CHOSEN ESTATES, LLC**

**FOR: AMENDED PRELIMINARY AND FINAL MAJOR SITE  
PLAN APPROVAL  
298-300 MAGNOLIA AVENUE  
JERSEY CITY, NEW JERSEY  
BLOCK 1862, LOTS 32 & 33**

**CASE NO.: P09-023.1**

**WHEREAS**, the Applicant, **CHOSEN ESTATES, LLC, (the "Applicant")**, per **Connell Foley, LLC**, (Charles J. Harrington, III, Esq., appearing) made application to the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for Amended Preliminary and Final Major Site Plan Approval, to wit: Calendar No. P09-023.1, in connection with the development of the property located at 298-300 Magnolia Avenue, Jersey City, New Jersey, and also known on the Jersey City Tax Maps as 1862, Lots 32 & 33; and

**WHEREAS**, the initial Preliminary and Final Major Site Plan approval was for the development of a four (4) story building with twelve (12) residential units and four (4) on-site parking spaces; and

**WHEREAS**, subsequent to the date of the initial approval of the development, the Journal Square 2060 Redevelopment Plan ("JS Redevelopment Plan") was adopted, which is now the regulating zoning for the subject property; and

**WHEREAS**, the Applicant is proposing amendments to its development approval to bring the development more in conformity with the JC Redevelopment Plan; and

**WHEREAS**, due notice of a hearing before the Planning Board of the City of Jersey City, on April 5, 2011, was duly published as prescribed in the Zoning Ordinance of the City of Jersey City; and

**WHEREAS**, the Applicant has submitted proof that it has complied with the applicable procedural requirements including the payment of fees and public notices; and

**WHEREAS**, all testimony having been formally heard for this application; and

**WHEREAS**, after consideration of the application, the testimony presented at the meeting, the Planning Board has made the following findings of fact:

#### **FINDINGS OF FACT**

1. On November 4, 2009, the Applicant, Chosen Estates, LLC, received approval by resolution for its application for the property located at 298-300 Magnolia Avenue, Jersey City, New Jersey, and known on the Jersey City Tax Maps as Block 1862, Lots 32 and 33 for Preliminary and Final Major Site Plan Approval and for variances pursuant N.J.S.A. 40:55D-70(c) (lot size; lot width; side yard setback; rear yard setbacks; parking stall and drive aisle widths), to develop the lot with a four (4) story building containing twelve (12) residential units and four (4) on site parking spaces.
2. The property was formerly located within the O/R, Office/Residential District.
3. Subsequent to the date of the initial approval of the development, the Journal Square 2060 Redevelopment Plan ("JS Redevelopment Plan") was adopted, which is now the regulating zoning for the subject property.
4. The Applicant is proposing amendments to its initial approval to bring the approval/development more in conformance with the recently adopted JS Redevelopment Plan.
5. The proposed amendments include increasing the number of residential units to

fifteen (15), and to eliminate the on-site parking. The former garage space will be converted to three new residential units.

6. Additional amendments include revising the façade where the garage was previously located, providing for landscaping where the driveway was previously located, and the addition of a bicycle parking room.

7. The proposed amendments conform to the JS Redevelopment Plan and bring the development more in conformance with the JS Redevelopment Plan, and its intent and objectives.

**NOW, THEREFORE, BE IT RESOLVED** that the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for the foregoing reasons, approves the within application for Amended Preliminary and Final Major Site Plan Approval, to wit: Calendar No. P09-023.1, to develop the lot with a four (4) story building with fifteen (15) residential units, and to eliminate the on site parking spaces with regard to the property located at 298-300 Magnolia Avenue, Jersey City, New Jersey, and also known on the Jersey City Tax Maps as 1862, Lots 32 & 33 in accordance with the plans and testimony submitted to the Planning Board of the City of Jersey City.

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**APPLICANT:** CHOSEN ESTATES, LLC

**FOR:** AMENDED PRELIMINARY AND FINAL MAJOR  
SITE PLAN APPROVAL  
298-300 MAGNOLIA AVENUE  
JERSEY CITY, NEW JERSEY  
BLOCK 1862, LOTS 32 & 33

**CASE NO.:** P09-023.1

**VOTE:** 6 - 0

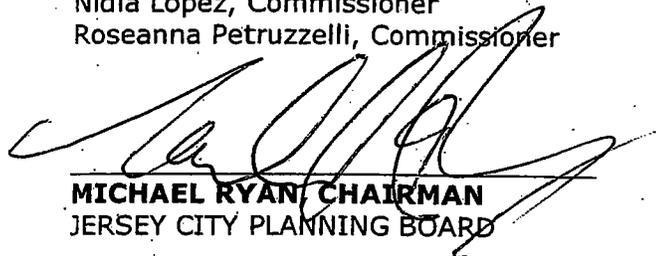
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**COMMISSIONER:**

Michael Ryan, Chairman  
Leon Yost, Commissioner  
Karen McIntyre, Commissioner  
Larry Eccleston, Commissioner  
Nidia Lopez, Commissioner  
Roseanna Petruzzelli, Commissioner

YES    NO    ABSTAIN

X  
X  
X  
X  
X  
X

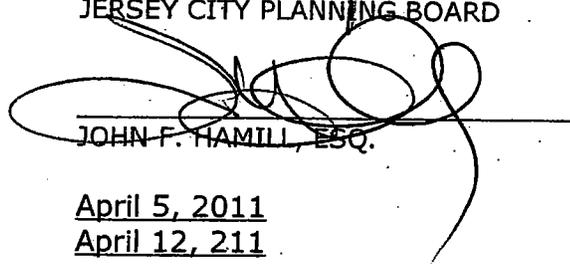


**MICHAEL RYAN, CHAIRMAN**  
JERSEY CITY PLANNING BOARD



**ROBERT COTTER, SECRETARY**  
JERSEY CITY PLANNING BOARD

APPROVED AS TO LEGAL FORM:



**JOHN F. HAMILL, ESQ.**

DATE OF HEARINGS:

April 5, 2011

DATE OF MEMORIALIZATION:

April 12, 211

**EXHIBIT F**

**CHOSEN ESTATES, LLC**

**DISCLOSURE STATEMENT**

NAME OF ENTITY: Chosen Estates, LLC  
c/o Srinath Kotla.  
61 Joyna Way  
Short Hills, New Jersey 07078

NAME OF PROJECT: 300 Magnolia Avenue  
Rental/Residential  
Block 1060, Lot 10 (formerly Block 1862, Lot 39)  
Jersey City, New Jersey

PRINCIPAL PLACE OF BUSINESS: 61 Joyna Way  
Short Hills, New Jersey 07078

NAME OF REGISTERED AGENT:  
ADDRESS:

I CERTIFY THAT THE FOLLOWING LIST REPRESENTS THE NAMES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE ABOVE NAMED IS ITSELF AN ENTITY, THE APPLICANT WILL PROVIDE THE NAMES OF ANY ENTITY OWING A 10% OR GREATER INTEREST THEREIN)

SEE ADDENDUM TO DISCLOSURE STATEMENT ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

I FURTHER CERTIFY THAT NO OFFICER OR EMPLOYEE OF THE CITY OF JERSEY CITY HAS ANY INTEREST, DIRECT OR INDIRECT, IN THIS ENTITY.

I CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT.

WITNESSED:

CHOSEN ESTATES, LLC

By:   
Name: CHARLES J. HARRINGTON, ID

By:   
Srinath Kotla, Authorized Representative

**ADDENDUM TO EXHIBIT F**

**CHOSEN ESTATES, LLC**

**NAME**

**ADDRESS**

**PERCENT OWNED**

Srinath Kotla	61 Joanna Way Short Hills, New Jersey	100%
---------------	--	------

**EXHIBIT G**

**CHOSEN ESTATES, LLC**

**COMPLIANCE WITH STATE AND LOCAL LAWS CERTIFICATION**

**Certification**

The Applicant being the developer of Project hereby certifies that:

The Project meets the requirements of the laws of the State of New Jersey for consideration for a tax abatement because it is located within a redevelopment plan area.

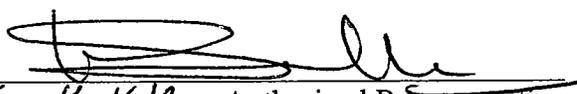
The Project complies with the Journal Square 2060 Redevelopment Plan, apart from the approved variances, and the Master Plan for Jersey City. The Project received preliminary and final site plan approval with variance relief from the Planning Board of the City of Jersey City on June 16, 2009 and October 6, 2009, by Resolution memorialized on November 4, 2009 (See Exhibit D).

The foregoing statements made by me on this 30<sup>th</sup> day of April, 2012 are true to the best of my knowledge and after it has made diligent inquiry to confirm the accuracy of all information.

WITNESSED:

CHOSEN ESTATES, LLC

By:   
Name: CHARLES J. HARRINGTON

By:   
Smith Kotla, Authorized Representative

**EXHIBIT H**

**CHOSEN ESTATES, LLC**

**DILIGENT INQUIRY CERTIFICATION**

The Applicant being the developer of the Project hereby certifies to the City of Jersey City that all information contained in this Application is true and correct to the best of Applicant's knowledge, as of this 30<sup>th</sup> day of April, 2012, after it has made diligent inquiry to confirm the accuracy of all information.

WITNESSED:

CHOSEN ESTATES, LLC

By: 

By: 

Name: CHARLES J HARRINGTON Srinath Kolla, Authorized Representative

**EXHIBIT I**  
**CERTIFICATE OF FORMATION**  
**FOR**  
**CHOSEN ESTATES, LLC**  
**(SEE ATTACHED)**

**CERTIFICATE OF FORMATION**

**OF**

LLC  
**FILED**

**CHOSEN ESTATES L.L.C.**

**DEC 2 2003**

Pursuant to N.J.S.A. 42:17, The New Jersey Limited Liability Company Act, **State Treasurer**

**THE UNDERSIGNED**, being a natural person of at least eighteen (18) years of age, in order to form a Limited Liability Company under and pursuant to the requirements set forth in N.J.S.A. 42:17, The New Jersey Limited Liability Company Act, does hereby set forth as follows:

- FIRST:** The name of the Limited Liability Company is:  
Chosen Estates L.L.C.
- SECOND:** The date of formation of the Limited Liability Company shall be upon the filing of this certificate
- THIRD:** The post office address within the State of New Jersey of the initial registered office of the Limited Liability Company and the name of the registered agent at said address is: 8 Yale Ct., Livingston, NJ 07039, Srinath Kotla

**IN WITNESS WHEREOF**, the undersigned does hereby attest that he is authorized to subscribe this Certificate of Formation on behalf of the Limited Liability Company, this 2<sup>nd</sup> day of December, 2003

  
\_\_\_\_\_  
Jim Castro  
Authorized Person

51331940  
J2552975  
0600186382

**STATEMENT OF AUTHORIZED FILER**  
**IN LIEU OF MEMBERSHIP MEETING**  
**OF**  
**CHOSEN ESTATES L.L.C.**

**THE UNDERSIGNED**, being the authorized filing **CHOSEN ESTATES L.L.C.** a Limited Liability Company of the State of New Jersey, does hereby adopt the following resolutions and takes the following action by written consent in lieu of a meeting pursuant to the provisions of Title 42 of the Limited Liability Company Act of the State of New Jersey:

**RESOLVED**, that a copy of the Certificate of Formation **CHOSEN ESTATES L.L.C.** as filed in the Office of the Secretary of State of the State of New Jersey on December 2, 2003 and the same hereby, is ordered filed with the Operating Agreement of this Limited Liability Company; and

**RESOLVED**, that from this day henceforth, the undersigned, effective this date, has fulfilled the duties as the authorized filing person for **CHOSEN ESTATES L.L.C.** and herewith relinquishes all further duties relating to the formation of this Limited Liability Company to its members: Srinath Kotla

**EXECUTED**, by the authorized filing person on December 2, 2003

  
\_\_\_\_\_  
Jim Castro  
Authorized Filing Person

**EXHIBIT J**

**CHOSEN ESTATES, LLC**

**PROPOSED TAX AGREEMENT**

**(SEE ATTACHED)**

9-13-11

*Chosen Estates, LLC*

**TAX AGREEMENT**  
**FIVE YEAR/NEW CONSTRUCTION**

THIS AGREEMENT made on this <sup>2012</sup> ~~21st~~ day of ~~NOVEMBER 2011~~, by and between the CITY OF JERSEY CITY [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey, and, ~~THE WARREN @ YORK URBAN RENEWAL, LLC~~, [Applicant], whose principal place of business is ~~16 Microlab Road, Suite A, Livingston, New Jersey 07039-07078~~ *61 Joanna Way, Short Hills*

**WITNESSETH:**

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060 (Section 304-1 et seq. of the Municipal Code), and as amended by Ordinance 07-146, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for a newly constructed building [commercial, industrial, or multiple dwelling], is permitted for a period of five (5) years; and

*Chosen Estates, LLC*  
WHEREAS, The Warren @ York Urban Renewal, LLC, which Entity seeks a five (5) year tax exemption for a new Project in lieu of the long term tax exemptions previously approved by Ordinances 07-149 and 08-011; and

WHEREAS, the New Project shall consist of the construction of <sup>15</sup> ~~an eleven~~ story building, containing <sup>10601</sup> ~~159~~ residential rental units, approximately <sup>10</sup> ~~6,080~~ square feet of retail rental space, and ~~104~~ parking spaces located in Block 102, Lots ~~76 and X~~, on the City's Tax Map and more commonly known by the street addresses of ~~254-258 Warren Street and 120-124 York Street, and 106-118 York Street~~, Jersey City, N.J.; and *300 Magnolia Avenue*

WHEREAS, the Tax Assessor will certify that *Chosen Estates, LLC* The Warren @ York Urban Renewal, LLC, has substantially completed the improvements <sup>and received</sup> ~~upon receipt of~~ a Certificate of Occupancy; and

WHEREAS, as determined by the assessor on October 1<sup>st</sup> of the year following completion, the owner proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, estimated as follows:

- (a) <sup>2012</sup> ~~2013~~: the tax year in which the structure is estimated to be completed. \$0

taxes;

- (b) <sup>2013</sup> 2014: the second tax year, 39% of actual full taxes, estimated to be \$262,205; <sup>9,684</sup>
- (c) <sup>2014</sup> 2015: the third tax year, 59% of actual full taxes, estimated to be \$396,669; <sup>14,650</sup>
- (d) <sup>2015</sup> 2016: the fourth tax year, 79% of actual full taxes, estimated to be \$534,134; <sup>19,616</sup>  
and
- (e) <sup>2016</sup> 2017: the fifth tax year, 80% of actual full taxes, estimated to be \$537,857; <sup>19,865</sup>

WHEREAS, the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of \$672,321 a year upon completion; and <sup>24,831</sup>

WHEREAS, the applicant has agreed that in the event the City-wide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes after the revaluation, otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the New Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

#### ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new Multiple Dwelling [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance 11-087, which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

#### ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar year of <sup>2012</sup> ~~2013~~, \$0 taxes;

2. For the full calendar year of <sup>2013</sup> ~~2014~~, <sup>39% OK</sup> ~~thirty-nine (39%)~~ percent of the actual taxes otherwise due, currently estimated to be the sum of ~~\$262,205~~, <sup>9,684</sup>;
3. For the full calendar year of <sup>2014</sup> ~~2015~~, <sup>59% OK</sup> ~~fifty-nine (59%)~~ percent of the actual taxes otherwise due, currently estimated to be the sum of ~~\$396,668~~, <sup>14,650</sup>;
4. For the full calendar year of <sup>2015</sup> ~~2016~~, <sup>79% OK</sup> ~~seventy-nine (79%)~~ percent of the actual taxes otherwise due, currently estimated to be the sum of ~~\$531,134~~, <sup>19,616</sup>;
5. For the full calendar year of <sup>2016</sup> ~~2017~~ eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of ~~\$537~~, <sup>19,865</sup>.

### ARTICLE III: CITY WIDE REVALUATION

In the event that the revaluation reduces the amount otherwise due, the owner shall pay the above estimated amount; if the revalue increases the amount otherwise, the owner shall pay based upon the revaluation.

### ARTICLE IV: APPLICATION FEE

The Applicant has paid the sum of <sup>3,000</sup> ~~\$10,000~~ to the City before the execution of this Agreement. Failure to make such payment shall cause the tax exemption to terminate.

### ARTICLES V: FEDERAL, STATE AND LOCAL LAW

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

### ARTICLE VI: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

### ARTICLE VII: COUNTY EQUALIZATION AND SCHOOL AID

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall be applied to the

valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

### **ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY**

In the event that during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the Conditions for Qualifying, as set forth under N.J.S.A. 40A:21-1, et seq., for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for that year, but not previous years, shall become due and payable from the Applicant as if no exemption had been granted. However, with respect to the disposal of the property, in the event it is determined that the new owner will continue to use the property pursuant to the Conditions for Qualifying the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

An amendment to the Entity's Certificate of Formation to discontinue and terminate its status as an Urban Renewal Company pursuant to N.J.S.A. 40A:20-1 et seq., shall not be considered a disposal of the Property. The City hereby agreeing that the Entity shall have the right to take any and all action to discontinue its treatment as an Urban Renewal Company and such actions shall not effect the terms, conditions, rights and obligations under this Agreement.

### **ARTICLE IX: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION**

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

### **ARTICLE X: PROJECT EMPLOYMENT AGREEMENT**

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment Agreement which is attached hereto as Exhibit C.

### **ARTICLE XI: NOTICES**

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party

to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City:

Business Administrator  
City Hall, 280 Grove Street  
Jersey City, New Jersey 07302

Notice to Applicant:

~~The Warren @ York Urban Renewal, LLC~~  
~~16 MicroLab Road Suite A 61 Joanna Way~~  
~~Livingston, New Jersey 07039~~ 07078  
Short Hills

**ARTICLE XII: GENERAL PROVISIONS**

AND

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by an Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Applicant have caused this Agreement to be executed on the date and year first above written.

WITNESS:

*Dawn Piano*

~~CHOSEN ESTATES LLC~~  
~~THE WARREN @ YORK URBAN~~  
~~RENEWAL, LLC~~

BY: *[Signature]*

ATTEST:

*[Signature]*  
Robert Byrne  
City Clerk

CITY OF JERSEY CITY

BY: *[Signature]*  
John Kelly  
Business Administrator

Charles J. Harrington, Esq.  
Connell Foley, LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, NJ 07311

**EXHIBIT K**

**CHOSEN ESTATES, LLC**

**PROJECT EMPLOYMENT AGREEMENT**

**PROJECT EMPLOYMENT & CONTRACTING AGREEMENT**

*Chosen Estates, LLC*

This Project Employment & Contracting Agreement is made on this 21<sup>st</sup> day of *NOVEMBER*, 2011, between the CITY OF JERSEY CITY [City] and ~~THE WARREN @ YORK URBAN RENEWAL, LLC~~, having its principal office at 16 Microlab Road, Suite A, Livingston, New Jersey 07039. Recipient agrees as follows:

**I. Definitions:**

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.
2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.
3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 121-125 Newark Avenue, Jersey City, NJ 07302, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by \$25,000 or more in the aggregate;
6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. "Local Business" means a bona fide business located in Jersey City.
8. Acting Mayor Jerramiah T. Healy's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.
9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:

- a) "African-American" means a person having origins in any of the black racial groups of Africa.
  - b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.
  - c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.
  - d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.
10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
  11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
  12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
  13. "Project or Project Site" means the specific work location or locations specified in the contract.
  14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.
  15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.
  16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

## **II. Purpose:**

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

## **III. Good Faith Goals:**

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

**IV. Recipient Designee:**

~~The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.~~

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix AZ

**V. Term:**

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance 11-087, approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

**VI. Good Faith Defined:**

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The initial manning report should contain an estimate of the total work force to be used at the Project Site, including the work force of any and all Contractors and Subcontractors. It should also describe the specific construction trades and crafts, and indicate the projected use of City residents, City resident Minorities and City resident women. Attached hereto as Appendix B is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and

Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Acting Mayor Jerramiah T. Healy's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.
- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Acting Mayor Jerramiah T. Healy's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total work hours in each construction trade or craft and the number of hours worked by City residents, including a list of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by employees of the Contractor and each of its Subcontractors. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residency, including gender and ethnic/racial origin of each worker. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

2. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.
- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident, minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

### 3. Business Contracting

Good Faith shall mean compliance with all of the following conditions:

1) Solicitation of Businesses:

a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Acting Mayor Jerramiah T. Healy's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.

b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.

i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.

ii) No Utilization of Local and Local Minority Vendors As Conduits For Vendors That Are Not Local Or Minority Owned:

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

**4. Summation of Documentation Needed For Compliance with Agreement**

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Acting Mayor Jerramiah T. Healy's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

**VII. Notices of Violation:**

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.
2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.

3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.
5. Meetings Concerning Violations: The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.
6. Interviews Relating to Violations: The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.
7. Determination of Violation: The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

#### **VIII. Damages:**

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): Five (5%) percent increase in the annual payment in lieu of taxes;
- b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): Three (3%) percent increase in the annual payment in lieu of taxes;
- c) failure to allow record or work place access or submit any other required reports (all categories): Two (2%) percent increase in the annual payment in lieu of taxes.

- d) the use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: Five (5%) percent increase in the annual payment in lieu of taxes.

**IX. Commercial Tenants at the Project Site:**

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.
2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.
3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.
4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

**X. Notices**

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

~~The Warren @ York Urban Renewal, LLC~~  
~~16 Microlab Road - Suite A~~ 61 Joanna Way  
~~Livingston, New Jersey 07039~~ Short Hills, New Jersey 07078  
Attn: ~~Jonathan Schwartz~~ Srinath Kotla

and

Connell Foley, LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, New Jersey 07311  
Attn: ~~Nancy Skidmore, Esq.~~ Charles J. Harrington, III, Esq.

2. When sent by the Recipient to the City, it shall be addressed to:

Project Employment & Contracting Monitor  
Department of Administration  
Division of Economic Opportunity  
121-125 Newark Avenue  
3rd Floor  
Jersey City, New Jersey 07302

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

**XI. Adoption, Approval, Modification:**

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

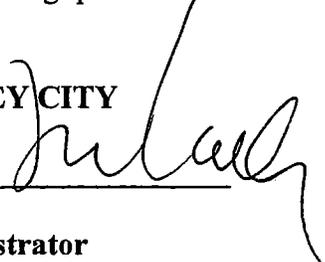
**XII. Controlling Regulations and Laws:**

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

ATTEST:

  
\_\_\_\_\_  
Robert Byrne  
City Clerk

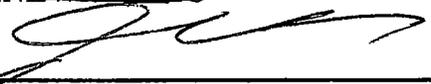
CITY OF JERSEY CITY

  
\_\_\_\_\_  
John Kelly  
Business Administrator

WITNESS:

  
\_\_\_\_\_  
Secretary

Chosen Sstates, LLC  
~~THE WARREN @ YORK URBAN~~  
~~RENEWAL, LLC~~

  
\_\_\_\_\_  
Jonathan Schwartz, President  
Srinath Kotla, Managing Member

**1. Identification of the Property:**

The land upon which the Project will be built on is Block 17905, Lot 1 commonly known as 650 Communipaw Avenue Avenue, Jersey City, New Jersey (the "Property"). The Property has been redeveloped with a four story mixed use building with eighteen units and five (5) ground floor retail/commercial units. A metes and bounds description of the Property is attached hereto as Exhibit A. The Property is approximately .164 acres ( $\pm$  7,130 sq. ft.).

**2. General Statement of the Nature of the Project:**

The Project consists of a rental project located at 650 Communipaw Avenue, Jersey City, New Jersey. The Project is located within the Monticello Avenue Redevelopment Plan area. The Project is a four (4) story building with eighteen (18) residential units with five (5) retail/commercial space on the ground floor. The property was vacant for many years prior to the development by the Applicant (commonly referred to as the "Rock Garden" at the corner of Communipaw Avenue and Bergen Avenue..

The developer purchased the corner lot privately, obtained approvals, and commenced construction. It was brought to the attention of the developer that the adjacent lot was owned by the City of Jersey City and could possibly be developed in conjunction with the initial approval. In working in concert with the Monticello Community Development Corporation ("MCDC") and the Jersey City Redevelopment Agency ("JCRA"), the developer applied for and was designated as the redeveloper of this property by the Jersey City Redevelopment Agency. While the development lot expanded, the addition and development of the City lot with the initial development came at a substantial cost to the developer monetarily and in time. The developer had already had about 50% of the first building constructed when the additional lot was proposed, and a number of construction issues had to be addressed in order to accommodate the "marrying" of the buildings. The completed building is a distinctive building in design that has a remarkable "clock" feature fronting along Bergen Avenue.

While the building is a tremendous boost aesthetically for the neighborhood, the developer is facing difficulties in renting the new space within the building. Accordingly, the requested tax abatement will assist the developer in filling its vacant space and stabilize the building as it hopefully becomes a corner anchor of this neighborhood.

**3. Abatement Requested:**

The Applicant seeks a five-year tax exemption pursuant to N.J.S.A. 40A:21-1 et. seq. (the "Law"). The Applicant requests that the tax agreement be based on the following formula, in accordance with the Law:

**Project Taxes During Term of Exemption:**

Year One:	\$ 7,499	(land tax only)
Year Two:	\$13,214	(land tax plus 20% of real estate taxes on improvements)
Year Three:	\$18,930	(land tax plus 40% of real estate taxes on improvements)
Year Four:	\$24,646	(land tax plus 60% of real estate taxes on improvements)
Year Five:	\$ 30,361	(land tax plus 80% of real estate taxes on improvements)

Following the expiration of the term of the exemption, the Applicant will pay full real estate taxes.

A Fiscal Plan for the management of the Project and a calculation and breakdown of the aforementioned real estate taxes is set forth in Exhibit C, attached hereto.

Based upon the above formula, it is estimated that the Project will generate real estate taxes payable to the City of Jersey City in the amount of approximately \$94,650 during the term of the abatement.

**4. Term of the Exemption Requested:**

The Applicant requests that the term of the exemption be for five (5) years beginning on the first day of the first calendar year following substantial completion of the Project (the "Exemption Commencement Date") and ending on the date that is one day prior to the fifth anniversary of the Exemption Commencement Date.

**5. Improvements to be Constructed:**

The Property currently contains a new four story mixed use structure. The property previously consisted of vacant lots.

The improvements consist of the following:

A four (4) story building containing eighteen (18) residential rental units and five (5) ground floor retail/commercial units. The units will be distributed as follows: 6 one bedrooms, which will average approximately 627 square feet; 12 two bedrooms, which will average approximately 937 square feet; and 5 retail/commercial units, which will average approximately 600 square feet.

**6. Estimate of Construction Cost:**

The construction cost of the Project, as set forth in Exhibit B is estimated to be \$770,000.00. The construction cost has been calculated in accordance with the provisions of N.J.S.A. 40A:21-3(j). Construction costs have been estimated based upon preliminary information compiled by the Applicant.

**7. Financing Structure:**

The Project was financed through a combination of debt and equity. The construction loan was financed through private financing/equity. The developer will be obtaining a permanent mortgage on the Project.

**8. Construction Schedule:**

The construction of the Project was completed in April, 2012. A temporary certificate of occupancy was obtained on April 27, 2012 (a final certificate of occupancy has not been obtained to date), and an application for the tax abatement was timely filed with the Tax Assessor on May 4, 2011 along with the application fee for the abatement in the amount of \$3,500. See Exhibit D.

**9. Zoning Information:**

The Project is located in the Monticello Avenue Redevelopment Plan area, and apart from approved variances complies with the zoning requirements therein and of the Master Plan of the City of Jersey City. The Project received preliminary major site plan approval with variance relief from the Planning Board of the City of Jersey City on November 5, 2008, which was memorialized by resolution on December 5, 2008 (P08-017); and amended preliminary and major site plan approval memorialized by resolution P08-017.1 on August 11, 2009; and final major site plan approval on May 15, 2012 which was memorialized by resolution on June 5, 2012. See Resolutions attached to Exhibit E.

**10. Land Assessed Value of Property:**

The land tax assessment on the Property for the year 2012 is as follows:

Lot 1 ((formerly Block 1931, Lot 36; and Block 1931, Lots 1 and 1.A)  
Land Assessment: \$107,000.

**11. Current Land Taxes:**

The 2012 annual land taxes for the Property were:

Lot 1 (formerly Block 1931, Lot 36; and Block 1931, Lots 1 and 1.A)  
Land Taxes: \$7,499.

**Total 2012 Annual Land Taxes for Property = \$7,499.**

**12. Status of Municipal Taxes and other Charges:**

All municipal real estate taxes and charges levied against the Property have been paid in full.

**13. Ownership Disclosure Statement:**

The Property is owned by the Applicant. The Applicant is a New Jersey Corporation organized under the laws of the State of New Jersey. The membership of the interests of those persons and entities with an ownership interest in the Applicant and the Project of at least 10% is set forth in Exhibit F.

**14. Financial Agreement:**

A proposed Tax Agreement for the Applicant is attached hereto as Exhibit J.

**15. Projected Job Creation:**

The Project created approximately ten (10) jobs throughout the construction period and approximately fifteen to thirty (15 – 30) permanent full time real estate, management, retail/commercial and service positions following the construction period.

**16. Compliance with State and Local Laws Certification:**

A Certification by the Applicant that the Project meets the requirements of the laws of the State of New Jersey as well as the Monticello Avenue Redevelopment Plan is attached hereto as Exhibit G.

**17. Diligent Inquiry Certification:**

A Certification by the Applicant that all information contained in the Application is true and correct to the best of its knowledge after having made diligent inquiry is attached hereto as Exhibit H.

**18. Certificate of Formation:**

A copy of the Applicant's Certificate of Formation is attached hereto as Exhibit I.

**19. Fee:**

The fee for the City's consideration of this Application in the amount of \$3,500 was previously submitted to the tax assessor on May 4, 2012 (See Exhibit D).

**20. List of Exhibits:**

- A. Description of the Property;
- B. Estimated Cost of Project Construction and Certification;
- C. Fiscal Plan and Estimated Tax Computation;
- D. Application for Tax Abatement filed with the Tax Assessor and application fee receipt.

- E. Resolution of Site Plan Approval;
- F. Disclosure Statement;
- G. Compliance with State & Local Laws Certification;
- H. Diligent Inquiry Certification;
- I. Certificate of Formation;
- J. Proposed Tax Agreement;
- K. Proposed Project Employment Agreement.

**EXHIBIT A**

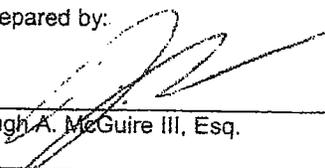
**NAMS DEVELOPERS INC.**

**Description of the Property**

Address:                   650 Communipaw Avenue  
                              Block 17905, Lot 1 (formerly Block 1931, Lot 36; and  
                              Block 1931, Lots 1 and 1.A)  
                              Jersey City, New Jersey

See metes and bounds description (on the survey), survey and deed attached.

# DEED

Prepared by:  
  
 Hugh A. McGuire III, Esq.

This deed is made on March 6, 2007 .

By and between

MAANDK, LLC, a New Jersey Limited Liability Company

whose address is 3312 Kennedy Boulevard, Jersey City, New Jersey referred to as the Grantor, and

NAMS Developers, Inc.

whose address is referred to as the Grantee.

000004132  
 RECEIVED  
 AND  
 RECORDED  
 DEE

03/19/2007 10:49A  
 WILLIE L. FLOOD  
 HUDSON COUNTY  
 REGISTER OF DEEDS  
 Receipt No. 278440

The terms Grantor and Grantee shall mean all Grantors and Grantees named above.

TRANSFER OF OWNERSHIP. The Grantor hereby grants and conveys to Grantee ownership of the property described in this Deed. This transfer is made for the sum of **Two Hundred Forty Five Thousand (\$245,000.00)**. Grantor acknowledges receipt of this sum.

TAX MAP REFERENCE. The property is designated on the official tax map of the Municipality of **Jersey City** as Block No. **1931** and Lot No. **1**.

No property tax identification number is available as of this date.

DESCRIPTION OF PROPERTY. The property consists of the land and all of the buildings and structures on the land in the City of Jersey City , County of Hudson and State of New Jersey, more particularly described as follows:

See Legal Description attached and made a part hereof.

Title to the Subject property became vested in MAANDK, LLC by virtue of a Final Judgement in Foreclosure, issued by the Superior Court of New Jersey, dated October 4, 2006 and recorded in the Office of the Hudson County Register on October 18, 2006 in Deed Book 8027 at page 115.

The above referenced Judgment contained a typographical error in that the spelling of the plaintiff's name (the Grantor herein) was incorrectly stated as MA&DK, LLC.

recording fee \$245000.00 Exempt Code 6

County	State	N.P.M.R.T	Total
045.00	612.50	142.50	1286.00
General	Public	Extra	12 Tax
0.00	122.50	163.50	0.00

Linka1 Date: 03/19/2007

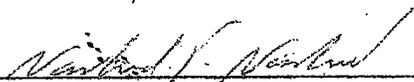
4/11/07

PROMISES BY GRANTOR. The Grantor promises that the Grantor has done no act to encumber the property. This promise, which is called a covenant as to grantor's acts, means only that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as making a mortgage or allowing a judgment to be entered against the Grantor).

SIGNATURES. The Grantor signs this deed on the above date.

Witnessed by:

MAANDK, LLC

  
By: Nashed F. Nashed, Member (Seal)

  
Hugh A. McGuire III, Esq.

  
By: Saied Atewan, Member (Seal)

STATE OF NEW JERSEY }  
COUNTY OF HUDSON } ss.

I certify that on the date first written above, Nashed F. Nashed and Saied Atewan, personally appeared before me and stated to my satisfaction that (or each, if more than one):

- a. are the members of MAANDK, LLC, the Grantor herein
- b. executed this deed as said grantor's own act; and
- c. made this Deed for the sum of \$245,000.00 , as full and actual consideration paid for the transfer of title, as such consideration is defined in N.J.S.A. 46:15-5.

  
Hugh A. McGuire III, Esq.  
An Attorney at Law of the  
State of New Jersey

RECORD & RETURN TO:

Bruce Lerner, Esq.  
432A Danforth Avenue  
Jersey City, NJ 07305

**BEHAR SURVEYING ASSOCIATES, P.C.**  
**61 LOCUST LANE**  
**EAST RUTHERFORD, N.J. 07073**  
PHONE: 973-778-0010 FAX: 973-778-0027

**BLOCK 1931 LOT 1**  
**516-518 BERGEN AVENUE**  
**CITY OF JERSEY CITY .**  
**HUDSON COUNTY, NJ**

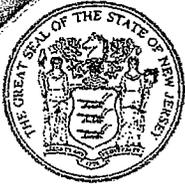
BEGINNING AT THE CORNER FORMED BY THE INTERSECTION OF THE NORTH-EASTERLY LINE OF COMMUNIPAW AVENUE AND THE SOUTHEASTERLY LINE OF BERGEN AVENUE, RUNNING THENCE:

1. N 51° 42' 42" E (N 51° 30' 00" E DEED) 52.56' ALONG THE SAID LINE OF BERGEN AVENUE, THENCE;
2. S 43° 00' 18" E 85.19' (S 38° 30' 00" E 85.40' DEED), THENCE;
3. S 55° 30' 00" E 15.32' (15.30' DEED), THENCE;
4. S 43° 25' 13" W 32.12' (S 26° 00' W 32.01' DEED), TO A POINT ON THE SAID LINE OF COMMUNIPAW AVENUE, THENCE;
5. N 55° 30' 00" W 109.27', TO THE POINT OR PLACE OF BEGINNING.

DRAWN IN ACCORDANCE WITH SURVEY DONE BY BEHAR SURVEYING ASSOCIATES, P.C. ON FEBRUARY 23, 2007.

A13432

BP:08158 PG:00339



State of New Jersey  
**SELLER'S RESIDENCY CERTIFICATION/EXEMPTION**  
(C.65, P.L. 2004)

(Please Print or Type)

**SELLER(S) INFORMATION (See Instructions, Page 2)**

Name(s)

MAANDK, LLC

Current Resident Address:

Street 3312 Kennedy Boulevard

City, Town, Post Office

State

Zip Code

Jersey City

NJ

07307

**PROPERTY INFORMATION (Brief Property Description)**

Block(s)

Lot(s)

Qualifier

1931

1

Street Address:

516-518 Bergen Avenue

City, Town, Post Office

State

Zip Code

Jersey City

NJ

Seller's Percentage of Ownership

Consideration

Closing Date

100%

\$245,000

3/7/2007

**SELLER ASSURANCES (Check the Appropriate Box)**

1.  I am a resident taxpayer of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2.  The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3.  I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4.  Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5.  Seller is not individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
6.  The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7.  The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale.

**SELLER(S) DECLARATION**

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

Date

Date

Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

20090709010050450 1/17  
07/09/2009 02:38:52 PM DEED  
Bk: 0673 Pg: 967  
Willie L. Flood  
Hudson County, Register of Deeds  
Receipt No. 123536

Prepared John J. Curley, Esq.

**DEED**

A COPY OF THIS DEED  
WAS BEEN SENT TO ASSESSOR'S OFFICE

**WHEREAS**, a Redevelopment Plan, designated the Monticello Avenue Redevelopment Plan (which together with all modifications made after the date of this Deed in accordance with applicable law is hereinafter referred to as the "Plan"), pertaining to the Monticello Avenue Redevelopment Project (hereinafter the "Project") has been accepted by the Jersey City Redevelopment Agency and has been approved and adopted by the Municipal Council of Jersey City, which Plan as it exists on the date hereof controls the use of all land within the area of the Project (the "Project Area") and is on file with the Office of the City Clerk of the City of Jersey City; and

**WHEREAS**, the Jersey City Redevelopment Agency is the owner and holder of fee simple title to certain real property located in the Project Area as more particularly described below; and

**WHEREAS**, pursuant to the Plan and N.J.S.A. 40A:12A-1 et seq., the Jersey City Redevelopment Agency is authorized to sell individual portions of land in the Project Area.

**NOW, THEREFORE, THIS DEED**, made as of the **24th** day of **June** in the year **2009**, by and between the **JERSEY CITY REDEVELOPMENT AGENCY**, a body corporate and politic of the State of New Jersey (hereinafter referred to as the "**Grantor**" or "**Agency**"), having its principal office at 30 Montgomery Street, Room 900, Jersey City, New Jersey 07302, acting pursuant to the above mentioned act, and **NAMS DEVELOPERS, INC.**, a corporation of the State of New Jersey (hereinafter referred to as the "**Grantee**" or "**Redeveloper**"), having its principal office at 682 Route 440, Jersey City, New Jersey 07304.

**WITNESSETH:** That for and in consideration for the sum of **One Hundred and Eighty Thousand (\$180,000.00) Dollars**, the receipt of which is hereby acknowledged, and other good and valuable consideration and for the performance of certain obligations by the Grantee pursuant to the Redevelopment Agreement between the Grantor and Redeveloper, dated June **24**, 2009, (the "Redevelopment Agreement"), which Redevelopment Agreement will be recorded simultaneously herewith, the terms of which are incorporated herein by reference thereto; the Grantor being therewith fully satisfied; does by these presents grant, bargain, sell and convey unto the Grantee, **ALL THOSE CERTAIN LOTS**, tracts, or parcels of land and premises, situate, lying and being in the City of Jersey City, County of Hudson and State of New Jersey more particularly described herein and known and designated as:

**(N.J.S.A. 46:15-1.1) Municipality of: Jersey City**

**Tax Block: 1931 Lot No. 1.A**  
**Known by the street address: 520 Bergen Avenue, Jersey City, New Jersey**

20090709010050450  
7/9/2009 2:38:00 PM  
Consideration: \$180,000.00  
Exempt Code: Exempt  
County: \$ .00 State: \$ .00  
NJAHTF \$ .00 PHPF: \$ .00  
EAA: \$ .00 General: \$ .00  
Buyer's Fee: \$ .00  
Total RTF: \$ .00

\$200,000 - 17-19-00008  
574-59-1 - ML 6/11 - 00008

The land and premises conveyed by this Deed are more fully described in Schedule "A" annexed hereto and made a part hereof by reference (hereinafter sometimes called the "Premises" and/or the "Property").

**TOGETHER** with all and singular the buildings, improvements, ways, woods, waters, watercourses, riparian and other rights, liberties, privileges, hereditaments and appurtenances to the same belonging or in anyway appertaining; and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and of every part and parcel thereof.

**AND ALSO** all the estate, right, title, interest, use, possession, property, claim and demand whatsoever, of the Grantor both in law and in equity, of, in and to the premises herein described, and every part and parcel thereof, with the appurtenances.

**TO HAVE AND TO HOLD** all and singular, the premises herein described, together with the appurtenances, unto the Grantee and to Grantee's proper use and benefit forever.

The premises conveyed herein are further conveyed subject to the terms, covenants, conditions and restrictions set forth in the Rider attached hereto and made a part hereof by reference thereto, consisting of 9 pages.

The Grantor covenants that the Grantor has done no act to encumber the Premises ("Covenant Against Grantor's Acts").

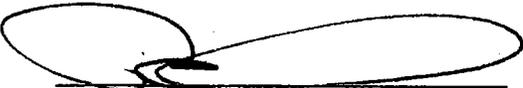
In all references hereby to any parties, persons, entities or corporation, the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of the within instrument may require.

Wherever in this instrument any party shall be designated or referred to by name or general reference, such designation is intended to and shall have the same effect as if the words "heirs, executors, administrators, personal or legal representatives, successors and assigns" had been inserted after each and every such designation.

**IN WITNESS WHEREOF**, the Grantor has caused these presents to be appropriately executed the day and year first above written.

**ATTEST:**

**JERSEY CITY REDEVELOPMENT AGENCY**  
**A body corporate and politic of the State of NJ**



**ROBERT P. ANTONICELLO,**  
**Secretary**

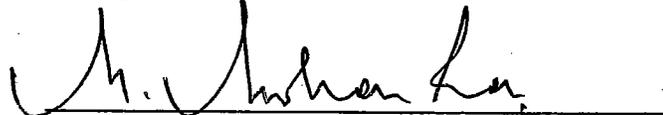


**JAMES K. MORLEY, Chairman**

WITNESS:



NAMS DEVELOPERS, INC.  
A corporation of the State of NJ

  
MOHAN MYNENI, President

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

RECORD + RETURN TO:  
CONNELL KOLBY LLP  
2510 PLAZA FIVE  
JERSEY CITY, N.J. 07311-4029

STATE OF NEW JERSEY)

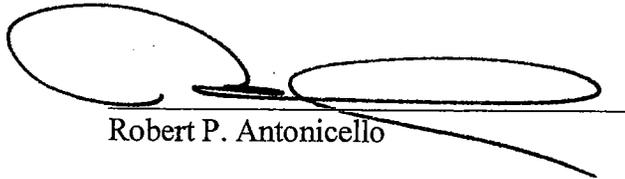
) S.S.

COUNTY OF HUDSON )

I CERTIFY that on June 24, 2009,

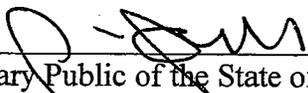
**ROBERT P. ANTONICELLO**, whose signature appears below,  
personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the secretary of the **Jersey City Redevelopment Agency**, the Body Corporate and Politic of the State of New Jersey named in this Deed (the "corporation");
- (b) this person is the attesting witness to the signing of this Deed by the proper corporate officer who is James K. Morley, the Chairman of the corporation;
- (c) the Deed was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Commissioners;
- (d) this person knows the proper seal of the corporation which was affixed to this Deed;
- (e) this person signed this proof to attest to the truth of these facts; and
- (f) the full and actual consideration paid or to be paid for the transfer of title is \$180,000.00 (Such consideration is defined in N.J.S.A. 46:15-5.)



Robert P. Antonicello

Signed and sworn to before me on  
June 24, 2009



\_\_\_\_\_  
A Notary Public of the State of New Jersey

**JOHN J. CURLEY**  
**ATTORNEY AT LAW OF**  
**STATE OF NEW JERSEY**



**PRONESTI**



**SURVEYING, INC.**

PROFESSIONAL LAND SURVEYORS

A COPY OF THIS DEED  
HAS BEEN SENT TO ASSESSOR'S OFFICE

425 POMPTON AVENUE  
CEDAR GROVE, NJ 07009

TEL: (973) 857-3319

FAX: (973) 857-3608

www.PRONESTI.com

*Description of  
520 Bergen Avenue  
Lot 1A in Block 1931  
On Tax Maps of  
City of Jersey City, Hudson County, New Jersey*

**BEGINNING** at a point in the southeasterly sideline of Bergen Avenue, said point being distant northeasterly 52.56 feet from the corner formed by the intersection of the northeasterly sideline of Communipaw Avenue and the said southeasterly sideline of Bergen Avenue; thence running

- 1) Northeasterly along the said sideline of Bergen Avenue, North 51 degrees 42 minutes 42 seconds East, 30.00 feet to a point, thence
- 2) South 43 degrees 00 minutes 18 seconds East, 96.23 feet to a point, thence
- 3) South 43 degrees 25 minutes 13 seconds West, 26.64 feet to a point, thence
- 4) North 55 degrees 30 minutes 00 seconds West, 15.32 feet to a point; thence running
- 5) North 43 degrees 00 minutes 18 seconds West, 85.40 feet to the aforesaid southeasterly sideline of Bergen Avenue and the **POINT AND PLACE OF BEGINNING.**

The above described parcel contains 2,917 square feet or 0.067 acres of land.

The above description is written in accordance with a survey prepared by *Pronesti Surveying, Inc.*, dated March 6, 2009.

George R. Pronesti, P.L.S.  
New Jersey License No. 16202

**Rider Attached to and Forming Part of Deed Between  
The Jersey City Redevelopment Agency and  
Nams Developers, Inc., Dated June 24, 2009**

Subject to easements, covenants, restrictions, reservations of record, encroachments, and all other items of public record, if any.

Subject to existing laws, ordinances, regulations, restrictions and orders of any federal, state, county or municipal government or other public authority relating to the Premises or the use thereof and to the terms, conditions and restrictions of the Monticello Avenue Redevelopment Plan adopted by the Municipal Council of the City of Jersey City and which Redevelopment Plan as thereafter and hereafter amended or modified shall be referred to in the Deed and Rider as the "Plan" and the Redevelopment Agreement between the **JERSEY CITY REDEVELOPMENT AGENCY**, a body corporate and politic of the State of New Jersey, and **NAMS DEVELOPERS, INC.**, a corporation of the State of New Jersey, dated June 24 2009 (the "Redevelopment Agreement"), as same may be hereinafter modified by the parties herein.

Subject to such state of facts as may be revealed by an accurate survey or a physical inspection of the Property. Subject further to subsurface conditions at the Property, if any.

Subject to the Permitted Exceptions as defined in Section 9.02 of the Redevelopment Agreement (titled Permitted Exceptions), which exceptions are hereby incorporated within this Deed as if set forth at length herein.

Subject to the statutory lien for real estate taxes not due and owing at the date hereof.

This conveyance is made pursuant to the terms and conditions of the Redevelopment Agreement pursuant to which the Agency has offered to sell, and the Redeveloper has offered to purchase, certain real property as described in Section 1.01 of the Redevelopment Agreement (referred to herein as the "Property") located in the Project Area as more particularly described therein and made a part thereof, and to construct "Improvements" (as defined in the Redevelopment Agreement) on the City Parcel and the "Redeveloper Parcel" (located in the Project Area as more particularly described in the Redevelopment Agreement) and collectively referred to as the "Project Premises" in the Redevelopment Agreement for use in accordance with the Plan.

Pursuant to the foregoing, this conveyance is made subject to the terms and conditions of the Redevelopment Agreement and the Plan and the following terms, covenants, conditions and restrictions as hereinafter set forth, said covenants, conditions and restrictions being a part of the consideration for the Property hereby conveyed, and which shall be taken and construed as, and shall constitute, covenants attached to and running with the land, except as otherwise stated in the Redevelopment Agreement, and upon the continued observance of which and each of which, the continued existence of the estate hereby granted shall depend, and the Grantee hereby binds itself and its successors, assigns, grantees, and lessees forever for the periods of time hereinafter set forth to these covenants and conditions which covenants and conditions are as follows:

**First:** The Grantee shall devote the Property hereby conveyed only to the uses specified in the applicable provisions of the Plan or approved modifications thereof and in compliance with Article VI of the Redevelopment Agreement (titled Covenants And Restrictions).

**Second:** The Grantee shall pay, when due, real estate taxes or assessments on the Property or any part thereof hereby conveyed, and, pursuant to the Redevelopment Agreement, shall not place thereon any encumbrance or lien other than for the temporary and permanent financing purposes of obtaining funds to assist in the purchase of the Property and the preconstruction, development and construction of the Improvements contemplated thereon or the refinancing thereof pursuant to and defined in the Redevelopment Agreement. The Grantee shall not suffer any levy or attachments to be made or any other encumbrances or lien to be attached until after the Grantor issues the Certificate of Substantial Completion pursuant to Section 2.17 of the Redevelopment Agreement (titled Certificates of Occupancy and Certificate of Completion).

**Third:** The Grantee shall commence the construction of the Improvements on the Property hereby conveyed promptly in accordance with Section 2.11 of the Redevelopment Agreement (titled Construction of the Project) in accordance with the approved plans and specifications and diligently proceed therewith in accordance with the terms of Article XII (titled Preparation and Approvals of Plans and Specifications for Development) and Schedule "C" (the Construction Timetable) of the Redevelopment Agreement, as may be amended from time to time, said Article XII and Schedule "C", as may be amended from time to time, being hereby made part of the terms and conditions of the within conveyance as if set forth at length herein.

**Fourth:** Until the Grantor certifies, in the manner required by Section 2.17 of the Redevelopment Agreement (titled Certificates of Occupancy and Certificate of Completion), that the aforesaid Improvements, specified to be done and made by the Grantee have been completed, the Grantee, except as otherwise provided in the Redevelopment Agreement, shall have no power to convey, lease or transfer the Property hereby conveyed or any part thereof or any interest therein, or contract or agree to do any of the same, without the prior written consent of the Grantor, except as provided for by the provisions of Article VII of the Redevelopment Agreement (titled Prohibitions Against Assignment and Transfer) and except to a Mortgagee as permitted by the Redevelopment Agreement. As security for obtaining financing permitted by this Deed and the Redevelopment Agreement, the Grantee shall not permit any transfer of equity interest of the Redeveloper except and only in accordance with the requirements of Article VII of the Redevelopment Agreement said Article VII being hereby made a part of the terms and conditions of the within conveyance as if set forth at length herein.

In the event of any attempted transfer by the Redeveloper in violation of the provisions of Article VII of the Redevelopment Agreement, the Agency shall be entitled to the ex parte issuance of an injunction restraining such transfer, and the recovery of reasonable legal fees and related expenses of the Agency in connection with any such legal action. Upon the recording of this Deed in the Office of the Clerk of Hudson County, the provision affording such injunctive relief shall have the same effect as a Notice of Lis Pendens. Upon the issuance of a Certificate of

Substantial Completion, the prohibitions against transfer set forth in Article VII of the Redevelopment Agreement and in this Deed shall be of no further force or effect with respect to the portion of the Property to which each such Certificate of Substantial Completion applies.

The Grantee shall not permit any mortgage or other financing with respect to the Property except and only in accordance with Article V of the Redevelopment Agreement (title Mortgage Financing and Rights of Mortgagee), said Article V being hereby made part of the terms and conditions of the within conveyance as if set forth at length herein.

**Fifth:** The Grantee agrees for itself and any successor in interest not to discriminate upon the basis of race, creed, color or national origin in the sale, lease or rental or in use or occupancy of the Premises hereby conveyed or any part thereof or of any Improvements erected or to be erected thereon or any part thereof.

\*\*\*\*\*

Notwithstanding any of the provisions of the Redevelopment Agreement, including, but not limited to, those which are, or are intended to be, covenants running with the land, the holder of any mortgage (including any such holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including: (i) any other party who thereafter obtains title to the Property or such part from or through such holder; or (ii) any other purchaser at foreclosure sale other than the holder of a mortgage) shall not be obligated by the provisions of the Redevelopment Agreement or this Deed to construct or complete the Project or to guarantee such construction or completion; nor shall any covenant or any other provision in the Redevelopment Agreement or this Deed be construed to so obligate such holder; provided, that nothing in this paragraph or any other section or provision of the Redevelopment Agreement or of this Deed shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses or to construct any Improvements thereon, other than those uses or Improvements provided or permitted under the Plan and in the Redevelopment Agreement.

After any breach or default of the Redevelopment Agreement, each such holder shall (insofar as the rights of the Agency are concerned) have the right, at its option, to cure or remedy such breach or default to the extent that it related to the part of the Property covered by its mortgage and to add the cost thereof to the mortgage debt and the lien of its mortgage; provided that if the breach or default is with respect to the construction of the Project, nothing in the Redevelopment Agreement or this Deed shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Project or the part thereof to which the lien or title of such holder relates (beyond the extent necessary to conserve or protect Improvements or construction already made) except pursuant to the terms of the Redevelopment Agreement.

In any case where, subsequent to default or breach by the Redeveloper (or any successor in interest) under the Redevelopment Agreement, the holder of any mortgage on the Property or part thereof:

(a) has, but does not exercise, the option to construct or complete the Improvements relating to the Property or part thereof covered by its mortgage or to which it has obtained title, and such failure to exercise such option continues for a period of sixty (60) calendar days after the holder has been notified or informed of the default or breach; or

(b) undertakes construction or completion of the Improvements but does not complete such construction within the period as agreed upon by the Agency and such holder (which period shall in any event be at least as long as the period prescribed for such construction or completion in the Redevelopment Agreement), and such default shall not have been cured within sixty (60) calendar days after written demand by the Agency to do so, the Agency shall (and every mortgage instrument made prior to completion of the Improvements with respect to the Property by the Redeveloper shall so provide) have the option of paying to the holder the amount of the mortgage debt and obtaining an assignment of the mortgage and the debt secured thereby, or, in the event ownership of the Property (or part thereof) has vested in such holder by way of foreclosure or action in lieu thereof, the Agency shall be entitled, as its option, to a conveyance to it of the Property or part thereof (as the case may be) upon payment to such holder of any amount equal to the sum of: (i) the mortgage debt at the time of foreclosure or action in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings); (ii) all expenses with respect to the foreclosure; (iii) the net expense, if any (exclusive of general overhead) incurred by such holder in and as a direct result of the subsequent management of the mortgaged Property; (iv) the costs of any Improvements made by such holder; and (v) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence.

In the event of a default or breach by the Redeveloper prior to the completion of the Project by the Redeveloper, or successor in interest, in or of any of its obligations under, and to the holder of, any mortgage or other instrument creating an encumbrance or lien upon the Property or any part thereof, the Agency may, at its option, cure such default or breach, in which case the Agency shall be entitled, in addition to and without limitation upon any other rights or remedies to which it shall be entitled by the Redevelopment Agreement, operation of law, or otherwise, to reimbursement from the Redeveloper, or successor in interest, of all costs and expenses incurred by the Agency in curing the default or breach and to a lien upon the Property (or the part thereof to which the mortgage, encumbrance, or lien relates) for such reimbursement; Provided, that any such lien shall be subject always to the lien of (including any lien contemplated, because of advances yet to be made) any then existing mortgages on the Property authorized by the Redevelopment Agreement and this Deed.

Whenever the Agency shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper in its obligations or covenants under the Redevelopment Agreement or this Deed, the Agency shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by the Redevelopment Agreement at the last known address of such holder shown in the records of the Agency, provided such mortgagee has notified the Agency of its interest in the Property.

**IT IS INTENDED AND AGREED**, in conformity with Article VI of the Redevelopment Agreement (titled Covenants and Restrictions), that the agreements and

covenants numbered **First** and **Fifth** above shall be covenants running with the Land and that they shall in any event and without regard to technical classification, legal or otherwise, and except only as otherwise specifically provided in the aforementioned Redevelopment Agreement, be binding to the fullest extent permitted by law and equity for the benefit of and in favor of, and enforceable by, the Agency, its successors and assigns, and against the Redeveloper and every successor in interest of the Property or any part thereof or any interest therein, and every party in possession or occupancy of the Property or any part thereof. It is further intended and agreed that: (a) the covenant pertaining to the uses of the Property set forth in **First** above shall remain in effect until the later of (i) the periods specified or referred to in the Plan; or (ii) such date thereafter to which it may be extended by proper amendment to the Plan, on which date (as the case may be) such covenants shall terminate; and (b) the covenant numbered **Fifth** above, shall remain in effect without limitation as to the time.

In amplification, and not in restriction of, the provisions of covenants numbered **First** and **Fifth**, it is intended and agreed that the Agency and its successors and assigns shall be deemed beneficiaries of the covenants numbered **First** and **Fifth**. Such agreements and covenants shall run in favor of the Agency, for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Agency has at any time been, remains, or is an owner of any land or interest therein or in favor of which such agreements and covenants relate. Subject to the rights of any mortgagee, the Agency shall have the right, in the event of any breach of any such agreement or covenants, to exercise all the rights and remedies, and to maintain against the owner of the Property, or successor in title to the one who committed the breach, any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant to which it or any other beneficiaries of such agreement or covenant may be entitled.

In the case of any breach or violation of any one of the covenants numbered **Second**, **Third** and **Fourth** after the expiration of any notice, grace or cure periods set forth in Article VIII of the Redevelopment Agreement (titled Default), at any time prior to the time the Grantor has issued a Certificate of Substantial Completion pursuant to Section 2.17 of the Redevelopment Agreement (titled Certificates of Occupancy and Certificate of Completion), then all estate conveyed under this Deed, together with any and all Improvements constructed thereon, shall cease and terminate and title in fee simple to the same shall revert to and become revested in the Grantor, or its successors or assigns, and such title shall be revested fully and completely in it, and the said Grantor, its successors or assigns shall be entitled to and may of right enter upon and take possession of said Property; Provided, that any such revesting of title to the Grantor shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way:

- (i) The lien of any mortgage permitted by the Redevelopment Agreement or this Deed;
- (ii) Any rights or interests for the protection of the holders of any such Mortgages, and shall not apply to any portion of the Property upon which Improvements, with respect to any phase of the Project have been completed and for which a Certificate of Completion was issued by the Agency; and

- (iii) The provisions of Section 8.05 of the Redevelopment Agreement (titled Resale of Uncompleted Portion).

The Grantor shall be deemed a beneficiary of covenants numbered **First** through **Fifth** inclusive, and the United States of America shall be deemed a beneficiary of the covenant numbered **Fifth**, and such covenants shall run in favor of the Grantor and the United States of America for the entire period during which covenants shall be in force and effect, without regard to whether the Grantor and the United States of America is or remains an owner of any land or interest therein to which such covenants relate. As such beneficiary, the Grantor, in the event of any breach of any covenant, and the United States of America, in the event of any breach of the covenant numbered **Fifth**, shall have the right to exercise all the rights and remedies and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach to which beneficiaries of such covenant may be entitled.

Promptly after the completion of the units, buildings or stages in a phase of residential development or non-residential Improvements in accordance with the provisions of Article XII of the Redevelopment Agreement (titled Preparation and Approval of Plans and Specifications for Development), the Grantor, pursuant to Section 2.17 of the Redevelopment Agreement (titled Certificates of Occupancy and Certificate of Completion), will furnish the Grantee with a Certificate of Substantial Completion so certifying. Such certifications (and it shall be so provided in the certificate itself) shall be conclusive determination of satisfaction and termination of the agreements and covenants in the Redevelopment Agreement and in this Deed obligating the Grantee and its successors and assigns, with respect to the construction of the heretofore mentioned Improvements and the date for beginning and completion thereof. Upon completion of the required Improvements, the conditions determined to exist at the time the area was determined to be in need of redevelopment shall be deemed to no longer exist and the land and improvements thereon shall no longer be subject to eminent domain as a result of those determinations.

The certification provided for in the paragraph next above shall be in such form as will enable it to be recorded in the proper office for the recordation of Deeds and other instruments pertaining to the Property hereby conveyed. If the Grantor shall refuse or fail to provide such certification, the Grantor shall within the time required by Section 2.17 of the Redevelopment Agreement provide the Grantee with a written statement, setting forth in reasonable detail those areas in which Redeveloper has failed to complete the Improvements in accordance with the provisions of the Redevelopment Agreement, or is otherwise in default, and describing the reasonable measures or acts necessary, in the opinion of the Grantor, that the Grantee must take or perform in order to obtain such Certificate of Completion.

Unless otherwise provided above, **It is understood and agreed** that all the terms and covenants and conditions of the Redevelopment Agreement (as the same may from time to time be amended) are incorporated herein by reference and shall remain fully effective after the delivery of this Deed and shall not merge therein. Capitalized terms not defined herein shall have the meaning assigned to them in the Redevelopment Agreement.

**Disclaimers by Grantor.** It is understood and agreed that Grantor has not at any time made and is not now making, and it specifically disclaims, any warranties or representations of any kind or character, express or implied, with respect to the Property, including, but not limited to, warranties or representations as to (i) matters of title, (ii) environmental matters relating to the Property or any portion thereof, including, without limitation, the presence of Hazardous Materials in, on, under or in the vicinity of the Property, (iii) geological conditions, including, without limitation, subsidence, subsurface conditions, water table, underground water reservoirs, limitations regarding the withdrawal of water, and geologic faults and the resulting damage of past and/or future faulting, (iv) whether, and to the extent to which the Property or any portion thereof is affected by any stream (surface or underground), body of water, wetlands, flood prone area, flood plain, floodway or special flood hazard, (v) drainage, (vi) soil conditions, including the existence of instability, past soil repairs, soil additions or conditions of soil fill, or susceptibility to landslides, or the sufficiency of any under shoring, (vii) the presence of endangered species or any environmentally sensitive or protected areas, (viii) zoning or building entitlements to which the Property or any portion thereof may be subject, (ix) the availability of any utilities to the Property or any portion thereof including, without limitation, water, sewage, gas and electric, (x) usages of adjoining property, (xi) access to the Property or any portion thereof, (xii) if applicable, the value, compliance with the plans and specifications, size, location, age, use, design, quality, description, suitability, structural integrity, operation, title to, or physical or financial condition of the Property or any portion thereof, or any income, expenses, charges, liens, encumbrances, rights or claims on or affecting or pertaining to the Property or any part thereof, (xiii) the condition or use of the Property or compliance of the Property with any or all past, present or future federal, state or local ordinances, rules, regulations or laws, building, fire or zoning ordinances, codes or other similar laws, (xiv) the existence or non-existence of underground storage tanks, surface impoundments, or landfills, (xv) the merchantability of the Property or fitness of the Property for any particular purpose, (xvi) the truth, accuracy or completeness of the Property Documents, (xvii) tax consequences, or (xviii) any other matter or thing with respect to the Property.

**Sale As Is, Where Is.** Grantee acknowledges and agrees that Grantor conveys to Grantee and Grantee shall accept the Property AS IS, WHERE IS, WITH ALL FAULTS. Grantee has not relied and will not rely on, and Grantor has not made and is not liable for or bound by, any express or implied warranties, guarantees, statements, representations or information pertaining to the Property or relating thereto (including specifically, without limitation, Property information packages distributed with respect to the Property) made or furnished by Grantor, or any real estate broker, agent or third party representing or purporting to represent Grantor, to whomever made or given, directly or indirectly, orally or in writing.

Grantee represents that it is a knowledgeable, experienced and sophisticated purchaser of real estate and, it is relying solely on its own expertise and that of consultants in purchasing the Property. Grantee acknowledges that Grantor has afforded Grantee a full opportunity to conduct investigations of the Property as Grantee deemed necessary to satisfy itself as to the condition of the Property and the existence or non-existence or curative action to be taken with respect to any Hazardous Materials on or discharged from the Property, and has relied solely upon same and not upon any information provided by or on behalf of Grantor or its agents or employees with respect thereto. Grantee assumes the risk that adverse matters, including, but not limited to,

adverse physical or construction defects or adverse environmental, health or safety conditions, may not have been revealed by Grantee's inspections and investigations.

**Grantor Released from Liability.** Grantee hereby FOREVER RELEASES AND DISCHARGES Grantor from all responsibility and liability, including without limitation, liabilities under the Comprehensive Environmental Response, Compensation and Liability Act Of 1980 (42 U.S.C. Sections 9601 et seq.), as amended ("CERCLA"), regarding the condition (including the presence in the soil, air, structures and surface and subsurface waters, of Hazardous Materials or other materials or substances that have been or may in the future be determined to be toxic, hazardous, undesirable or subject to regulation and that may need to be specially treated, handled and/or removed from the Property under current or future federal, state and local laws, regulations or guidelines), valuation, salability or utility of the Property, or its suitability for any purpose whatsoever. Grantee further hereby WAIVES any and all objections to or complaints regarding (including, but not limited to, federal, state and common law based actions), or any private right of action under, state and federal law to which the Property is or may be subject, including, but not limited to, CERCLA, physical characteristics and existing conditions, including, without limitation, structural and geologic conditions, subsurface soil and water conditions and solid and hazardous waste and Hazardous Materials on, under, adjacent to or otherwise affecting the Property. Grantee further hereby assumes the risk of changes in applicable laws and regulations relating to past, present and future environmental conditions on the Property and the risk that adverse physical characteristics and conditions, including, without limitation, the presence of Hazardous Materials or other contaminants, may not have been revealed by its investigation.

**Hazardous Materials Defined.** For purposes hereof, "Hazardous Materials" means Hazardous Material, Hazardous Substance, Pollutant or Contaminant, and Petroleum and Natural Gas Liquids, as those terms are defined or used in Section 101 of CERCLA, and any other substances regulated because of their effect or potential effect on public health and the environment, including, without limitation, PCBs, lead paint, asbestos, urea formaldehyde, radioactive materials, putrescible, and infectious materials.

**Indemnity.** Grantee agrees to indemnify and hold Grantor harmless of and from any and all liabilities, claims, demands, and expenses of any kind or nature which arise or accrue from this date forward and which are in any way related to the ownership, maintenance, or operation of the Property by Grantee and its successors and assigns, including, without limitation, in connection with Hazardous Materials.

**[Remainder of Page Intentionally Left Blank.]**

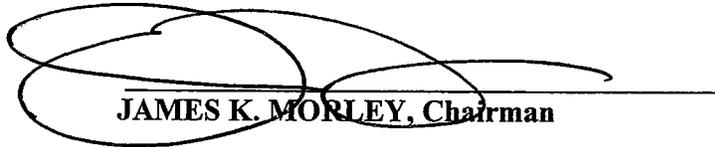
The Grantor certifies that all conditions precedent to the valid execution and delivery of this Bargain and Sale Deed on its part have been complied with and that all things necessary to constitute this Bargain and Sale Deed making it a valid, binding and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Bargain and Sale Deed on its part have been and are in all respects authorized in accordance with law. The Grantee certifies that it accepts the conditions and terms of this Bargain and Sale Deed.

**ATTEST:**

**JERSEY CITY REDEVELOPMENT AGENCY**  
A body corporate and politic of the State of NJ



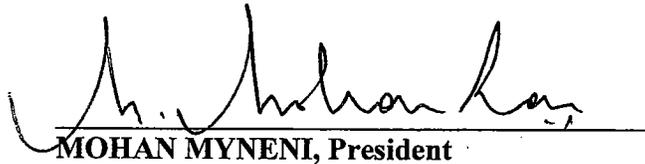
**ROBERT P. ANTONICELLO,**  
Secretary



**JAMES K. MORLEY, Chairman**

**WITNESS:**

**NAMS DEVELOPERS, INC.**  
A corporation of the State of NJ



**MOHAN MYNENI, President**



State of New Jersey  
**SELLER'S RESIDENCY CERTIFICATION/EXEMPTION**  
(C.55, P.L. 2004)

(Please Print or Type)

**SELLER(S) INFORMATION (See Instructions, Page 2)**

Name(s)

Jersey City Redevelopment Agency

Current Resident Address:

Street: 30 Montgomery Street

City, Town, Post Office

State

Zip Code

Jersey City

NJ

07302

**PROPERTY INFORMATION (Brief Property Description)**

Block(s)

Lot(s)

Qualifier

1931

1.A

Street Address:

520 Bergen Avenue

City, Town, Post Office

State

Zip Code

Jersey City

NJ

07304

Seller's Percentage of Ownership

Consideration

Closing Date

100%

\$180,000.00

6/24/2009

**SELLER ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents)**

1.  I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2.  The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3.  I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4.  Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5.  Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
6.  The total consideration for the property is \$1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7.  The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale (see instructions).  
 No non-like kind property received.
8.  Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

**SELLER(S) DECLARATION**

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

June 24, 2009

Date

Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

Date

Signature

(Seller) Please indicate if Power of Attorney or Attorney in Fact

STATE OF NEW JERSEY  
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY

FOR RECORDER'S USE ONLY	
Consideration	\$ _____
RTF paid by seller	\$ _____
Date	By _____

COUNTY Hudson } SS. County Municipal Code 0900

\*Use symbol "C" to indicate that fee is exclusively for county use.

MUNICIPALITY OF PROPERTY LOCATION Jersey City

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3 and #4 on reverse side)

Deponent, James K. Morley being duly sworn according to law upon his/her oath, deposes and says that he/she is the legal representative of Grantor in a deed dated June 24, 2009 transferring (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) real property identified as Block number 1931 Lot number 1A located at 520 Bergen Avenue, Jersey City, New Jersey and annexed thereto. (Street Address, Town)

(2) CONSIDERATION \$ 180,000.00 (See Instructions #1 and #5 on reverse side)

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A COMMERCIAL PROPERTY TRANSACTIONS: (See Instructions #5A and #7 on reverse side)

Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation

\$ \_\_\_\_\_ ÷ \_\_\_\_\_ % = \$ \_\_\_\_\_  
If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE (See Instruction #8 on reverse side)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.  
Deed by Jersey City Redevelopment Agency

(5) PARTIAL EXEMPTION FROM FEE (See Instruction #9 on reverse side)

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic Fee, Supp Fee, and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the reason(s):

- A. SENIOR CITIZEN Grantor(s)  62 years of age or over. \* (See Instruction #9 on reverse side for A or B)
- B.  BLIND PERSON Grantor(s)  legally blind or; \*
- DISABLED PERSON Grantor(s)  permanently and totally disabled  Receiving disability payments  Not gainfully en

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:  
 Owned and occupied by grantor(s) at time of sale.  Resident of State of New Jersey.  
 One or two-family residential premises.  Owners as joint tenants must all qualify.

\*IN THE CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEEDS TO QUALIFY IF TI BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING (See Instruction #9 on reverse side)

- Affordable according to H.U.D. standards.  Reserved for occupancy.
- Meets income requirements of region.  Subject to resale controls.

(6) NEW CONSTRUCTION (See Instructions #2, #10 and #12 on reverse side)

- Entirely new improvement.  Not previously occupied.
- Not previously used for any purpose.  "NEW CONSTRUCTION" printed clearly at the top of the first page of the deed.

(7) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 24th day of June, 2009

Signature of Deponent

Jersey City Redevelopment Agency

Grantor Name

30 Montgomery St., Jersey City, NJ

30 Montgomery St., Jersey City, NJ

Deponent Address

Grantor Address at Time of Sale

xxx-xxx-881

Last 3 digits in Grantor's Social Security Number

Name/Company of Settlement Officer

**JOHN J. CURLEY**  
ATTORNEY AT LAW OF  
STATE OF NEW JERSEY

FOR OFFICIAL USE ONLY		
Instrument Number	County	_____
Deed Number	Book	Page
Deed Dated	Date Recorded	_____

County Recording Officers shall forward one copy of each Affidavit of Consideration for Use by Seller when Section 3A is completed.

STATE OF NEW JERSEY - DIVISION OF TAXATION  
PO BOX 251  
TRENTON, NJ 08695-0251

ATTENTION: REALTY TRANSFER FEE UNIT

FILED  
20090709010050450  
07/09/2009 02:38:52 PM  
DEED  
NUMBER OF PAGES : 17  
LARMONE

**EXHIBIT B**

**NAMS DEVELOPERS INC.**

**Estimated Cost of Project Construction**

The Estimated Cost per N.J.S.A. 40A:21-3(j) is as follows:

“Cost” per Definition:\*

Direct Labor & Materials (includes Contractor’s Fees)	\$ 700,000
Architectural & Engineering	\$ 70,000
Estimated Cost:	<u>\$ 770,000</u>

\*Pursuant to N.J.S.A. 40A:21-3(j), estimated “cost” does not include land costs, soft costs (other than architectural and engineering costs), and financing costs. This estimated “cost” differs from the total project cost calculation required under the Long Term Tax Exemption Law, pursuant to N.J.S.A 40A:20-3(h).

**EXHIBIT B-1**

**NAMS DEVELOPERS INC.**

**Certification of Estimated Construction Costs**

On this \_\_\_ day of June 2012, the undersigned being the architect for the Project to be developed by Nams Developers Inc., does hereby certify to the best of my knowledge and belief that Exhibit B accurately reflects the estimated construction costs of the Project proposed on Block 17905, Lot 1 (formerly Block 1931, Lot 36; and Block 1931, Lots 1 and 1.A), more commonly referred to as 650 Communipaw Avenue, Jersey City, New Jersey.

By: \_\_\_\_\_

Name: Louis Garcia

Title: Architect

# Exhibit C

## NAMS DEVELOPERS INC. FISCAL PLAN ESTIMATED TAX COMPUTATION FOR YEAR 2012

Equalization Ratio: 31.35%  
Tax rate (per thousand): \$70.08

Current Assessment:  
Land: \$ 107,000  
Improvement: \$ -  
Total: \$ 107,000

<u>Potential Income:</u>	<u>#</u>	<u>Total:</u>	<u>Per unit per month:</u>
1 Bedroom	6	\$ 57,600	\$ 800
2 Bedroom	12	\$ 151,200	\$ 1,050
Commercial	5	\$ 72,000	\$ 1,200

Total Gross Income: \$ 280,800

Less: Vacancy and Collection Loss 5% 14,040.00

Effective Gross Income: 266,760.00

Operating Expenses:

Common Area Utilities	\$ 12,000
Alarm (Fire), Telephone	\$ 1,250
Insurance	\$ 10,000
Cleanup / Maintenance	\$ 10,000
Watr/sewer (JCMUA)	\$ 12,000
Reserves	\$ 6,200
Marketing and Advertising	\$ 6,000
Management Fee	\$ 6,000
Office Expenses	\$ 4,500
Supplies and Repairs	\$ 12,000
Maintenance Contracts (Elevator)	\$ 2,600
Realty Fees and Commissions	\$ 12,000
Legal / Accounting	\$ 8,000

Total Operating Expenses: \$ 102,550

Projected Net Operating Income: 164,210.00

Cap Rate: 10% 0.1

Projected Market Value: \$ 1,642,100

Assessment: \$ 514,798

Ratio: 0.3135

Estimated Annual Real Estate Taxes: \$ 36,077

Tax rate: 0.07008

Less: Taxes Attributable to the Land \$ 7,499

Taxes attributable to Improvements: \$ 28,579

# Exhibit C

## CURRENT ESTIMATED TAX PAYMENTS FOR FIVE YEAR TERM OF EXEMPTION Based on 2012 Tax Rate and Equalization Ratio

Year	1	2	3	4	5	Total
Projected Tax Rate	\$ 70.08	\$ 70.08	\$ 70.08	\$ 70.08	\$ 70.08	
Total Tax	\$ 36,077	\$ 36,077	\$ 36,077	\$ 36,077	\$ 36,077	\$ 180,385
Land Tax	\$ 7,499	\$ 7,499	\$ 7,499	\$ 7,499	\$ 7,499	\$ 37,493
Tax on Improvements	\$ 28,579	\$ 28,579	\$ 28,579	\$ 28,579	\$ 28,579	\$ 142,893
Statutory Phase In	0%	20%	40%	60%	80%	
Improvement Tax	\$ -	\$ 5,716	\$ 11,431	\$ 17,147	\$ 22,863	\$ 57,157
Exempted Tax	\$ 28,579	\$ 22,863	\$ 17,147	\$ 11,431	\$ 5,716	\$ 85,736
Total Taxes Payable	\$ 7,499	\$ 13,214	\$ 18,930	\$ 24,646	\$ 30,361	\$ 94,650

In lieu tax schedule pursuant to a five year phase in percentages on the new improvement on the above application:

1. In the first full year after completion, land tax only, no payment in lieu of taxes.
2. In the second full year, an amount not less than twenty percent (20%) of the actual taxes otherwise due, currently estimated at: \$ 5,716
3. In the second full year, an amount not less than forty percent (40%) of the actual taxes otherwise due, currently estimated at: \$ 11,431
4. In the second full year, an amount not less than sixty percent (60%) of the actual taxes otherwise due, currently estimated at: \$ 17,147
5. In the second full year, an amount not less than eighty percent (80%) of the actual taxes otherwise due, currently estimated at: \$ 22,863

At the expiration of the abatement, the Project's new improvements would generate an estimated annual tax of: \$ 36,077

**EXHIBIT D**

**NAMS DEVELOPERS INC.**

**APPLICATION FOR TAX ABATEMENT FILED WITH THE TAX ASSESSOR**

APPLICATION FOR EXEMPTION AND/OR ABATEMENT FOR THE IMPROVEMENT, CONVERSION OR CONSTRUCTION OF PROPERTY PURSUANT TO P.L. 1991, C.441

(N.J.S.A. 40A:21-1 et seq.) AND AUTHORIZED BY MUNICIPAL ORDINANCE.

(Italicized words are defined in law excerpts on reverse side)

Municipality JERSEY CITY County HUDSON

This application must be filed with the assessor within 30 days following completion of the improvement, conversion or conversion alteration, or construction.

I, NAMS DEVELOPERS INC, residing/having offices at 682 RT 440,  
(Name of Applicant)  
JERSEY CITY NJ 07304 (Address) (N) 201-332-1651 (C) 201-424-4409 (Phone #)

in the Municipality of JERSEY CITY in the County of HUDSON

hereby make claim for a tax exemption and/or abatement of taxes, pursuant to P.L. 1991, Chapter 441, and the authorizing municipal ordinance, for premises located at 650 COMMUNIPAW AVE (AKA, 516 BERGAN AVE) which is further described as Block 17905, Lot 1 on the Tax Map of the municipality.

II. COMPLETE THE APPLICABLE SECTION "A" OR "B"  
The following statements are made in support of this claim:

- A. The subject property is a one or two family dwelling upon which claimant has completed:
  - New construction;
  - Conversion or conversion alteration of a building or structure into a dwelling;
  - Improvement of an existing dwelling.
- B. The subject property is a multiple dwelling, commercial or industrial structure:
  - Improvement to a multiple dwelling;
  - Conversion or conversion alteration of building or structure to a multiple dwelling;
  - Improvement to a commercial or industrial building or structure;
  - Construction of multiple dwelling under tax agreement;
  - Construction of commercial or industrial structure under tax agreement.

MIXED USE  
RECEIVED  
MAY - 4 2012  
OFFICE OF THE  
CITY ASSESSOR

III. ALL APPLICANTS MUST COMPLETE THIS SECTION

- A. Date of completion of new construction, conversion, or improvement 4.27.2012
- B. Total cost of project \$ 1,200,000
- C. Brief description of the nature and type of construction, conversion, or improvement

A NEW MIXED USE BUILDING WITH 18 RESIDENTIAL UNITS PLUS 5 COMMERCIAL STORES (RETAIL)

IV. Prior exemptions and/or abatement granted under P.L. 1991, c.441 amount to \$ \_\_\_\_\_

(State "none" if no prior exemptions have been granted on subject premises.)

Attached hereto is proof of all matters required (Assessor may require copy of ordinance, evidence of governing body's approval of categories of improvements or specific project improvements, and such additional proof as may be required to establish eligibility.)

Attached hereto is a copy of the tax agreement, if applicable, executed between the municipality and claimant.

There are no delinquent or unpaid property taxes or penalties for non-payment of taxes due on the property.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Date 5/3/2012 Signature [Signature]

Title (if any) PRESIDENT

Date 5/3/12  Approved [Signature]  Disapproved [Signature] (Assessor)

**EXHIBIT E**

**NAMS DEVELOPERS INC.**

**COPY OF RESOLUTION OF APPROVAL OF SITE PLANS  
BY JERSEY CITY PLANNING BOARD**

**SEE ATTACHED**

**RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY**

**APPLICANT: NAMS DEVELOPERS, INC.**

**FOR: PRELIMINARY MAJOR SITE PLAN APPROVAL  
516-518 BERGEN AVENUE, JERSEY CITY, NEW JERSEY  
BLOCK 1931, LOT 1  
MONTICELLO AVENUE REDEVELOPMENT PLAN**

**CASE NO.: P08-017**

**WHEREAS**, the applicant **NAMS DEVELOPERS, INC., (the Applicant)**, per **CONNELL FOLEY, LLP** (Charles J. Harrington, III, Esq., appearing) made application to the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for Preliminary Major Site Plan Approval, to wit: Calendar No. P08-017, to develop a new four (4) story mixed use building with twelve (12) residential units and retail/commercial space on the ground floor for the property located at 516-518 Bergen Avenue, Jersey City, New Jersey, and identified on the Jersey City Tax maps as Block 1931, Lot 1, which is located within the Monticello Avenue Redevelopment Plan Area; and

**WHEREAS**, it appears that due notice of a hearing on the above said application before the Planning Board of the City of Jersey City, on November 5, 2008, at 5:30 p.m., was duly published as prescribed in the Zoning Ordinance of the City of Jersey City; and

**WHEREAS**, the applicant has submitted proof that it has complied with the applicable procedural requirements including the payment of fees and public notices; and

**WHEREAS**, the applicant and its witnesses first having been sworn and all testimony having been formally heard for this application; and

**WHEREAS**, after consideration of the application and the testimony presented at the meeting, the Planning Board has made the following findings of fact:

## FINDINGS OF FACT

1. The Applicant, Nams Developers, Inc., has filed an application for Preliminary Major Site Plan Approval to develop a new four (4) story mixed use building with twelve (12) residential units and retail/commercial space on the ground floor for the property located at 516-518 Bergen Avenue, Jersey City, New Jersey, and identified on the Jersey City Tax maps as Block 1931, Lot 1.
2. The property is located in the Monticello Avenue Redevelopment Plan Area, and the proposed use (mixed use residential and retail/commercial) is a permitted use within the Plan area.
3. The project will have twelve (12) residential units on the upper three floors, and a maximum of four retail/commercial units on the ground floor. The Applicant has proposed, and the Board has acknowledged, that in the event that a future tenant of the retail/commercial space requests a larger area, then the Applicant shall have the right to consolidate and reconfigure the proposed retail/commercial unit space on the plans into larger areas, if necessary. The retail/commercial space may also be decreased in the event that additional area is needed to comply with Condition of Approval #2 (the bicycle room).
4. The project is also approved for a roof deck. The Board finds that the proposed roof deck is a positive amenity to the building and that the necessary bulkhead for the elevator to the roof can be developed further into a decorative element on the building.
5. The façade of the building will consist of a blended brick with a mix of colors. Except for the color changes agreed to by the Applicant, and approved by the Planning Board at the hearing, the Applicant shall follow the proposed colors that are shown on the development plans that were presented to the planning board (and not the colors that are/were represented on the rendering of the project that was presented at the hearing).
6. The Applicant acknowledged that the property currently is improved with cobble stones, and that the Applicant will attempt (but is not required) to re-use the cobble stones at the project, or at another project. If the Applicant cannot find an alternate use for the cobblestones in its project(s), the Applicant will not discard the cobblestones, but instead will reach out to third parties for alternative uses for the cobble stones (e.g. the Monticello Community Development Corporation – MCDC).

**NOW, THEREFORE, BE IT RESOLVED** that the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for the foregoing reasons, approves the within application for Preliminary Major Site Plan Approval, to wit: Calendar No. P08-017, in connection with the development of a new four (4) story mixed building with twelve (12) residential units and retail/commercial space on the ground floor for the property located at 516-518 Bergen Avenue, Jersey City, New Jersey, and identified on the Jersey City Tax maps as Block 1931, Lot 1, in accordance with the plans and testimony submitted to the Planning Board of the City of Jersey City, subject to the following conditions:

1. The Applicant will revise the drawings with the necessary changes testified to during the presentation and submit the revised drawings to the Division of Planning staff.
2. The Applicant provide for a bicycle room within the ground floor of the building adjacent to the residential entrance (and which may result in the reduction of retail/commercial space).
3. The Applicant will upgrade the rear façade of the building from vinyl siding to a sandstone color cement board.
4. The color of the windows shall match the color of the trim, which shall be a cream color rather than white.
5. The Applicant shall provide a roof deck and be permitted to keep the elevator bulkhead at the top of the building, and shall work with the Division of Planning staff to provide for a decorative bulkhead at this area of the roof (including a continuation of the cornice).
6. If any work is to be done on Saturdays, the Applicant shall obtain the necessary permits, which shall be posted at the property.
7. The Applicant shall keep signed plans on site during construction.
8. The Applicant shall comply with and/or address all Jersey City Review Agents' comments.

APPLICANT: NAMS DEVELOPERS, INC.

FOR: PRELIMINARY MAJOR SITE PLAN APPROVAL  
516-518 BERGEN AVENUE, JERSEY CITY, NEW JERSEY  
BLOCK 1931, LOT 1  
MONTICELLO AVENUE REDEVELOPMENT PLAN

CASE NO.: P08-017

VOTE: 5 - 0

COMMISSIONER:	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
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Michael Ryan, Chairman	X			
Leon Yost, Commissioner	X			
Roseanna Petruzzelli, Commissioner	X			
Karen McIntyre, Commissioner	X			
Michael Sims, Commissioner	X			

L YOST ACTING  
MICHAEL RYAN, CHAIRMAN  
JERSEY CITY PLANNING BOARD

Robert Cotter  
ROBERT COTTER, SECRETARY  
JERSEY CITY PLANNING BOARD

APPROVED AS TO LEGAL FORM:

[Signature]  
JOHN HAMILL, ESQ.

DATE OF HEARING:

November 5, 2008

DATE OF MEMORIALIZATION:

December 2, 2008

**RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY**

**APPLICANT: NAMS DEVELOPERS, INC.**

**FOR: AMENDED PRELIMINARY MAJOR SITE PLAN APPROVAL  
516-520 BERGEN AVENUE, JERSEY CITY, NEW JERSEY  
BLOCK 1931, LOTS 1 AND 1.A  
MONTICELLO AVENUE REDEVELOPMENT PLAN**

**CASE NO.: P08-017.1**

**WHEREAS**, the applicant **NAMS DEVELOPERS, INC., (the Applicant)**, per **CONNELL FOLEY, LLP** (Charles J. Harrington, III, Esq., appearing) made application to the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for Amended Preliminary Major Site Plan Approval, to wit: Calendar No. P08-017.1, to develop a four (4) story mixed use building with eighteen (18) residential units and retail/commercial space on the ground floor for the property located at 516-520 Bergen Avenue, Jersey City, New Jersey, and identified on the Jersey City Tax maps as Block 1931, Lots 1 and 1.A, which is located within the Monticello Avenue Redevelopment Plan Area; and

**WHEREAS**, it appears that due notice of a hearing on the above said application before the Planning Board of the City of Jersey City, on July 21, 2009, at 5:30 p.m., was duly published as prescribed in the Zoning Ordinance of the City of Jersey City; and

**WHEREAS**, the applicant has submitted proof that it has complied with the applicable procedural requirements including the payment of fees and public notices; and

**WHEREAS**, the applicant and its witnesses first having been sworn and all testimony having been formally heard for this application; and

**WHEREAS**, after consideration of the application and the testimony presented at the meeting, the Planning Board has made the following findings of fact:

## **FINDINGS OF FACT**

1. The Applicant, Nams Developers, Inc., has filed an application for Amended Preliminary Major Site Plan Approval to develop a new four (4) story mixed use building with eighteen (18) residential units and retail/commercial space on the ground floor for the property located at 516-520 Bergen Avenue, Jersey City, New Jersey, and identified on the Jersey City Tax maps as Block 1931, Lots 1 and 1.A.
  
2. The Applicant received Preliminary Major Site Plan Approval on November 5, 2008, which was memorialized by resolution on December 2, 2008. The original Approval was for a four (4) story mixed use building with twelve (12) residential units and retail/commercial space on the ground floor of the property located at 516-518 Bergen Avenue, Block 1931, Lot 1.
  
3. The proposed amendments include the incorporation of the adjacent property, 520 Bergen Avenue, Block 1931, Lot 1.A, into the development, resulting in an increase in the number of residential units to eighteen (18) units as well as an increase in the area of retail/commercial space on the ground floor to 5,493 sf.
  
4. The amended project provides that the addition to the project will be connected at the rear of the prior approved building. This will allow for both sections of the building and all units to have access to the elevator.
  
5. Additional changes to the previously approved building includes the following:
  - a. the retail sign bands that were not previously centered have been centered.
  - b. the awnings below the retail sign bands have been slightly lowered.
  - c. an access door has been added to the trash room from the exterior.
  - d. a wall enclosure has been added to the east elevation.

6. The property is located in the Monticello Avenue Redevelopment Plan Area, and the proposed use (mixed use residential and retail/commercial) is a permitted use within the Plan area.

**NOW, THEREFORE, BE IT RESOLVED** that the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for the foregoing reasons, approves the within application for Amended Preliminary Major Site Plan Approval, to wit: Calendar No. P08-017.1, to develop a new four (4) story mixed use building with eighteen (18) residential units and retail/commercial space on the ground floor for the property located at 516-520 Bergen Avenue, Jersey City, New Jersey, and identified on the Jersey City Tax maps as Block 1931, Lots 1 and 1.A, in accordance with the plans and testimony submitted to the Planning Board of the City of Jersey City, subject to the following conditions:

1. The Applicant shall work with the Division of Planning staff to increase the height of the center cornice on Sheet A-7, and as appropriate on other elevations.
2. All prior conditions of approval shall remain in effect.



**RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY**

**APPLICANT: NAMS DEVELOPERS, INC.**

**FOR: FINAL MAJOR SITE PLAN APPROVAL WITH A WAIVER  
516-520 BERGEN AVENUE, JERSEY CITY, NEW JERSEY  
BLOCK 17905, LOT 1  
(FORMERLY BLOCK 1931, LOTS 1 AND 1.A)  
MONTICELLO AVENUE REDEVELOPMENT PLAN**

**CASE NO.: P08-017.1**

**WHEREAS**, the applicant **NAMS DEVELOPERS, INC., (the Applicant)**, per **CONNELL FOLEY, LLP** (Charles J. Harrington, III, Esq., appearing) made application to the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for Final Major Site Plan Approval with a request for a waiver (signage), to wit: Calendar No. P08-017.1, in connection with the development of a four (4) story mixed use building with eighteen (18) residential units and retail/commercial space on the ground floor for the property located at 516-520 Bergen Avenue, Jersey City, New Jersey, and identified on the Jersey City Tax maps as Block 17905, Lot 1 (formerly known as Block 1931, Lots 1 and 1.A), which is located within the Monticello Avenue Redevelopment Plan Area; and

**WHEREAS**, it appears that due notice of a hearing on the above said application before the Planning Board of the City of Jersey City, on May 15, 2012, at 5:30 p.m., was duly published as prescribed in the Zoning Ordinance of the City of Jersey City; and

**WHEREAS**, the Applicant has submitted proof that it has complied with the applicable procedural requirements including the payment of fees and public notices; and

**WHEREAS**, the Applicant and its witnesses first having been sworn and all testimony having been formally heard for this application; and

**WHEREAS**, after consideration of the application and the testimony presented at the meeting, the Planning Board has made the following findings of fact:

**FINDINGS OF FACT**

1. The Applicant, Nams Developers, Inc., has filed an application for Final Major Site Plan Approval with a request for a waiver (signage) in connection with the development of a new four (4)

story mixed use building with eighteen (18) residential units and retail/commercial space on the ground floor for the property located at 516-520 Bergen Avenue, Jersey City, New Jersey, and identified on the Jersey City Tax maps as Block 17905, Lot 1 (formerly known as Block 1931, Lots 1 and 1.A). The property is located in the Monticello Avenue Redevelopment Plan Area, and the proposed use (mixed use residential and retail/commercial) is a permitted use within the Plan area.

2. The Applicant received Preliminary Major Site Plan Approval on November 5, 2008, which was memorialized by resolution on December 2, 2008. The original Approval was for a four (4) story mixed use building with twelve (12) residential units and retail/commercial space on the ground floor of the property located at 516-518 Bergen Avenue, Block 1931, Lot 1. The Applicant subsequently received Amended Preliminary Major Site Plan Approval on July 21, 2009, which was memorialized by resolution on August 11, 2009. The amended approval incorporated the adjacent property, 520 Bergen Avenue, Block 1931, Lot 1.A, into the development, resulting in an increase in the number of residential units to eighteen (18) units as well as an increase in the area of retail/commercial space on the ground floor.

3. The development is substantially complete and it has been constructed consistent with the approved plans.

4. The Applicant has requested a waiver with regard to the signage to provide for an alternate color (purple) for the awning and sign band for the corner retail/commercial location. The request is being made by the Applicant on behalf of a proposed tenant at this location so that the color is consistent with its corporate identity. The remaining awnings and sign bands will remain the existing color.

5. The Applicant presented the waiver request to the local neighborhood association and they are in support of the request. The benefits of accommodating the corporate identity of the tenant and providing a tenant for the retail/commercial space outweigh any substantial detriments to the desired color scheme of the awnings and sign bands.

**NOW, THEREFORE, BE IT RESOLVED** that the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for the foregoing reasons, approves the within application for Final Major Site Plan Approval with a request for a waiver (signage), to wit: Calendar No. P08-017.1, in connection with the development of a four (4) story mixed use building with eighteen (18)

residential units and retail/commercial space on the ground floor for the property located at 516-520 Bergen Avenue, Jersey City, New Jersey, and identified on the Jersey City Tax maps as Block 17905, Lot 1 (formerly known as Block 1931, Lots 1 and 1.A), which is located within the Monticello Avenue Redevelopment Plan Area, in accordance with the plans and testimony submitted to the Planning Board of the City of Jersey City.

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**APPLICANT:** NAMS DEVELOPERS, INC.  
**FOR:** FINAL MAJOR SITE PLAN APPROVAL WITH A WAIVER  
516-520 BERGEN AVENUE, JERSEY CITY, NEW JERSEY  
BLOCK 17905, LOT 1  
(FORMERLY BLOCK 1931, LOTS 1 AND 1.A)  
MONTICELLO AVENUE REDEVELOPMENT PLAN

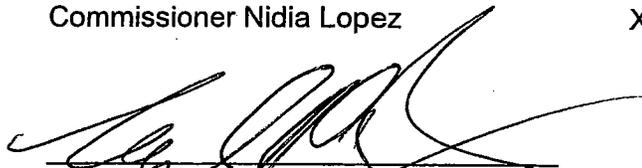
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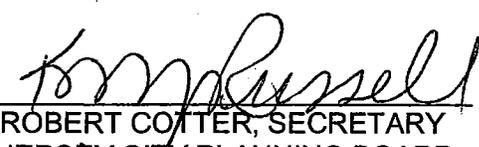
**CASE NO.:** P08-017.1

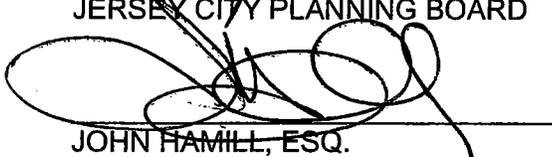
**VOTE:** 8 - 1

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<b>COMMISSIONER:</b>	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Chairman Michael Ryan	X			
Vice Chairwoman Roseanna Petruzelli	X			
Commissioner Karen McIntyre	X			
Commissioner Madeline Romano	X			
Commissioner Orlando Gonzalez	X			
Commissioner Michael Sims	X			
Commissioner Jams McNeill		X		
Commissioner Eduardo Torres	X			
Commissioner Nidia Lopez	X			

  
MICHAEL RYAN, CHAIRMAN  
JERSEY CITY PLANNING BOARD

  
ROBERT COTTER, SECRETARY  
JERSEY CITY PLANNING BOARD

  
JOHN HAMILL, ESQ.

APPROVED AS TO LEGAL FORM:

DATE OF HEARING:

May 15, 2012

DATE OF MEMORIALIZATION:

June 5, 2012

**EXHIBIT F**

**NAMS DEVELOPERS INC.**

**DISCLOSURE STATEMENT**

NAME OF ENTITY: Nams Developers, Inc.  
c/o Mohan Myneni  
682 Highway 440  
Jersey City, New Jersey 07304

NAME OF PROJECT: A Mixed-Use Project  
650 Communipaw Avenue  
Block 17905, Lot 1 (formerly Block 1931, Lot 36;  
and Block 1931, Lots 1 and 1.A)  
Block 17905, Lot 1 (formerly Block 1931, Lots 1 and 1.A)  
Jersey City, New Jersey

PRINCIPAL PLACE OF BUSINESS: 682 Highway 440  
Jersey City, New Jersey 07304

NAME OF REGISTERED AGENT: Mohan Myneni  
ADDRESS: 682 Highway 440  
Jersey City, New Jersey 07304

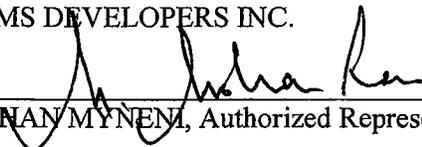
I CERTIFY THAT THE FOLLOWING LIST REPRESENTS THE NAMES OF ALL SHAREHOLDERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE ABOVE NAMED IS ITSELF AN ENTITY, THE APPLICANT WILL PROVIDE THE NAMES OF ANY ENTITY OWING A 10% OR GREATER INTEREST THEREIN)

SEE ADDENDUM TO DISCLOSURE STATEMENT ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

I FURTHER CERTIFY THAT NO OFFICER OR EMPLOYEE OF THE CITY OF JERSEY CITY HAS ANY INTEREST, DIRECT OR INDIRECT, IN THIS ENTITY.

I CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT.

WITNESSED:   
By: \_\_\_\_\_  
Name: CHARLES J. HARRINGTON, III

NAMS DEVELOPERS INC.  
By:   
MONAN MYNENI, Authorized Representative

**ADDENDUM TO EXHIBIT F**

**NAMS DEVELOPERS INC.**

NAME	ADDRESS	PERCENT OWNED
Mohan Myneni	682 Highway 440 Jersey City, New Jersey	100%

**EXHIBIT G**

**NAMS DEVELOPERS INC.**

**COMPLIANCE WITH STATE AND LOCAL LAWS CERTIFICATION**

**Certification**

The Applicant being the developer of Project hereby certifies that:

The Project meets the requirements of the laws of the State of New Jersey for consideration for a tax abatement because it is located within a redevelopment plan area.

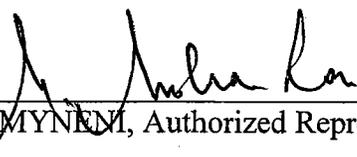
The Project complies with the Monticello Avenue Redevelopment Plan, apart from the approved deviations, and the Master Plan for Jersey City. The Project received preliminary major site plan approval with variance relief from the Planning Board of the City of Jersey City on November 5, 2008, which was memorialized by resolution December 5, 2008 (P08-017); and amended preliminary and major site plan approval memorialized by resolution P08-017.1 on August 11, 1009; and final major site plan approval on May 15, 2012 which was memorialized by resolution on June 5, 2012. See Resolutions attached to Exhibit E.

The foregoing statements made by me on this 8<sup>th</sup> day of June, 2012 are true to the best of my knowledge and after it has made diligent inquiry to confirm the accuracy of all information.

WITNESSED:

NAMS DEVELOPERS INC.

By   
Name: CHARLES J. HARRINGTON, III

By:   
MOHAN MYNENI, Authorized Representative

**EXHIBIT H**

**NAMS DEVELOPERS INC.**

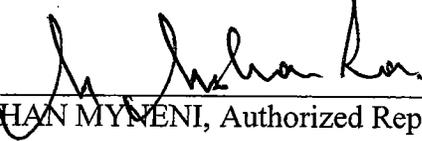
**DILIGENT INQUIRY CERTIFICATION**

The Applicant being the developer of the Project hereby certifies to the City of Jersey City that all information contained in this Application is true and correct to the best of Applicant's knowledge, as of this 8<sup>th</sup> day of June, 2012, after it has made diligent inquiry to confirm the accuracy of all information.

WITNESSED:

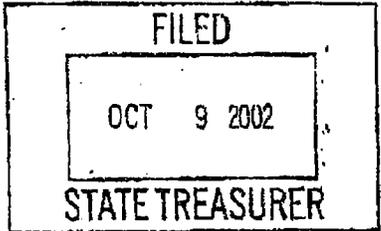
NAMS DEVELOPERS INC.

By   
Name: CHARLES J. HARRINGTON, III

By:   
MOHAN MYNENI, Authorized Representative

**EXHIBIT I**  
**CERTIFICATE OF FORMATION**  
**FOR**  
**NAMS DEVELOPERS INC.**  
**(SEE ATTACHED)**

DP



# Certificate of Incorporation Of NAMS DEVELOPERS INC.

The undersigned, of the age of eighteen years or older, for the purpose of forming a corporation pursuant to the provisions of Title 14A, Corporations, General, of the New Jersey Statutes, does hereby execute the following certificate of incorporation:

1. The name of the corporation is **NAMS DEVELOPERS INC.**

2. The purpose for which the corporation is formed is:

To do any act or activity for which corporations may be organized pursuant to the provisions of Title 14A Corporation, General, of the New Jersey Statutes, provided that the corporation shall not engage in any act or activity for which the consent or approval of any state office, agency, board, department office or any other body of the State of New Jersey without first obtaining such consent or approval.

3. The aggregate number of shares that the corporation shall be authorized to issue is 2500 with no par value.

4. The address of the corporation's initial registered office and the name of the corporation's agent therein is:

**MOHAN MYNENI, 682 HIGHWAY 440, JERSEY CITY, NJ 07304**

5. The names and addresses of the initial board of directors, to serve until the first annual meeting of shareholders, or until the successors are elected and qualify, are as follows:

**MOHAN MYNENI, 682 HIGHWAY 440, JERSEY CITY, NJ 07304**

6. The number of directors constituting the initial Board of Directors is: **One**

7. The name and address of the incorporator is:

**Frank Orlando 46 State Street 3rd Floor Albany, NY 12207**

8. No director of this corporation shall be personally liable to the corporation or its shareholders for damages for any breach of duty in such capacity, provided that this provision shall not limit the liability of any director if a judgement or other final adjudication adverse to him establishes that his act or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he personally gained in fact a financial profit or other advantage in which he was not legally entitled.

The initial By-Laws of the corporation shall be adopted by the undersigned incorporation. Thereafter, the Board of Directors, to the extent permissible by the New Jersey Business Corporation Act, may adopt, amend and/or repeal said By-Laws.

In Witness Whereof, I hereto sign this Certificate of Incorporation this 9<sup>th</sup> day of October 2002.

*Frank Orlando*  
Frank Orlando  
Incorporator

51162118  
72232242

0100889653

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
PHILADELPHIA PA 19255

DATE OF THIS NOTICE: 10-23-2002  
NUMBER OF THIS NOTICE: CP 575 A  
EMPLOYER IDENTIFICATION NUMBER: 47-0892259  
FORM: SS-4  
0533405931 B

FOR ASSISTANCE CALL US AT:  
1-800-829-1040

NAMS DEVELOPERS INC  
682 HWY 440  
JERSEY CITY NJ 07304

OR WRITE TO THE ADDRESS  
SHOWN AT THE TOP LEFT.

IF YOU WRITE, ATTACH THE  
STUB OF THIS NOTICE.

**WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER (EIN)**

Thank you for your Form SS-4, Application for Employer Identification Number (EIN). We assigned you EIN 47-0892259. This EIN will identify your business account, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

Use your complete name and EIN shown above on all federal tax forms, payments and related correspondence. If you use any variation in your name or EIN, it may cause a delay in processing and incorrect information in your account. It also could cause you to be assigned more than one EIN.

Based on the information shown on your Form SS-4, you must file the following forms(s) by the date we show.

Form 1120

12/15/2003

Your assigned tax classification is based on information obtained from your Form SS-4. It is not a legal determination of your tax classification and is not binding on the IRS. If you want a determination on your tax classification, you may seek a private letter ruling from the IRS under the procedures set forth in Rev. Proc. 98-01, 1998-1 I.R.B. 7 (or the superceding revenue procedure for the year at issue).

If you need help in determining what your tax year is, you can get Publication 538, Accounting Periods and Methods, at your local IRS office.

If you have questions about the forms shown or the date they are due, you may call us at 1-800-829-1040 or write to us at the address shown above.

If you're required to deposit for employment taxes (Forms 941, 943, 940, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), we will send an initial supply of Federal Tax Deposit (FTD) coupon books within six weeks. You can use the enclosed coupons if you need to make a deposit before you receive your supply.

**EXHIBIT J**

**NAMS DEVELOPERS INC.**

**PROPOSED TAX AGREEMENT**

**(SEE ATTACHED)**

9-13-11

*NAMS Developers Inc*

**TAX AGREEMENT**  
**FIVE YEAR/NEW CONSTRUCTION**

THIS AGREEMENT made on this <sup>2012</sup> ~~21st~~ day of ~~NOVEMBER 2011~~, by and between the CITY OF JERSEY CITY [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey, and, ~~THE WARREN @ YORK URBAN RENEWAL, LLC~~, [Applicant], whose principal place of business is ~~16 Microlab Road, Suite A, Livingston, New Jersey 07039.~~

**WITNESSETH:**

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060 (Section 304-1 et seq. of the Municipal Code), and as amended by Ordinance 07-146, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for a newly constructed building [commercial, industrial, or multiple dwelling], is permitted for a period of five (5) years; and

WHEREAS, ~~The Warren @ York Urban Renewal, LLC~~, which Entity seeks a five (5) year tax exemption for a new Project in lieu of the long term tax exemptions previously approved by Ordinances 07-149 and 08-011; and

WHEREAS, the New Project <sup>with 5 commercial units</sup> shall consist of the construction of <sup>17905</sup> ~~an eleven story~~ building, containing <sup>139</sup> residential rental units, approximately ~~6,080~~ square feet of retail rental space, and ~~104~~ parking spaces located in Block 102, Lots ~~76 and X~~, on the City's Tax Map and more commonly known by the street addresses of ~~254-258 Warren Street and 120-124 York Street, and 106-118 York Street~~, Jersey City, N.J.; and

WHEREAS, the Tax Assessor will certify that ~~The Warren @ York Urban Renewal, LLC~~, has substantially completed the improvements <sup>and received</sup> upon receipt of a Certificate of Occupancy; and *Temporary*

WHEREAS, as determined by the assessor on October 1<sup>st</sup> of the year following completion, the owner proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, estimated as follows:

- (a) <sup>2012</sup> ~~2013~~: the tax year in which the structure is estimated to be completed. \$0

taxes;

- (b) <sup>2013</sup> 2014: the second tax year, <sup>20</sup> 39% of actual full taxes, estimated to be <sup>5716</sup> \$262,205;
- (c) <sup>2014</sup> 2015: the third tax year, <sup>40</sup> 59% of actual full taxes, estimated to be <sup>11,431</sup> \$396,669;
- (d) <sup>2015</sup> 2016: the fourth tax year, <sup>60</sup> 79% of actual full taxes, estimated to be <sup>17,147</sup> \$531,134;  
and
- (e) <sup>2016</sup> 2017: the fifth tax year, <sup>80</sup> 80% of actual full taxes, estimated to be <sup>22,863</sup> \$537,857;

WHEREAS, the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of <sup>28,579</sup> \$672,321 a year upon completion; and

WHEREAS, the applicant has agreed that in the event the City-wide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes after the revaluation, otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the New Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

#### ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new Multiple Dwelling [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance 11-087, which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

#### ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar year of <sup>2012</sup> 2013, \$0 taxes;

2. For the full calendar year of 2014, ~~thirty-nine (39%)~~ <sup>twenty (20%)</sup> percent of the actual taxes otherwise due, currently estimated to be the sum of \$262,205; ~~5,716~~;
3. For the full calendar year of 2015, ~~fifty-nine (59%)~~ <sup>forty (40%)</sup> percent of the actual taxes otherwise due, currently estimated to be the sum of \$396,669; ~~11,431~~;
4. For the full calendar year of 2016, ~~seventy-nine (79%)~~ <sup>sixty (60%)</sup> percent of the actual taxes otherwise due, currently estimated to be the sum of \$531,134; ~~and 17,147~~;
5. For the full calendar year of 2017 eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$537,857; ~~22,863~~;

### **ARTICLE III: CITY WIDE REVALUATION**

In the event that the revaluation reduces the amount otherwise due, the owner shall pay the above estimated amount; if the revalue increases the amount otherwise, the owner shall pay based upon the revaluation.

### **ARTICLE IV: APPLICATION FEE**

The Applicant has paid the sum of ~~\$10,500~~ <sup>3,500</sup> to the City before the execution of this Agreement. Failure to make such payment shall cause the tax exemption to terminate.

### **ARTICLES V: FEDERAL, STATE AND LOCAL LAW**

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

### **ARTICLE VI: TERM OF EXEMPTION**

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

### **ARTICLE VII: COUNTY EQUALIZATION AND SCHOOL AID**

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall be applied to the

valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

#### **ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY**

In the event that during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the Conditions for Qualifying, as set forth under N.J.S.A. 40A:21-1, et seq., for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for that year, but not previous years, shall become due and payable from the Applicant as if no exemption had been granted. However, with respect to the disposal of the property, in the event it is determined that the new owner will continue to use the property pursuant to the Conditions for Qualifying the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

An amendment to the Entity's Certificate of Formation to discontinue and terminate its status as an Urban Renewal Company pursuant to N.J.S.A. 40A:20-1 et seq., shall not be considered a disposal of the Property. The City hereby agreeing that the Entity shall have the right to take any and all action to discontinue its treatment as an Urban Renewal Company and such actions shall not effect the terms, conditions, rights and obligations under this Agreement.

#### **ARTICLE IX: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION**

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

#### **ARTICLE X: PROJECT EMPLOYMENT AGREEMENT**

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment Agreement which is attached hereto as Exhibit C.

#### **ARTICLE XI: NOTICES**

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party

to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City:

Business Administrator  
City Hall, 280 Grove Street  
Jersey City, New Jersey 07302

Notice to Applicant:

Nams Developers Inc.  
c/o Mohan Myneni  
682 Highway 440  
Jersey City, NJ 07304

**ARTICLE XII: GENERAL PROVISIONS AND**

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by an Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Applicant have caused this Agreement to be executed on the date and year first above written.

WITNESS:

*Dawn Plano*

~~THE WARRICK @ TORO~~  
~~RENEWAL, LLC~~

BY: *[Signature]*

ATTEST:

*Robert Byrne*  
Robert Byrne  
City Clerk

CITY OF JERSEY CITY

BY: *[Signature]*  
John Kelly  
Business Administrator

Charles J. Harrington, Esq.  
Council Foley, LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, NJ 07311

**EXHIBIT K**

**NAMS DEVELOPERS INC.**

**PROJECT EMPLOYMENT AGREEMENT**

10-17-11

**PROJECT EMPLOYMENT & CONTRACTING AGREEMENT**

This Project Employment & Contracting Agreement is made on this <sup>NAMS Developers-Inc</sup> ~~21st~~ day of ~~2011~~, between the CITY OF JERSEY CITY [City] and ~~THE WARREN @ YORK URBAN RENEWAL, LLC~~, having its principal office at 16 Microlab Road, Suite A, Livingston, New Jersey 07039. Recipient agrees as follows:

**I. Definitions:**

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.
2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.
3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 121-125 Newark Avenue, Jersey City, NJ 07302, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by \$25,000 or more in the aggregate;
6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. "Local Business" means a bona fide business located in Jersey City.
8. Acting Mayor Jerramiah T. Healy's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.
9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:

- a) "African-American" means a person having origins in any of the black racial groups of Africa.
  - b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.
  - c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.
  - d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.
10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
  11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
  12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
  13. "Project or Project Site" means the specific work location or locations specified in the contract.
  14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.
  15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.
  16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.

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19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

## II. Purpose:

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

## III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

**IV. Recipient Designee:**

~~The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.~~

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix AZ

**V. Term:**

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance 11-087, approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

**VI. Good Faith Defined:**

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The initial manning report should contain an estimate of the total work force to be used at the Project Site, including the work force of any and all Contractors and Subcontractors. It should also describe the specific construction trades and crafts, and indicate the projected use of City residents, City resident Minorities and City resident women. Attached hereto as Appendix B is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and

Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Acting Mayor Jerramiah T. Healy's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.
- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Acting Mayor Jerramiah T. Healy's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total work hours in each construction trade or craft and the number of hours worked by City residents, including a list of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by employees of the Contractor and each of its Subcontractors. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residency, including gender and ethnic/racial origin of each worker. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

2. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.
- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors -- Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan -- Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident, minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

### 3. Business Contracting

Good Faith shall mean compliance with all of the following conditions:

1) Solicitation of Businesses:

- a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Acting Mayor Jerramiah T. Healy's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.
- b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.
  - i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.

ii) **No Utilization of Local and Local Minority Vendors As Conduits For Vendors That Are Not Local Or Minority Owned:**

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

4. **Summation of Documentation Needed For Compliance with Agreement**

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Acting Mayor Jerramiah T. Healy's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

**VII. Notices of Violation:**

1. **Advisory Notice:** The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.
2. **Violation Notice:** If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.

3. **Correcting the Violation:** Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
4. **Extension of Time to Correction:** Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.
5. **Meetings Concerning Violations:** The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.
6. **Interviews Relating to Violations:** The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.
7. **Determination of Violation:** The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

#### **VIII. Damages:**

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): Five (5%) percent increase in the annual payment in lieu of taxes;
- b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): Three (3%) percent increase in the annual payment in lieu of taxes;
- c) failure to allow record or work place access or submit any other required reports (all categories): Two (2%) percent increase in the annual payment in lieu of taxes.

- d) the use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: Five (5%) percent increase in the annual payment in lieu of taxes.

**IX. Commercial Tenants at the Project Site:**

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.
2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.
3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.
4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

**X. Notices**

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

~~The Warren @ York Urban Renewal, LLC~~  
~~16 MicroLab Road Suite A~~ *NAMS Developers Inc.*  
~~Livingston, New Jersey 07029~~ *610 Mohan Mynevi*  
~~Attn: Jonathan Schwartz~~ *682 Highway 440*  
*Jersey City, NJ 07304*

and

Connell Foley, LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, New Jersey 07311  
Attn: Nancy Skidmore, Esq. *Charles J. Harrington, III, Esq.*

2. When sent by the Recipient to the City, it shall be addressed to:

Project Employment & Contracting Monitor  
Department of Administration  
Division of Economic Opportunity  
121-125 Newark Avenue  
3rd Floor  
Jersey City, New Jersey 07302

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

**XI. Adoption, Approval, Modification:**

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

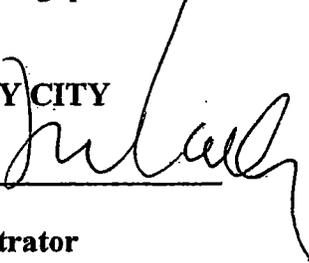
**XII. Controlling Regulations and Laws:**

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

ATTEST:

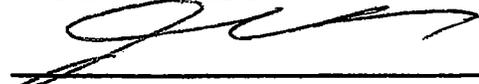
  
\_\_\_\_\_  
Robert Byrne  
City Clerk

CITY OF JERSEY CITY

  
\_\_\_\_\_  
John Kelly  
Business Administrator

WITNESS:

  
\_\_\_\_\_  
Secretary

~~RENEWAL LLC~~  
  
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**City Clerk Robert Byrne stated on behalf of the Tax Exemption Committee:"In accordance with the New Jersey P.L. 1975, Chapter 231 of the Open Public Meetings Act (Sunshine Law), adequate notice of this meeting was provided by mail and/or fax to The Jersey Journal and The Reporter on Wednesday, June 20, 2012 @ 10:00 a.m.**