

DATE _____

NUMBER 59-2023**TITLE:**

ORDINANCE OF THE CITY OF ORANGE TOWNSHIP TO APPROVE A TAX EXEMPTION FOR A THIRTY (30) YEAR PERIOD AND TO AUTHORIZE THE TWENTY-TWO (22) YEAR EXEMPTION AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT BETWEEN THE CITY AND 595 LINCOLN ORANGE URBAN RENEWAL LLC

WHEREAS, 595 Lincoln Orange Urban Renewal LLC (the “**Entity**”) has applied for a long-term tax exemption for a redevelopment project on property located at 595 Lincoln Avenue in the City of Orange Township identified on the City tax map as Block 6303, Lot 7 (the “**Property**”) which is located within the Lincoln Avenue Redevelopment Area and is governed by the Lincoln Avenue Redevelopment Plan; and

WHEREAS, as described more fully within the application for long term tax exemption that the Entity filed with the City, the proposed project consists of the demolition of the existing structure on the Property and the construction of a six-story multifamily residential building, consisting of seventy (70) market rate rental units with a unit mix of studio units, one-bedroom units, two-bedroom units and three-bedroom units, building amenities including a lobby, storage room, outdoor roof deck with theater, and fitness area, along with seventy-two (72) off-street parking spaces (collectively, the “**Project**”); and

WHEREAS, the Project will conform to the Lincoln Avenue Redevelopment Plan and all applicable municipal zoning ordinances, to the extent it contains provisions that are relevant to the Project, and will also conform with the master plan of the City of Orange Township (the “**City**”); and

WHEREAS, the City is authorized under the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “**LTTE Law**”) to grant tax exemptions to qualifying entities constructing redevelopment projects within urban enterprise zones governed by redevelopment plans and to enter into financial agreements with such entities governing payments made to the City in lieu of real estate taxes on the Project; and

WHEREAS, pursuant to N.J.S.A. 40A:20-8, the Entity filed an application (the “**Application**”) with the City for approval of a long term tax exemption for the Project and has agreed to enter into a financial agreement with the City (the “**Financial Agreement**”); and

WHEREAS, the Financial Agreement sets forth the terms and conditions under which the Entity and the City shall carry out their respective obligations with respect to the long term tax exemption for the Project; and

WHEREAS, the Mayor, together with counsel for the City, has reviewed the Application and found that it complies with the provisions of the LTTE Law; and

WHEREAS, the Entity has demonstrated to the satisfaction of the Mayor and City Council that the granting of a long term tax exemption will improve the quality of life for the occupants of the Project and the quality of life for the City of Orange: and

WHEREAS, the Mayor and Municipal Council finds that the relative benefits of the Project to the City outweigh the costs to the City associated with granting the long term tax exemption in that it will provide needed housing for families, create both temporary and permanent jobs within the City, enhance the quality of life for residents in and around the Project and that it will be important in influencing the locational decisions of probable occupants of the Project; and

WHEREAS, the Municipal Council has determined that the assistance provided to the Project pursuant to the Financial Agreement is necessary for the creation of the Project and will be a significant inducement for the Entity to proceed with the Project; and

WHEREAS, the Financial Agreement represents an arm's length transaction between the parties and all promises and agreements, express or implied, payment of fees or other benefits, terms or conditions related thereto are incorporated therein as it concerns the Project and the parties hereto as well as their agents and servants; and

WHEREAS, the Entity hereby certifies its compliance with the applicable municipal ordinances as well as the strictures of the LTTE Law.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Orange Township as follows:

SECTION 1: PROVISIONS

1. The Entity's Application is hereby approved.
2. The Financial Agreement providing for a long term tax exemption on the Project is hereby approved with the intent that upon execution of the Financial Agreement and upon the terms set forth therein, the Project will be exempt from taxation for a period of twenty-two (22) years.
3. The Mayor of the City is hereby authorized to execute the Financial Agreement substantially in the form as it has been presented to the City Council subject to modification or revision deemed necessary and appropriate in consultation with counsel.
4. The Clerk of the City is hereby authorized and directed, upon the execution of the Financial Agreement in accordance with the terms set forth herein, to attest to the signature of the Mayor upon such document, and is hereby further authorized and directed thereupon affix the corporate seal of the City upon such document.
5. The City Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the City and the Director of the Division of Local Government Services within the Department of Community Affairs in accordance with Section 12 of the LTTE Law.

SECTION 2: INCONSISTENCIES

All other ordinances and parts of ordinances in conflict or inconsistent with this ordinance are hereby repealed but only to the extent of such conflict or inconsistency.

SECTION 3: HEADINGS

All headings within this ordinance are for convenience only and are not deemed to be part of this ordinance.

SECTION 4: EFFECTIVE DATE

This ordinance shall take effect as required by law.

ADOPTED:

Joyce L. Lanier
Municipal Clerk

Tency A. Eason
Council President

APPROVED:

Dwayne D. Warren, Mayor

NOTICE OF PENDING ORDINANCE

PUBLIC NOTICE IS HEREBY GIVEN that the foregoing ordinance was duly introduced and passed upon first reading at a regular meeting of the City Council of the City of Orange Township, in the County of Essex, New Jersey, held on September 5, 2023. The ordinance authorizes the execution and delivery of a Financial Agreement with 595 Lincoln Orange Urban Renewal LLC in connection with a redevelopment project to be located at of 595 Lincoln Avenue and consisting of the demolition of the existing structure on the Property and the construction of a six-story multifamily residential building, consisting of seventy (70) market rate rental units with a unit mix of studio units, one-bedroom units, two-bedroom units and three-bedroom units, building amenities including a lobby, storage room, outdoor roof deck with theater, and fitness area, along with seventy-two (72) off-street parking spaces. Under the Financial Agreement, the project will receive a 30-year tax exemption and the redeveloper will be obligated to pay certain annual service charges to the City in lieu of taxes on the improvements. Further notice is hereby given that said ordinance will be considered for final passage and adoption, after public hearing thereon, at a regular meeting of said City Council to be held at City Hall, 29 North Day Street, Orange, New Jersey 07050 on September 19 2023 at 7:00 p.m. ET, and during the week prior to and up to and including the date of such meeting, copies of said ordinance will be made available without cost at the City Clerk's Office to the members of the general public who shall request the same.

Joyce L. Lanier, City Clerk

NOTICE OF ADOPTION OF ORDINANCE

PUBLIC NOTICE IS HEREBY GIVEN that the ordinance published herewith has been finally adopted by the City Council of the City of Orange Township, in the County of Essex, New Jersey on September 19, 2023. The ordinance authorizes the execution and delivery of a Financial Agreement with 595 Lincoln Orange Urban Renewal LLC in connection with a redevelopment project to be located at of 595 Lincoln Avenue and consisting of the demolition of the existing structure on the Property and the construction of a six-story multifamily residential building, consisting of seventy (70) market rate rental units with a unit mix of studio units, one-bedroom units, two-bedroom units and three-bedroom units, building amenities including a lobby, storage room, outdoor roof deck with theater, and fitness area, along with seventy-two (72) off-street parking spaces. Under the Financial Agreement, the project will receive a 30-year tax exemption and the redeveloper will be obligated to pay certain annual service charges to the City in lieu of taxes on the improvements. A copy of the ordinance has been filed for public inspection in the City Clerk’s Office, located at City Hall, 29 North Day Street, Orange, New Jersey 07050. Further notice is hereby given that any action or proceeding of any kind or nature in any court questioning the validity or proper authorization of ordinance or the actions authorized to be taken as set forth in the ordinance shall be commenced within 20 days after the publication of this notice, as stated below.

Date of publication: _____, 2023.

Joyce L. Lanier, City Clerk

FINANCIAL AGREEMENT
(N.J.S.A. 40A: 20-1, et seq.)

This **FINANCIAL AGREEMENT** (hereinafter, the “**Financial Agreement**”) made this ____ day of _____, 2023 by and between 595 Lincoln Orange Urban Renewal LLC, a New Jersey limited liability company qualified to do business under the provisions of the Long Term Tax Exemption Law, as amended and supplemented, (N.J.S.A. 40A:20-1 et seq.), having its principal office at 80 River Street, #2C, Hoboken, New Jersey 070303 (hereinafter referred to as the “**Entity**”), and the City of Orange Township, a Municipal Corporation in the County of Essex and the State of New Jersey, having offices at City Hall, 29 North Day Street, Orange, New Jersey 07050 (hereinafter referred to as the “**City**”).

WITNESSETH:

WHEREAS, the Entity has applied for a long-term tax exemption for a redevelopment project on property located at 595 Lincoln Avenue in the City of Orange Township identified on the City tax map as Block 6303, Lot 7 (the “**Property**”) which is located within the Lincoln Avenue Redevelopment Area; and

WHEREAS, as described more fully within the application for long term tax exemption submitted by the Entity (a copy of which is attached hereto as **Exhibit A**) (the “**Application**”), the project consists of the demolition of the existing structure on the Property and the construction of a six-story multifamily residential building, consisting of seventy (70) market rate rental units with a unit mix of studio units, one-bedroom units, two-bedroom units and three-bedroom units, building amenities including a lobby, storage room, outdoor roof deck with theater, and fitness area, along with seventy-two (72) off-street parking spaces (collectively, the “**Project**”); and

WHEREAS, the City Council has reviewed the Application and has made the following findings:

A. Relative Benefits of the Project when Compared to Costs. The granting of the long-term tax exemption provided herein will permit the development of market rate residential units on the Property which would not be developed but for the granting of the exemption provided herein and will also create both temporary construction and permanent jobs which will benefit the community. Thus, the City Council finds that this substantial public benefit outweighs the difference between the unabated tax amount and the amount that the Entity will be required to pay hereunder.

B. Assessment of the Importance of the Tax Exemption in Developing the Project and Influencing the Locational Decisions of Potential Occupants:

(i) This long-term tax exemption represents a logical and economical method of attracting residents who will utilize more housing options which are vital to the City and the community because but for the provision of this financial incentive and the subsidy provided thereby, the development of residential rental housing units would not be possible and thus would not occur; and

(ii) The relative stability and predictability of the Annual Service Charges will enhance the Entity's ability and opportunity to successfully construct, operate and maintain this Project, which in turn will ensure the likelihood of success over the life of the Project; and

(iii) The long-term tax exemption granted under this Financial Agreement is important to the City because without the incentive of the tax exemption granted under this Financial Agreement, it is unlikely that the Project would be undertaken and as such the goals and objectives of the Redevelopment Plan would go unfulfilled. The tax exemption is also expected

to influence the locational decisions of potential occupants of the Project, and will be of benefit to the local businesses in the community and will foster the growth of additional off-site local business opportunities; and,

WHEREAS, the parties hereto wish to set forth in detail their mutual rights and obligations with respect to the tax exemption applicable to this Project by entering into this Financial Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

Article I - General Provisions

Section 1.1 Governing Law

This Financial Agreement shall be governed by the provisions of the Long-Term Tax Exemption Law, N.J.S.A. 40A: 20-1 et. seq. (as amended and supplemented, the “**Law**”). It is expressly understood and agreed that the City expressly relies upon the facts, data, and presentations contained in the Application attached hereto in granting this tax exemption.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, the following terms when used in this Financial Agreement shall mean:

i. Allowable Net Profit - The amount arrived at by applying the allowable profit rate to the total project cost pursuant to the provisions of N.J.S.A. 40A: 20-3(c).

ii. Allowable Profit Rate - The Allowable Profit Rate means the greater of twelve (12%) percent or the percentage per annum arrived at by adding 1 ¼ % per annum to the annual interest percentage rate payable on the Entity’s initial permanent mortgage financing.

iii. Annual Service Charge - The amount that the Entity has agreed to pay the City in lieu of full taxation on the Improvements as set forth more fully within Section 4.1 of this Financial Agreement, and which is subject to verification and review by the City.

iv. Application - The Application was filed by the Entity pursuant to N.J.S.A. 40A:20-8 for a long term tax exemption for the Project which is attached hereto as **Exhibit A**.

v. Auditor's Report - A complete financial statement outlining the financial status of the Project (for a period of time as indicated by context) the contents of which shall include a certification of Total Project Cost (in the first Auditor's Report following Substantial Completion only, with any changes to be contained in a subsequent Annual Report) and proper and accurate computations of annual Gross Revenue and Net Profit. The contents of the Auditor's Report shall be prepared in conformity with generally accepted accounting principles and shall contain such information as necessary to compute the foregoing items, and any other items required by Law, Statutes or Ordinance. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - Document issued by the City authorizing occupancy of a building.

vii. City - The City of Orange Township, New Jersey.

viii. Default - Shall be the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Financial Agreement.

ix. Entity - Shall mean 595 Lincoln Orange Urban Renewal LLC, a New Jersey limited liability company qualified to do business under the provisions of the Law, and any lawful assignees as authorized under this Financial Agreement.

x. Gross Revenue – Any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants or income or fees from third parties, including but not limited to fees or income paid or received for parking, laundry room, vending machines, and the like, or as user fees or for any other services. No deductions will be allowed for operating or maintenance costs, including, but not limited to gas, electric, water and sewer, other utilities, garbage removal and insurance charges, whether paid for by the Entity, tenant or third party.

xi. Improvements - Any building, structure or fixture permanently affixed to the Land.

xii. In Rem Tax Foreclosure - A summary proceeding by which the City may enforce the lien for taxes due and owing by a tax sale. Said foreclosure is governed by N.J.S.A. 54: 5 -1 et seq.

xiii. Land – The land, but not the Improvements, on the Property.

xiv. Land Taxes - The amount of taxes assessed on the value of the Land. Land assessments are not abated and shall remain a lien on the Land.

xv. Land Tax Payments - Payments made on the quarterly due dates for Land Taxes on the Land as determined by the Tax Assessor and the Tax Collector.

xvi. Law - The term “Law” shall refer to the Long-Term Tax Exemption Law, as amended and supplemented N.J.S.A. 40A: 20-1, et. seq.

xvii. Minimum Annual Service Charge - The minimum annual service charge shall be the greater of (i) the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, and (ii) \$41,592.00.

xviii. Net Profit - The gross revenue of the Entity less all operating and non-operating expenses of the Entity, calculated on a cumulative basis from Substantial Completion through the most recent fiscal year, as determined in accordance with generally accepted accounting principles and the provisions of N.J.S.A. 40A:20-3(c).

xix. Project - The Land and Improvements thereon which are the subject of this Financial Agreement and as defined in N.J.S.A. 40A:20-3 (e) and (i). The Project consists of the demolition of the existing structure on the Property and the construction of a six-story multifamily residential building, consisting of seventy (70) market rate rental units with a unit mix of studio units, one-bedroom units, two-bedroom units and three-bedroom units, building amenities including a lobby, storage room, outdoor roof deck with theater, and fitness area, along with seventy-two (72) off-street parking spaces the demolition of the existing structure on the Property and the construction six-story multifamily residential building, consisting of seventy (70) market rate rental units, along with seventy-two (72) off-street parking spaces, all as described more fully within the Application.

xx. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as, the plural, as proper meaning requires.

xxi. Property - The Land and the Improvements thereon located at 595 Lincoln Avenue in the City of Orange Township identified on the City tax map as Block 6303, Lot 7.

xxii. Statutes - The term Statutes when used in this Financial Agreement shall refer to all relevant statutes of the State of New Jersey.

xxiii. Substantial Completion - The determination by the City that the Project is ready for the use intended, as further defined in Section 6.2 of this Financial Agreement.

xxiv. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its long-term tax exemption on the Property.

xxv. Total Project Cost – The total cost of construction and/or rehabilitation of the Project through the date of Certificate of Occupancy is issued for the entire Project, which categories of cost are as defined in N.J.S.A. 40A:20-3(h). There shall be included in Total Project Cost the actual costs incurred to construct the Improvements which are specifically described in the Application attached as Exhibit A hereto.

xxvi. Total Project Cost Audit – A report prepared by a certified public accountant, who is licensed to do business in the State of New Jersey on behalf of the Entity that sets forth the Total Project Cost for the Project. The Total Project Cost shall be supported by a certification of the licensed architect for the Project as required by N.J.S.A. 40A:20-3(h)(4).

Section 1.3 Exhibits Incorporated

All exhibits that are referred to in this Financial Agreement and are attached hereto are incorporated herein and made a part hereof.

Article II - Approval

Section 2.1 Approval of Tax Exemption

The City has granted and does hereby grant its approval for a tax exemption for the Project to be acquired, developed and to be maintained under the provisions of the Law on the premises described in the Application. The Entity represents and covenants that, effective as of the completion of the Project, it shall use the Project for the purposes set forth in the Application, and the land use applications filed with, and as approved by, the City in connection with this Project.

Section 2.2 Approval of Entity

Approval hereunder is granted to the Entity for the contemplated Project on the Property, which shall in all respects comply and conform to all applicable statutes of the State of New Jersey, and the lawful regulations made pursuant thereto, governing land, building(s) and the use thereof, and which Project is more particularly described in the Application.

Section 2.3 First Source Employment

(a) If the Entity, its successors and/or assigns and/or any subsequent purchasers and/or any third party management companies retained to manage the Property, intend to hire new or replacement employees, for either part time or full time employment, for the construction of the Project or for the operation of the Project once it is constructed, the Entity, its successors and/or assigns and/or subsequent purchasers and/or any third party management companies retained to manage the Property, shall make good faith efforts to hire City residents to fill these jobs as specified below. The City, through the City's Office of Human Resources and/or a non-profit entity to be named by the City as the job referral center (hereinafter, the "**Job Referral Center**"), shall be available to assist in providing qualified candidates for the above 'first source' interviewing and hiring. The good faith efforts by Entity, its successors and/or assigns and/or subsequent purchasers and/or any third party management companies retained to manage the Property, shall include, but not be limited to, the following: (1) written notification to the Job Referral Center of any new full or part-time job opportunities at least five (5) business Days prior to the commencement of the interviewing process. Such notification shall include, but not be limited to, the number of positions available, projected start date, estimated level of compensation, the skills and experience required for successful applicants, and the anticipated term of employment; (2) hold a first source interview window of at least five (5) business Days during which only candidates referred by the Job Referral Center shall be interviewed. These first source

interviews shall take place prior to interviewing candidates from the general public; (3) cooperate with efforts to recruit City residents for employment opportunities, including participation in job fairs or similar events held by the City; and (4) meet with appropriate City officials to determine the status of recruitment efforts and to plan future employment recruitment activities. The Entity, its successors and/or assigns and/or subsequent purchasers and/or any third-party management companies retained to manage the Property, shall maintain records of this first source notification, interviewing and hiring activity for review by the City upon the City's written request.

(b) Upon completion of the Project, as evidenced by the receipt of a Certificate of Occupancy, the Entity and its successors and/or assigns and/or any subsequent purchasers, shall include a provision in all of their non-residential leases for space in a structure constructed as part of the Project providing that:

“If the lessee (tenant) intends to hire a new or replacement employee for either part time or full-time employment, the lessee shall use good faith efforts to hire City residents to fill those jobs as specified below. The City, through the Job Referral Center, shall be available to assist in providing qualified candidates for the above ‘first source’ interviewing and hiring. The lessee’s good faith effort shall include, but not be limited to: (1) written notification to the Job Referral Center of any new full or part-time job opportunities at least five (5) business Days prior to the commencement of the interviewing process. Such notification shall include, but not be limited to, the number of positions available, projected start date, estimated level of compensation, the skills and experience required for successful applicants, and the anticipated term of employment; (2) hold a first source interview window of at least five (5) business Days during which only candidates referred by the Job Referral Center shall be interviewed. These first source interviews shall take place prior to interviewing candidates from the general public; (3) cooperate with efforts to recruit City residents for employment opportunities, including participation in job fairs or similar events held by the City; and (4) meet with appropriate City officials to determine the status of recruitment efforts and to plan future employment recruitment activities. Lessee will maintain records of this ‘first source’ notification, interviewing and hiring activity (including but not limited to a written description of the reasons for the decision not to hire any candidate referred by the Job Referral Center for review by the City upon the City’s written request. Failure of the lessee to comply with this ‘first source’ requirement shall be considered by the lessor to be a material breach of the lease and shall entitle the

lessor to exercise any and all remedies provided for in the lease for a material breach including eviction.”

(c) Upon written notice from the City to the Entity or its successors and/or assigns and/or any subsequent purchasers that the tenant is not using good faith efforts to hire City residents and is not in compliance with the first source provisions of the lease, the Entity and its successors and/or assigns and/or any subsequent purchasers agree to enforce the lease provisions set forth within Section 2.3(b) above to ensure compliance by all lessees. The Entity and its successors and/or assigns and/or any subsequent purchasers also agree to include the terms of this Section in any contract for sale or transfer of the Property or any structure constructed as part of the Project to any other person or entity and to explicitly provide within such contract that these terms shall survive the closing and that the City shall be a third party beneficiary as to the enforcement of these terms.

(d) In addition to any other remedy provided under this Financial Agreement and any other remedy provided by law, the parties hereby agree that the provisions of this Section may be enforced by the City through specific performance.

Section 2.4 Affirmative Action

The Entity, for itself and its successors and assigns, agrees that during the construction of the Improvements provided for in this Financial Agreement:

(a) It will comply with the provisions of the Affirmative Action Language contained herein.

(b) When hiring workers in each construction trade, or when engaging contractors, the Entity agrees, pursuant to the City's request, to use its best efforts to employ:

- (i) minority workers in each construction trade; or
- (ii) minority contractors consistent with the following goals: (as to workers) - a goal of employing twenty (20%) percent minority workers out of the total number of workers employed as part of the work force in connection with the Project; or (as to contractors) - a goal of contracting with Qualified Minority Business Enterprises for twenty (20%) percent of the dollar value of the hard costs of total procurements to be awarded in connection with the Project.

For purposes of this section, the term "Minority" shall mean persons who are Black, Hispanic, Portuguese, Latino, Asian American, American Indian or Alaskan Natives. The term "Qualified Minority Business Enterprise" shall mean a business which has its principal place of business in New Jersey, is independently owned and operated, is at least fifty-one (51%) percent owned and controlled by Minority group members and is qualified.

(c) It will undertake a program of local preference to facilitate entering into contracts with and/or purchasing goods and services from local merchants and businesses located within the City.

(d) It will endeavor to comply with the above stated goals by, among other things, considering employment of applicants, contractors and vendors who are from a pool registered by the City or its designee.

(e) Where applicable, it will at all times conform to the laws, regulations, policies of the State of New Jersey, the Federal Government, and other governmental bodies with respect to affirmative action and equal employment opportunities requirements, and particularly those which are imposed as a condition to receipt of any government-sponsored funding for the

Project, notwithstanding any other provision of this Financial Agreement to the contrary.

Section 2.5 Compliance and Reporting

The obligations contained in Sections 2.4 and 2.5 shall be binding on all contractors and subcontractors to the extent that any work is done by any contractor or subcontractor, and any contract entered into by the Entity (or any other person or entity) in respect of the construction of the Project shall so provide. The Entity covenants to enforce (and cause any other person or entity to enforce) its contracts with its contractors and subcontractors if such parties are not in compliance with Sections 2.4 and 2.5.

Article III – Duration of Financial Agreement

Section 3.1 Term

So long as there is compliance with the Law and this Financial Agreement, it is understood and agreed by the parties hereto that this Financial Agreement shall remain in effect for a term of twenty-two (22) years from the date of Substantial Completion of the Project and shall continue in force only while said Project is owned by an urban renewal entity formed pursuant to the Law; provided, however, that in no case shall this Financial Agreement remain in effect longer than 27 years from the date of execution of this Financial Agreement. Upon expiration of the term of this tax exemption, (i) the tax exemption for the Project shall no longer be in effect and the Land and the Improvements on the Property thereon shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the City and (ii) all restrictions and limitations upon the Entity shall terminate upon the Entity's rendering and the City's acceptance of the Entity's final accounting.

Article IV - Annual Service Charge

Section 4.1 Annual Service Charge

(a) The Annual Gross Revenue shall be calculated as set forth within N.J.S.A. 40A:20-3(a) and shall include the total of all revenues that would normally be payable to a landlord in the case where the landlord is responsible to pay all costs of operations and maintenance as well as to pay the full cost of the capital required to construct the Project. To the extent that the actual revenues collected by the Entity are less than such amount, due to any reason including without limitation, the payment of expenses by tenants that would normally be paid by the landlord, such as insurance, taxes and or maintenance or the existence of an intermediate entity between the Entity and any tenant, but specifically excluding reductions in

revenue due to vacancies within the Project, the City shall have the right, at its sole discretion, to recalculate the amount that the revenues would have been, without such issues and to utilize the results of its recalculations in all determinations of Annual Service Charges.

(b) All parking spaces on the Property, if applicable and approved by the Office of Central Planning, will be exclusively for the use of the owners, tenants or customers of the Property. If the Entity charges for the parking spaces on the Property, the Entity must report this as other revenue generated from the Project. In the event that the Entity seeks to lease the parking spaces on the Property, the Entity must first notify the City in writing and must comply with all City ordinances and State laws regarding parking.

(c) The Annual Service Charge for year one (1) through year fourteen (14) of this Financial Agreement shall be the amount equivalent to ten percent (10%) of the Annual Gross Revenue generated from the Project. The Annual Service Charge for the remaining period of the Financial Agreement shall be determined as follows, pursuant to N.J.S.A. 40A:20-12(b)(2):

- (i) During year fifteen (15) through year nineteen (19) of the Financial Agreement, the Annual Service Charge shall be an amount equal to ten percent (10%) of the Annual Gross Revenue generated from the Project or twenty percent (20%) of the amount of the taxes otherwise due on the value of the Land and Improvements, whichever is greater;
- (ii) During year twenty (20) of the Financial Agreement, the Annual Service Charge shall be an amount equal to ten percent (10%) of the Annual Gross Revenue generated from the Project or forty percent (40%) of the amount of the taxes otherwise due on the value of the Land and Improvements, whichever is greater;

- (iii) During year twenty-one (21), the Annual Service Charge shall be an amount equal to ten percent (10%) of the Annual Gross Revenue generated from the Project or sixty percent (60%) of the amount of the taxes otherwise due on the value of the Land and Improvements, whichever is greater;
- (iv) During year twenty-two (22) of the Financial Agreement, the Annual Service Charge shall be an amount equal to ten percent (10%) of the Annual Gross Revenue generated from the Project or eighty percent (80%) of the amount of the taxes otherwise due on the value of the Land and Improvements, whichever is greater.

In no event shall the Annual Service Charge, excluding taxes on the Land, in any year after the Annual Service Charge Start Date be less than the Minimum Annual Service Charge. The Minimum Annual Service Charge shall not be reduced through any tax appeal on Land and/or Improvement during the period the Agreement is in force and effect.

Section 4.2 Quarterly Installments

The Entity expressly agrees that the aforesaid Annual Service Charge(s) shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each City fiscal year. In the event that the Entity fails to so pay, the amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid.

Section 4.3 Land Tax Credit

The Entity is obligated to make Land Tax Payments, notwithstanding any entitlement to a Land Tax Credit against the Annual Service Charge for the subsequent year. The Entity shall be

entitled to a credit for the amount, without interest, of the Land Tax Payments paid by it in the last four preceding quarterly installments in the prior tax year (the “**Land Tax Credit**”) against the Annual Service Charge. For purposes of clarification the amount of the Land Tax Credit to be applied against the quarterly installment of the Annual Service Charge shall equal $\frac{1}{4}$ of the total Land Tax Payments paid by it in the last four preceding quarterly installments in the prior tax year. The Entity’s failure to make the requisite Annual Service Charge payment in a timely manner shall constitute a violation and breach of the Financial Agreement and the City shall, among its other remedies, have the right to proceed against the Property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54: 5-1, et. seq. and/or may cancel the Financial Agreement upon thirty (30) days notice to the Entity. Any default arising out of the Entity’s failure to pay Land Taxes and/or Annual Service Charges, shall not be subject to the default procedural remedies as provided in Section 5.1 of this Financial Agreement.

Section 4.4 Material Conditions

It is expressly agreed and understood that all Land Tax Payments, Annual Service Charges, including the methodology of computation, water and sewer charges, and any interest payments due, are material conditions of this Financial Agreement. If any other term, covenant or condition of this Financial Agreement or the Application, to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Financial Agreement shall be valid and be enforced to the fullest extent permitted by law.

Section 4.5 City Administrative Charge

In addition to the Annual Service Charge, there will be a fee of two (2%) percent of the Annual Service Charge added for each year that the Financial Agreement is in effect in order to cover the City's administrative costs.

Article V - Dispute Resolution

Section 5.1 Remedies

In the event of a breach of this Financial Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, other than those items specifically included as material conditions herein, either party may apply to the Superior Court of New Jersey for relief through the filing of an appropriate proceeding to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the Law. In the event that the Superior Court does not accept jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined, in accordance with its rules and regulations, in such a fashion to accomplish the purpose of said Law. Costs for said arbitration shall be borne equally by the parties. In the event of a default on the part of the Entity to pay the Annual Service Charge as defined in Article IV, above, the City among its other remedies, reserves the right to proceed against the Entity's Property, in the manner provided by N.J.S.A. 54:5-1 to 54:5-129, and any act supplementary or amendatory thereof. Whenever the word "Taxes" appear, or is applied, directly or implied to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Financial Agreement, as if the Annual Service Charge were taxes or municipal liens on land. In such event, however, the Entity, whichever the case may be, does not waive any defense it may have to contest the right of the City to proceed in the above-mentioned manner by conventional or In Rem Tax foreclosure.

Article VI – Certificate of Occupancy

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to make application for and make all best efforts to obtain all Certificates of Occupancy in a timely manner as identified in the Application and failure to use best efforts to secure and submit said Certificates of Occupancy shall subject the Property to full taxation.

Section 6.2 Substantial Completion

The Annual Service Charge is to commence from the first day of the month following the Substantial Completion of the Project or any phase(s) thereof, if the Project is undertaken in phases.

The phrase Substantial Completion denotes the issuance, by the City's Construction Official, of any valid Certificate of Occupancy of all, or a substantial part of, the Project's structure.

Section 6.3 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with the Tax Assessor, the Tax Collector and the Chief Financial Officer of the City a copy of such certificate.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action taken by the City's Tax Assessor in the absence of such filing by the Entity.

The estimated cost basis disclosed by the Application and Financial Agreement may, at the option of the City's Construction Official, be used as the basis for construction cost in the issuance of the building permit(s).

Article VII - Annual Audits

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles and as otherwise prescribed in the Law during the term of the tax exemption.

Section 7.2 Periodic Reports

Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis, that this Financial Agreement shall continue in effect, the Entity shall submit its Auditor's Report certified by a certified public accountant for the preceding fiscal or calendar year to the City's Chief Financial Officer, and the City Clerk, who shall advise those municipal officials required to be advised, and to the Director of the Division of Local Government Services in the Department of Community Affairs as required under N.J.S.A. 40A:20-9(d). Said Auditor's Report shall include, but not be limited to the following:

Rental schedule of the Project, and the terms and interest rate on any mortgage(s) associated with the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Financial Agreement.

After completion of the Project, the Entity agrees to submit a Total Project Cost audit certified by a certified public accountant within ninety (90) days after completion of the Project.

Section 7.3 Inspection

The Entity shall permit the inspection of property, equipment, buildings and other facilities of the Project. It also shall permit, upon request, examination and audit of its books, contracts, records, documents and papers by representatives duly authorized by the City. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of any officer or agent of the Entity.

Section 7.4 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to limitation of its profits payable by it pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against unpaid rentals, reasonable contingencies and/or vacancies in an amount not exceeding ten percent (10%) of the gross revenues of the Entity for the fiscal year preceding the year in which a determination is being made with respect to permitted Net Profits as provided in N.J.S.A. 40A:20-15, said reserve to be noncumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of ten percent (10%) of the preceding year's gross revenues as aforesaid.

Section 7.5 Payment of Dividend and Excess Profit Charge

In the event the Net Profits of the Entity, as provided in N.J.S.A. 40A:20-15, shall exceed the Allowable Net Profits for such period, then the Entity shall, within 90 days after the end of such fiscal year, pay such excess profit to the City as an additional service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 7.4.

Article VIII - Assignment and/or Assumption

Section 8.1 Approval

Any change made in the ownership of the Project, any change made in the ownership of the Entity prior to Substantial Completion, or any other change that would materially affect the terms of the Financial Agreement shall be void unless approved by the Municipal Council by resolution. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of the Financial Agreement to an urban renewal entity eligible to operate under the Law provided that the Entity is not in default regarding any performance required of it hereunder and full compliance with the Law has occurred and the Entity obligation under this Financial Agreement with the City is fully assumed by the transferee.

Section 8.2 Operation of Project

The Project shall be operated in accordance with the provisions of the Law, as currently amended and/or supplemented. Operation of the Project under this Financial Agreement shall not only be terminable as provided by the Law, but also by a material breach of this Financial Agreement.

Section 8.3 Termination

The Entity hereby agrees at all times prior to the expiration or termination of this Financial Agreement to remain bound by the provisions of the Law. It is an express condition of the granting of this tax exemption that during its duration, the Entity shall not, without the prior consent of the Municipal Council, convey, mortgage or transfer, all or part of the Project so as to sever, disconnect, or divide the Improvements from the Land which are basic to, embraced in, or underlying the exempted Improvements.

Article IX Waiver

Section 9.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including without limitation, the right to terminate the Financial Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit any right of recovery of any amount that the City has under law, in equity, or under any provisions of this Financial Agreement.

Article X – Notice

Section 10.1 Notice

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested, addressed as follows:

(a) When sent by the City to the Entity it shall be addressed as follows:

595 Lincoln Orange Urban Renewal LLC
80 River Street
#2C
Hoboken, New Jersey 07030

With copies to:

Elnardo J. Webster, II, Esq.
Connell Foley LLP
1085 Raymond Boulevard, 19th Floor
Newark, New Jersey 07102

(b) When sent by the Entity to the City, it shall be addressed as follows:

City Hall
29 N. Day Street
Orange, New Jersey 07050
Attention: Municipal Clerk and /Business Administrator

The notice to the City shall identify the subject as “595 Lincoln Avenue Redevelopment Project” and shall include any assigned tax account numbers.

Article XI – Compliance

Section 11.1 Statutes and Ordinances

The Entity hereby agrees at all times prior to the expiration or termination of this Financial Agreement to remain bound by the provisions of Federal and State Statutes and Municipal Ordinances and Regulations including, but not limited to, the Law. The Entity's failure to comply with such statutes or Ordinances shall constitute a violation and breach of the Financial Agreement and the City shall, among its other remedies, have the right to terminate said tax exemption.

Article XII - Construction

Section 12.1 Construction

This Financial Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Financial Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Article XIII – Indemnification

Section 13.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action brought against the Entity by reason of any breach, default or a violation of any of the provisions of this Financial Agreement and/or the provisions of the Law, the Entity shall indemnify and hold the City harmless, and the Entity agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents, the expense thereof to be borne by the Entity.

Article XIV - Default

Section 14.1 Default

Default shall be failure of the Entity to conform with the terms of this Financial Agreement and failure of the Entity to perform any obligation imposed upon the Entity by statute, ordinance or lawful regulation.

Section 14.2 Cure Upon Default

Should the Entity be in default on any obligation other than the obligation to pay the Annual Service Charge and Land Taxes as defined and set forth in this Financial Agreement, the City shall notify the Entity in writing of said default. Said notice shall set forth with particularity the basis of said default. The Entity shall have thirty (30) days from its receipt of such notice to cure any notice. The City may not cancel the Financial Agreement unless thirty (30) days notice to cure has also been given to all lenders of record.

Section 14.3 Remedies Upon Default

Subsequent to the passage of thirty (30) days after the Entity's receipt of a default notice without cure, the City shall have the right to proceed against the Property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54: 4-1, et seq. if the default is the failure to pay the Annual Service Charge and/or may cancel the Financial Agreement. All of the remedies provided in this agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No determination of any provision within this Financial Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay land taxes, the Annual Service Charge, and/or the water and sewer charges and interest payments. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due nor shall the bringing of any action for Land Taxes and Annual Service Charges, or other charges, or for breach of covenant or the resort of

any other remedy herein provided for the recovery of land taxes, Annual Service Charges, and water and sewer charges, or other charges be construed as a waiver of the right to terminate said tax exemption or proceed with In Rem Foreclosure action or any other remedy.

Article XV - Termination

Section 15.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy such default or breach within the time period provided in Section 14.2, the City may cancel this Financial Agreement upon thirty (30) days notice to the Entity and all lenders of record. For purposes of rendering a final financial accounting the termination of the Financial Agreement shall be deemed to be the end of the fiscal year for the Entity. The Entity shall within ninety (90) days after the date of such termination pay to the City a sum equal to the amount of the reserves, if any, maintained pursuant to N.J.S.A. 40A:20-13 and 15. Upon such termination of the Project, all affected parcels and all improvements made thereto shall be assessed and subject to taxation as are all other taxable properties within the City.

Section 15.2 Voluntary Termination by the Entity

The Entity may after the expiration of one year from the completion date of the Project notify the Municipal Council of the City that as of a certain date designated in the notice, it relinquishes its status as a tax exempted project. As of the date so set, the tax exemption, the service charges and the profit and dividend restriction shall terminate. Upon termination, the Entity shall provide a final accounting and pay any reserve, if any, to the City pursuant to the provisions of N.J.S.A. 40A:20-13 and 15.

Section 15.3 Final Accounting

Upon any termination of such exemption, whether by affirmative action of the Entity or by virtue of the provisions of the Law, or pursuant to the terms of this Financial Agreement, the date of such termination shall be deemed to be the end of the fiscal year of the Entity.

It is further provided that at the end of the period of tax exemption granted hereunder, the Land and Improvements shall be assessed and taxed according to general law like other property in the City. At the same date, all restrictions and limitations upon the Entity shall terminate upon the Entity rendering its final accounting with the City, and the City's acceptance thereof, pursuant to N.J.S.A. 40A:20-13.

Article XVI - Miscellaneous

Section 16.1 Conflict

The parties agree that in the event of a conflict between the Application and the Financial Agreement, the language in this Financial Agreement shall govern and prevail.

Section 16.2 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Financial Agreement. This Financial Agreement, the Ordinance authorizing the Financial Agreement, and the Application constitute the entire agreement between the parties and there shall be no modifications thereto other than by a written instrument executed by both parties and delivered to each.

Section 16.3 Entire Document

This Financial Agreement and all conditions in the Ordinance of the Municipal Council approving this Financial Agreement are incorporated in this Financial Agreement and made a part hereof.

Section 16.4 Good Faith

In their dealings with each other, utmost good faith is required from the Entity and the City.

Section 16.5 Grammatical Agreement

The bracketing of the letter(s) at the end of a word such as unit(s) shall mean the singular or plural as proper meaning requires and all related verbs and pronouns shall be made to correspond.

Section 16.6 Recording

Either this entire Financial Agreement or a memorandum of recording will be filed and recorded with the Essex County Register of Deeds by the Entity.

Article XVII – Exhibits

Exhibit A – The 595 Lincoln Orange Urban Renewal LLC Tax Abatement Application

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the day and year first above written.

ATTEST:

595 LINCOLN ORANGE URBAN
RENEWAL LLC

Witness

By: _____
Alexander McGee, Managing Member

ATTEST:

THE CITY OF ORANGE TOWNSHIP

Clerk

Dwayne D. Warren, Esq., Mayor

APPROVED AS TO FORM

City Attorney

EXHIBIT A
[Long Term Tax Exemption Application]



600 PARSIPPANY ROAD, SUITE 204
PARSIPPANY, NEW JERSEY 07054
T (973) 947-7111
FAX (973) 887-2700
www.iwwt.law

ELNARDO J. WEBSTER, II
Direct: (973) 585-6986
ewebster@iwwt.law

December 20, 2022

VIA HAND DELIVERY

Christopher M. Hartwyk
Business Administrator City of Orange Township
29 N. Day Street
Orange, New Jersey 07050

**Re: Application for Long-Term Tax Abatement
595 Lincoln Avenue Development Project
595 Lincoln Orange Urban Renewal LLC
Block 6303, Lot 7
City of Orange Township, New Jersey ("Property")**

Dear Business Administrator:

As you know, this firm represents 595 Lincoln Orange Urban Renewal, LLC ("Applicant") with respect to an Application for Long-Term Tax Abatement on the Property ("Application"). Pursuant to your instructions, on behalf of Applicant enclosed please one (1) original and fifteen (15) copies of the Application, along with requisite accompanying exhibits, for distribution and review.

In addition, enclosed please find a check made payable to the City of Orange in the amount of Two Thousand Six Hundred Ten Dollars and Sixty-Two Cents (\$2,610.62), representing the Application fee associated with this filing.

Thank you for your time and consideration to this matter. Should you require anything additional, do not hesitate to contact the undersigned.

Very truly yours,

Elnardo J. Webster

Elnardo J. Webster, II

EJW/jml

Encls.

cc: 595 Lincoln Orange Urban Renewal LLC (via email;w/o encls.)

160

55-230/212

595 LINCOLN ORANGE LLC
80 RIVER ST., STE. 2C
HOBOKEN, NJ 07030-5619

DATE 10/19/22

PAY TO THE ORDER OF The City of Orange Township \$ 2,610.62
- TWO THOUSAND SIX HUNDRED TEN AND 62/100 DOLLARS

CHASE
JPMorgan Chase Bank, N.A.
www.Chase.com

MEMO Tax Abatement Allyson M. Per

⑆021202337⑆ 76068395010160

MP

City of Orange Township
Application for
Long Term Tax Abatement

Overview of application contents:

- Section I - General instructions regarding the completion of the application
- Section II - Identification of the applicant
- Section III - Detailed description of the Project
- Section IV - Type of abatement and term requested
- Representations and certifications required by statute
- Signature by the applicant
- Exhibits

I. Instructions:

Please complete this application in its entirety and attach all required supporting documentation. Incomplete applications will be returned and may significantly delay the tax abatement authorization process or cause the application to be denied.

Important notes:

- 1) Certain documents required in this application must be prepared by qualified professionals other than the applicant. In particular, survey documents must be signed and sealed by a licensed surveyor, site plan documents must be signed and sealed by a professional engineer and detailed cost estimates must be certified by a licensed engineer or architect.
- 2) Under New Jersey law, applicants for long-term abatements must be organized as an Urban Renewal Entity as certified by the New Jersey Department of Community Affairs. (Low and moderate income housing projects located in particular areas may be exempt from this requirement in certain cases.)
- 3) The application must be accompanied by a proposed form of financial agreement. Please ensure that the financial agreement attached to this application is appropriate to the type of project for which you are seeking an abatement.

Completed applications, including the application fee, should be submitted to:

**Christopher M. Hartwyk
Business Administrator
City of Orange Township
29 North Day Street
Orange, New Jersey 07050**

If you have any questions regarding the application or the tax abatement process, please contact:

**Christopher Hartwyk
Business Administrator
Phone: (973) 266-4010
E-mail: chartwyk@ci.orange.nj.us**

II. Developer Identification:

A. Name of Applicant:

595 Lincoln Orange Urban Renewal LLC

B. Principal Address:

595 Lincoln Avenue
Orange Township, New Jersey 07050

C. Type of Entity (check one)

Corporation LLC LLP Partnership Other (please specify)

D. Contact Information

1.) **Name of Primary Contact:** Alexander McGee, Authorized Representative

2.) **Contact Numbers:**

a. **Phone:** 201.373.6900

b. **Fax:** _____

c. **Email:** alexander@mrassets.biz

E. Name and Address of Statutory Agent:

Please list the name and address of the entity upon whom a legal process can be served:

Alexander McGee
80 River Street
#2C
Hoboken, New Jersey 07030

F. Federal Tax Identification Number:

87-1354998

G. Disclosure of Ownership:

New Jersey law (NJSA 52:25-24.2) requires that all corporations and partnerships seeking a public contract submit a list of the names and addresses of all principals who own more than 10% of any class of stock, or 10% or more of the total stock (if a corporation), or 10% or more of the partnership. In addition, if the Developer has, as one or more of its owners, a corporation or partnership, the ownership of those entities must be similarly disclosed, and that process shall continue down the entire chain of ownership until the names and addresses of every unincorporated stockholder and/or individual partner is disclosed.

Please provide the necessary information utilizing the form provided with Exhibit 1 of this application.

H. Certificates of Incorporation and Approval:

Please provide a copy of the approved certificate of incorporation or formation by the State of New Jersey for the entity applying for the abatement. Attach the certificate as Exhibit 2.

Also include a copy of the certificate of approval of the urban renewal entity issued by the State of New Jersey Department of Community Affairs. Attach that certificate as Exhibit 3. (The only projects exempt from this requirement are low and moderate income housing projects located outside a designated redevelopment area.)

I. Authorization to Submit Application:

Please provide a certified copy, bearing the seal of the urban renewal entity, of a company resolution authorizing submission of the application in the form provided as Exhibit 4 of this application.

III. Project Description:

A. Applicant's Ownership Interest in the Project:

Conventional (Fee Simple) Condominium

B. Project Type (Please check all that apply):

Residential; Retail; Office; Manufacturing; Distribution Facility; Hotel;

Other (Specify): _____

If the project involves more than one type of usage, indicate the percentage that each usage bears to the overall project measured using square feet of gross area:

100 % Residential; % Retail; % Office; % Manufacturing; % Distribution Facility;

% Hotel; % Other (specify here _____)

C. Marketing Expectation:

For Sale For Lease Both

D. Project Location:

1. Provide all of the street addresses by which the project site is currently known:

Address #1:

595 Lincoln Avenue

2. Provide all tax lots that comprise the project site. Designate lots as they appear on the official maps of the Tax Assessor as of the date of this application (i.e. prior to any subdivision associated with the project):

Block: 6303 Lot: 7

3. Metes and Bounds Description:

Please attach the metes and bounds description of the project site as Exhibit 5 of this application.

4. Survey:

Please attach survey of the project site as Exhibit 6 of this application. If a survey has not yet been completed, a plotting on the official tax map may be provided at this time. A certified survey will be required prior to execution of any financial agreement.

E. Deed or Lease Agreement:

Please attach a copy of the deed or lease agreement for the property as Exhibit 7 confirming that the project is under the control of the applicant.

F. Purpose of Project:

Please check all that apply:

- 1. This project is located within an officially designated "area in need of redevelopment."
 Yes No
- 2. This project is located within an Urban Enterprise Zone.
 Yes No
- 3. This Project is intended to provide housing to low and/or moderate income households:
 Yes No

Please indicate the number of units of each type listed below, as appropriate.

Number of units for low income households: _____
Number of units for moderate income households: _____
Number of market rate units: 70
Total number of residential units: 70

- 4. This Project is intended to provide housing to households relocated as a result of a redevelopment project: Yes No
- 5. This Project is intended as a means to implement the objectives set forth in an adopted Redevelopment Plan: Yes No
- 6. If the answer to questions 3 through 5 of this section was "No", please indicate the purpose of the Project:

N/A

H. Narrative Description of Project:

See attached Exhibit 8.

I. Current Conditions:

- 1. Provide a brief description of any improvements that are in place currently on the project site and indicate which if any are expected to be reused as part of the project. Attach extra pages as needed.

Existing vacant commercial building to be demolished.

- 2. Provide a list with the current tax assessment and the current real property tax levy for each lot included within the project site. Attach extra pages as needed.

Block 6303 Lot 7
Current Tax Assessment \$1,200,000

Current Real Property Tax Levy \$41,592.00

3. Provide a list showing the current status of all municipal fees and charges which are currently levied against each lot located within the project site, including, without limitation water charges, sewer charges, permit or license fees, fines and/or penalties.

Block 6303 Lot 7 Current Status of Municipal Fees and Charges (specify type) None

J. Site Plan Approval:

Provide a copy of the site plan approved by the Planning Board for the Project. Also provide a copy of the resolution of the Planning Board providing final site plan approval for the project. Attach the site plan as Exhibit 9 of this application and the resolution as Exhibit 10 of this application.

K. Project Cost Estimates

1. Provide a detailed cost breakdown for the project, including both hard and soft costs. The estimate should be certified by a licensed architect or engineer. Attach the completed estimate for the entire Project as Exhibit 11 of this application.

2. For each type of unit to be included within the Project, provide an estimate of the total unit cost for that unit. This may be provided at a summary level, not at the level set forth for the estimate required by section K.1 above. The estimate should also be certified by a licensed architect or engineer. Attach the completed unit estimates as Exhibit 12 of this application.

L. Project Pro-Forma:

Provide a detailed projection of the estimated revenues and expenses for the project. The projections for all rental projects and for the rental component of mixed-use projects should cover the full abatement period. Projections involving the sale of units should be for the period expected to be needed to complete all sales activity. Attach the projection as Exhibit 13 of this application.

M. Project Financing Plan:

1. Provide a detailed explanation of the expected method by which the project will be financed, indicating the amount of equity to be contributed and its source, all public loans and/or grants that are to be used and all private sources of capital. Attach this explanation as Exhibit 14 of this application.

2. Private Financing Commitments: Provide certified copies of any and all letters from public or private sources of capital indicating a commitment to make funds available for the project. Attach these letters as Exhibit 15 of this application.

N. Explanation of the Need for Tax Abatement:

Provide an explanation of why the applicant believes that a long term tax abatement is necessary to make this project economically feasible. Attach the explanation as Exhibit 16 of this application.

O. Project Schedule:

Attach a detailed schedule of the key milestone dates in the approval, construction and leasing or sale of the project as Exhibit 17 of the application.

P. Statement of Project Benefits:

Provide a detailed description of the public benefits that would result from the project. At a minimum, include a projection of the number and type of construction jobs to be created, the number and type of permanent jobs to be created and the amount of municipal revenue to be generated by the project through the payment of taxes, payments in lieu of taxes, water and sewer fees and any other municipal payments. Attach the description as Exhibit 18 of the application.

IV. Abatement Information:

A. Annual Service Charge to be based on: (check one)

Annual Gross Revenue (Non-condominium) ___ Project Cost

___ Imputed debt service (Condominium)

B. Term Requested:

30 Years

C. Proposed Rates and Phases:

<u>Starting Year</u>	<u>Ending Year</u>	<u>Rate</u>	<u>Phase-out (alternative method)</u>
2025	2039	10%	0%
2040	2045	10%	20%
2046	2051	10%	40%
2052	2053	10%	60%
2054	2055	10%	80%

D. Form of Financial Agreement:

Attach the proposed form of the financial agreement as Exhibit 19 of the application. The correct form for your project type should be attached to this application. Please note that the final financial agreement provides that a sealed certification by the project architect as to the final project cost must be submitted so that it can be added to the agreement within 60 days after the issuance of the Certificate of Occupancy for the project.

Representations and Certifications:

In submitting the application, the Developer certifies that all of the information is true and accurate to the best of his or her knowledge and further certifies to the following:

A. The project conforms to the Redevelopment Plan that is in effect for the area that includes the project site and with any Redevelopment Agreement as may be in place between the Municipality and the Developer.

B. The Project either 1) conforms to the Master Plan of the Municipality; or 2) to the extent that the Redevelopment Plan is inconsistent with the Master Plan, the Project conforms to the Redevelopment Plan and the Municipal Council, in adopting the Redevelopment Plan, set forth its reasons for adopting a Redevelopment Plan with such inconsistencies.

C. The project will conform to and the applicant(s) agrees to comply with all Federal and State laws and to all applicable municipal ordinances.

D. Construction of the project has not commenced as of the time of the submission of this application. The applicant understands that the Municipal Council is under no obligation to approve this tax abatement application. Any work done on the assumption of receipt of a tax abatement following the submission of the application and before final approval is undertaken at the risk of the developer. **Note that under no circumstances will an abatement be granted for a project that has already reached substantial completion.**

F. No officer or employee of the Municipality has any interest, directly or indirectly, in the project that is the subject of this application.

Signatures

By my signature below, I hereby submit this application on behalf of the Developer. I certify that all of the information is true and accurate to the best of my knowledge and belief. I am aware that if any of the information provided is willfully false, that I am, subject to prosecution.

For the Developer:

505 Lincoln University

By: Alexander Mejia 3/24/22
Name: Alexander Mejia Date
Title:

Please notarize here or
provide attestation and
seal of corporate secretary

Signed Before Me On

March 29, 2022



James A. Ortiz
Notary Public of New Jersey
My Commission Expires: 10/31/2026
No. 50176623

EXHIBITS

The following is a check-list of required exhibits that must be attached to the application:

<u>Exhibit #</u>	<u>Description</u>	<u>Included?</u>
1	Disclosure of Ownership	X
2	Certificate of Incorporation	X
3	Certificate of DCA Approval of Urban Renewal Entity	X
4	Resolution Authorizing Submission of Application	X
5	Metes and Bounds Description	X
6	Survey	X
7	Copy of Deed or Lease Agreement	X
8	Narrative Description of Project	X
9	Site Plan as Approved by Planning Board	X
10	Site Plan Approval Resolution	X
11	Total Project Cost Estimate	X
12	Cost Estimates for Each Unit Type	X
13	Project Pro-Forma	X
14	Project Financing Plan	X
15	Private Financing Commitments	X
16	Explanation of the Need for Tax Abatement	X
17	Project Schedule	X
18	Summary of Project Benefits	X

EXHIBIT 1

DISCLOSURE OF OWNERSHIP

The following is a list of partners owning a ten percent (10%) or greater interest in 595 Lincoln Orange Urban Renewal LLC:

<u>Name</u>	<u>Home Address</u>	<u>% of Owners</u>
1. <u>Alexander McGee</u>	<u>52 Eton Row Westchester NY</u>	<u>15%</u>
2. <u>Hunter Ryan</u>	<u>50 Burgoyne Hill Road Greenwich CT</u>	<u>35%</u>
3. _____	_____	_____
4. _____	_____	_____

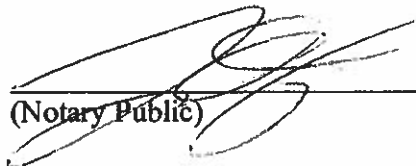
IN WITNESS WHEREOF, the undersigned has caused this Certificate to be executed this March day of ~~2021~~.

2022

Alexander McGee
Affiant
(Authorized Agent of Corporation)

Sworn and Subscribed before me this 29th day of March, 2022

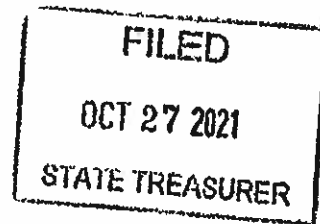
Alexander McGee
Print name and title of Affiant


(Notary Public)

James A. Ortiz
Notary Public of New Jersey
My Commission Expires: 10/31/2026
No. 50178823

EXHIBIT 2

CGN



**CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF FORMATION
OF
595 LINCOLN ORANGE LLC**

0450667745

This Certificate of Amendment to the Certificate of Formation is made by an authorized person in order to amend the formation of a limited liability company in accordance with the New Jersey Limited Liability Company Act (N.J.S.A. 42:2C-1 et seq.).

1. **Company Name.** The name of the limited liability company is: **595 LINCOLN ORANGE LLC.**

2. **Original Certificate of Formation.** The original Certificate of Formation of the limited liability company was filed on June 23, 2021 (the "Certificate").

3. **Amendment to Paragraph 1.** Paragraph 1 of the Certificate is hereby deleted in its entirety and replaced with the following new Paragraph 1:

"1. The name of the Limited Liability Company is: **595 Lincoln Orange Urban Renewal LLC** (referred to below as the "Company")."

4. **New Paragraphs.** The following new Paragraphs 6 through 14 are hereby added to the Certificate to read as follows:

"6. The purpose for which the Company is organized shall be to operate under P.L.1991, c.431 (C.40A:20-1 et seq.), and to initiate and conduct projects for the redevelopment of a redevelopment area in the City of Orange Township (the "Municipality") pursuant to a redevelopment plan or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects, and, when authorized by financial agreement with the Municipality, to acquire, plan, develop, construct, alter, maintain, or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.)."

"7. So long as the Company is obligated under the Financial Agreement with the Municipality made pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.), it shall engage in no business other than the ownership, operation and management of the project."

"8. The Company declares that (a) it has been organized to serve a public purpose; (b) its operations shall be directed toward: (i) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; (ii) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.); and (c) it shall be subject to regulation by the Municipality, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as it remains the owner of a project subject to P.L.1991, c.431 (C.40A:20-1 et seq.)."

"9. The Company shall not voluntarily transfer more than ten (10%) percent of its ownership in the project or any portion thereof undertaken by it under P.L.1991, c.431 (C.40A:20-1 et seq.), until: (i) the Company has first removed both itself and the project from all restrictions of P.L.1991, c.431 (C.40A:20-1 et seq.) in the manner required by P.L.1991, c.431 (C.40A:20-1 et seq.); and (ii) if the project includes housing units, the Company has obtained the consent of the Commissioner of Community Affairs to such transfer, with the exception of transfer to another urban renewal entity, as approved by the Municipality, which other urban renewal entity shall assume all contractual obligations of the transferor entity under the Financial Agreement with the Municipality."

"10. The Company shall file annually with the municipal governing body a disclosure of the persons having an ownership interest in the project, and of the extent of the ownership interest of each."

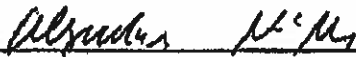
"11. Nothing herein shall prohibit any transfer of the ownership interest in the Company itself provided that the transfer, if greater than 10%, is disclosed to the municipal governing body in the annual disclosure statement or in correspondence sent to the Municipality in advance of the annual disclosure statement referred to above."

"12. The Company is subject to the provisions of section 18 of P.L.1991, c.431 (C.40A:20-18) respecting the powers of the Municipality to alleviate financial difficulties of the Company or to perform actions on behalf of the Company upon a determination of financial emergency."

"13. Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs."

"14. This Certificate shall be effective upon its filing in the Commercial Recording Division of the office of the New Jersey Department of Treasury."

IN WITNESS WHEREOF, the undersigned duly authorized person has executed this Certificate of Amendment this day of June 2021.



Alexander McGee
Authorized Person

EXHIBIT 3



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
LOCAL PLANNING SERVICES
101 SOUTH BROAD STREET
PO Box 813
TRENTON, NJ 08625-0813
(609) 292-3000 • FAX (609) 633-6056

FILED
OCT 27 2021
STATE TREASURER

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: 595 LINCOLN ORANGE URBAN RENEWAL LLC
(formerly 595 LINCOLN ORANGE LLC)
File # 3185
An Urban Renewal Entity

This is to certify that the attached **CERTIFICATE OF AMENDMENT TO THE CERTIFICATE OF FORMATION OF AN URBAN RENEWAL ENTITY** has been examined and approved by the Department of Community Affairs, pursuant to the power vested in it under the "Long Term Tax Exemption Law," P.L. 1991, c.431.

Done this 12th day of October 2021 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

By: Sean Thompson
Sean Thompson, Director
Local Planning Services



EXHIBIT 4

RESOLUTION

I, Alexander McGee, of full age and mental capacity, hereby certify as follows:

RESOLVED that 595 Lincoln Orange Urban Renewal LLC ("Entity"), is authorized to submit an application for a long-term tax exemption ("Application") to the City of Orange Township ("City").

BE IT FURTHER RESOLVED that if this Application is accepted by the City, the undersigned is authorized to execute and deliver on the Entity's behalf, a Financial Agreement with the City, substantially in the form attached to the Application, with such changes thereto as may be negotiated by the parties.

CONSENT

The undersigned, Alexander McGee, being duly authorized by 595 Lincoln Orange Urban Renewal LLC, does hereby certify that the foregoing Resolution was lawfully adopted by the Entity on the date set forth above, that the foregoing Resolution is a true, accurate and complete copy of the Resolution so adopted.

IN WITNESS WHEREOF, the undersigned has caused this Resolution to be executed this 29 day of ~~July 2021~~.

March 2022

595 LINCOLN ORANGE URBAN RENEWAL LLC

3/29/22
Date

Alexander McGee
Alexander McGee, Authorized Signatory

Sworn and Subscribed before me this 29th day of ~~July 2021~~ *March 2022*

[Signature]

**James A. Ortiz
Notary Public of New Jersey
My Commission Expires: 10/31/2026
No. 60176823**

EXHIBIT 5

**EXHIBIT A
LEGAL DESCRIPTION OF THE PRIVATE PARCEL WHICH IS EXCLUDED FROM
THE PROPERTY BEING CONVEYED FROM THE GRANTOR TO THE GRANTEE**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ORANGE,
COUNTY OF ESSEX, STATE OF NEW JERSEY AND BEING A PORTION OF LOT 7,
BLOCK 6306 AND BEING MORE PARTICULARLY AS DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHWESTERLY SIDE OF TREMONT
AVE. WITH THE NORTHWESTERLY SIDE OF LINCOLN AVE:

THENCE, N52°15'00"W, ALONG THE SOUTHWESTERLY RIGHT OF WAY LINE OF
TREMONT AVENUE, A DISTANCE OF 171.14 FEET;

THENCE, S44°22'00"W, ALONG THE EASTERLY LINE OF LOT 6, BLOCK 6306 AND
LOT 8, BLOCK 6306, A DISTANCE OF 249.41 FEET TO A POINT ON THE NORTHERLY
RIGHT OF WAY LINE OF LAUREL STREET;

THENCE, S48°03'00"E, ALONG THE NORTHERLY RIGHT OF WAY LINE OF LAUREL
STREET, A DISTANCE OF 3.20 FEET TO A POINT ON THE WESTERLY SIDE OF A
WALL;

THENCE, N43°38'00"E, ALONG THE WESTERLY LINE OF SAID WALL, A DISTANCE
OF 249.30 FEET TO THE POINT OF BEGINNING.

CONTAINING 399 SQUARE FEET OR 0.009 ACRES, MORE OR LESS.

Not Certified Copy

EXHIBIT 6

CITY OF ORANGE
ESSEX COUNTY, NEW JERSEY

SCALE: 1" = 30' DATE: JUNE 21, 2021

TAX MAP LOT	7
T.M. BLOCK	6303
P.M. BLOCK	

MAP: TAX MAP OF CITY OF ORANGE, ESSEX CO., N.J.

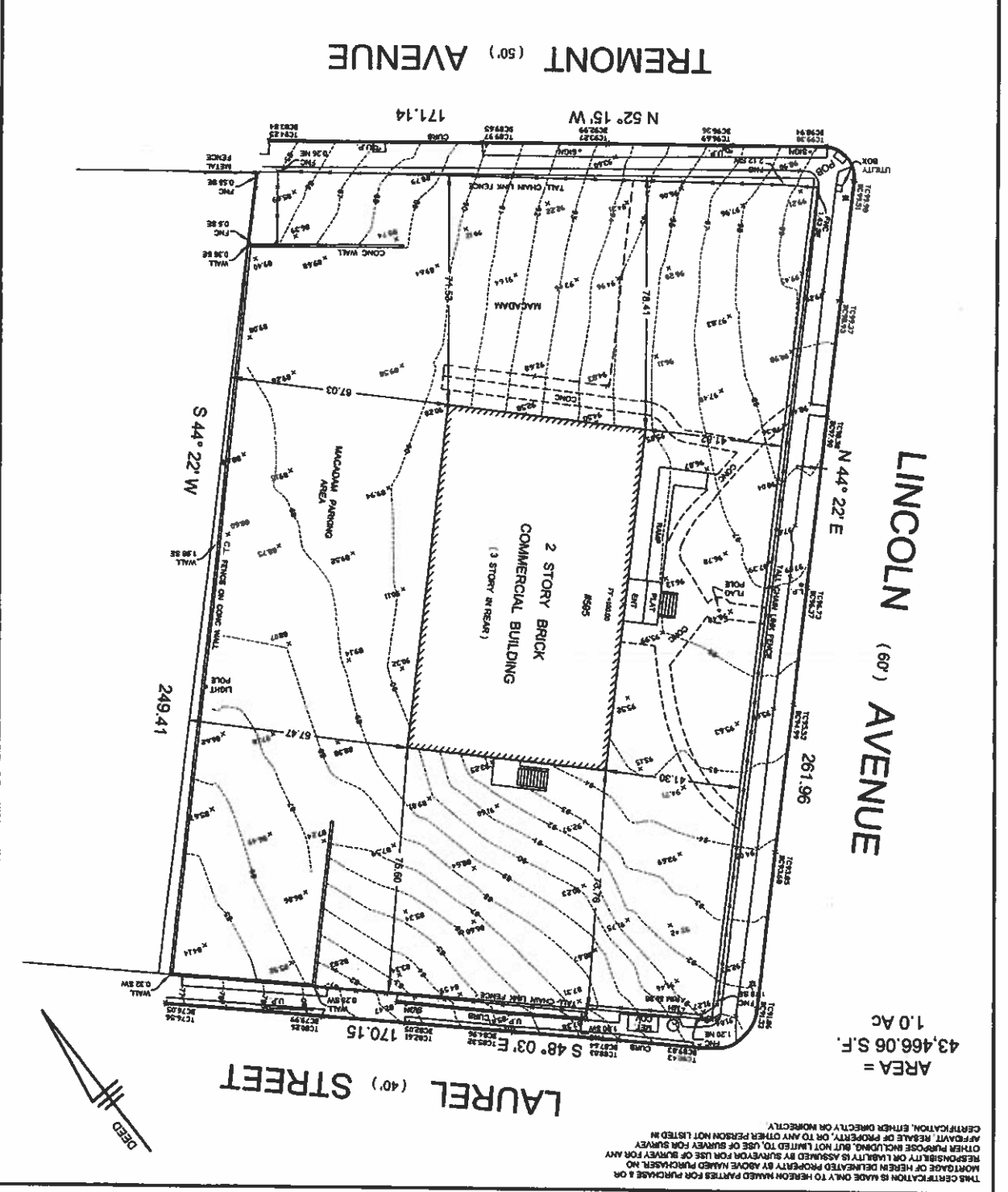
TITLE NO. ST-18599

Survey Certified to:
MAGEE RYAN ASSETS, LLC
SIMPLICITY TITLE, LLC
WESTCORN LAND TITLE INSURANCE COMPANY
JOEL M. LUCIANI, ESQ.

Paparozzi Associates Inc.
ENGINEERING-SURVEYING-MUNICIPAL PLANNERS
149 WESTRVELT PLACE, LODI, NJ 07844
FAX (973) 478-0835 (973) 478-9366

GARY PAPAPOZZI N.J.L.S. LC. NO. 34016
FEE NO. 47093
CERT. OF AUTH. - 246A0212400

MAP OF PROPERTY OF
595 LINCOLN AVENUE



DEED

THIS CERTIFICATION IS MADE ONLY TO PERSON NAMED PARTIES FOR PURCHASE & OR MORTGAGE OF HEREIN DELINEATED PROPERTY BY ABOVE NAMED PURCHASER AND RESPONSIBILITY OR LIABILITY IS ASSUMED BY SURVEYOR FOR USE OF SURVEY FOR ANY AFFIRMANT, RESTATE OF PROPERTY, OR TO ANY OTHER PERSON NOT LISTED IN CERTIFICATION, EITHER DIRECTLY OR INDIRECTLY.

EXHIBIT 7



Essex County Register Document Summary Sheet

ESSEX COUNTY REGISTER OF DEEDS & MORTGAGES HALL OF RECORDS - ROOM 130 465 DR. MARTIN LUTHER KING BLVD NEWARK NJ 07102	Transaction Identification Number	5635698	6719715
	Recorded Document to be Returned by Submitter to: SIMPLICITY TITLE LLC 70 GROVE ST SOMERVILLE, NJ 08876		

Official Use Only

JUAN M. RIVERA, JR
 REG. OF DEEDS & MORTGAGES
 ESSEX COUNTY
 New Jersey

 DOCUMENT TYPE
 1
 INSTRUMENT NUMBER
 2021125867
 RECORDED ON
 Oct 19, 2021
 2:41:33 PM
 Total Pages: 13

 NJ PRESERVATION ACCOUNT \$65.00
 REGISTER RECORDING FEE \$75.00
 HOMELESSNESS TRUST FUND \$3.00
 TOTAL PAID \$143.00
 INV: 524726 USER: BB

Submission Date (mm/dd/yyyy)		10/14/2021
No. of Pages (excluding Summary Sheet)		11
Recording Fee (excluding transfer tax)		\$143.00
Realty Transfer Tax		\$0.00
Total Amount		\$143.00
Document Type	DEED-NO CONSIDERATION	
Electronic Recording Level	L2 - Level 2 (With Images)	
Municipal Codes	ESSEX COUNTY 99	
562266		

Not Certified Copy

Additional Information (Official Use Only)

* DO NOT REMOVE THIS PAGE.
 COVER SHEET [DOCUMENT SUMMARY FORM] IS PART OF ESSEX COUNTY REGISTER FILING RECORD.
 RETAIN THIS PAGE FOR FUTURE REFERENCE.



Essex County Register Document Summary Sheet

DEED-NO CONSIDERATION	Type		DEED-NO CONSIDERATION			
	Consideration		\$1,200,000.00			
	Submitted By		SIMPLIFILE, LLC. (SIMPLIFILE)			
	Document Date		06/30/2021			
	Reference Info					
	Book ID	Book	Beginning Page	Instrument No.	Recorded/File Date	
	GRANTOR		Name		Address	
			CITY OF ORANGE TOWNSHIP		29 NORTH DAY STREET, ORANGE, NJ 07050	
	GRANTEE		Name		Address	
		595 LINCOLN ORANGE LLC		80 RIVER STREET, #2C, HOBOKEN, NJ 07030		
Parcel Info						
Property Type	Tax Dist.	Block	Lot	Qualifier	Municipality	
	99	6303	7		99	

Not Certified Copy

* DO NOT REMOVE THIS PAGE.
COVER SHEET [DOCUMENT SUMMARY FORM] IS PART OF ESSEX COUNTY REGISTER FILING RECORD.
RETAIN THIS PAGE FOR FUTURE REFERENCE.

Record and Return to:
Simplicity Title LLC
70 Grove Street
Somerville NJ 08876

Prepared by: David A. Clark, Esq.
Attorney for Grantor

DEED

This Deed is made on this 30th day of June, 2021.

BETWEEN THE CITY OF ORANGE TOWNSHIP, a municipal corporation of the County of Essex and the State of New Jersey, having its offices at 29 North Day Street, Orange, New Jersey 07050 (the "Grantor"),

and

595 LINCOLN ORANGE LLC, a limited liability company with an address of 80 River Street, #2C, Hoboken, New Jersey 07030 (the "Grantee").

1. **Transfer of Ownership.** The Grantor grants and conveys (transfers ownership of) the property described below (the "Property") to the Grantee.

2. **Consideration.** This transfer is made pursuant to the terms of a Redevelopment Agreement between the Grantor and the Grantee which is being signed simultaneously with these documents (the "Redevelopment Agreement"). This Redevelopment Agreement will not be merged into this Deed and will instead survive the closing or conveyance of title to the Property (as defined herein). The consideration for the conveyance of this Property is the Grantee's payment to the Grantor of the purchase price of one million two hundred thousand dollars (\$1,200,000.00), the receipt of which is acknowledged by the Grantor, and the Grantee's agreement to redevelop the Property in accordance with the terms and conditions of the Redevelopment Agreement.

3. **Property.** The Property consists of the land and all the buildings and structures on the land in the City of Orange Township, the County of Essex and State of New Jersey, commonly known as 595 Lincoln Avenue, Orange, New Jersey 07050 and identified on the City tax map as Block 6303, Lot 7, with the exception of an approximately 399 square foot area located behind the Property which may be part of Block 6303, Lot 7 but which allegedly is not owned by the City and instead is privately owned which is described more fully within the legal description attached hereto as Exhibit A (hereinafter, the "Private Parcel"). The Private Parcel is excluded from the definition of the Property as used herein and is not being conveyed by the Grantor to the Grantee.

The Property is intended to be the same premises acquired by the City from the Board of Education of the City of Orange by Deed dated March 1, 1973 which was recorded with the Essex County Register's Office on March 15, 1973 in Book 4437, Page 38.

4. **Authorization for Sale.** This Property is located within a redevelopment area governed by a redevelopment plan, and the Grantor is conveying this Property to the Grantee in accordance with the provisions of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.

GIT/REP-3
(2-21)
(Print or Type)

**State of New Jersey
Seller's Residency Certification/Exemption**

Seller's Information

Name(s)
City of Orange Township
Current Street Address
29 North Day Street
City, Town, Post Office State ZIP Code
Orange NJ 07050

Property Information

Block(s) Lot(s) Qualifier
6303 7 (portion)
Street Address
595 Lincoln Avenue
City, Town, Post Office State ZIP Code
Orange NJ 07050
Seller's Percentage of Ownership Total Consideration Owner's Share of Consideration Closing Date
100 \$1,200,000.00 \$1,200,000.00 6/30/2021

Seller's Assurances (Check the Appropriate Box) (Boxes 2 through 16 apply to Residents and Nonresidents)

1. Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident Gross Income Tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
2. The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
3. Seller is 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 is not required to make an estimated Gross Income Tax payment.
6. The total consideration for the property is \$1,000 or less so the seller is not required to make an estimated Income Tax payment.
7. The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated 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 and report the recognized gain.
8. Seller did not receive non-like kind property.
9. The real property is being transferred 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.
10. The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
11. The deed is dated prior to August 1, 2004, and was not previously recorded.
12. The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
13. The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
14. The property transferred is a cemetery plot.
15. The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.
16. The seller is a retirement trust that received an acknowledgment letter from the Internal Revenue Service that the seller is a retirement trust, and is therefore not required to make the estimated Gross Income Tax payment.
17. The seller (and/or spouse/civil union partner) originally purchased the property while a resident of New Jersey as a member of the U.S. Armed Forces and is now selling the property as a result of being deployed on active duty outside of New Jersey. (Only check this box if applicable and neither boxes 1 nor 2 apply.)

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 may 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. By checking this box I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

June 30, 2021 Date
Dwayne D. Warren Signature (Seller) Indicate if Power of Attorney or Attorney in Fact
Mayor

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER
(Chapter 49, P.L. 1988, as amended through Chapter 33, P.L. 2008) (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 Essex } SS. County Municipal Code 0717

FOR RECORDER'S USE ONLY
Consideration \$ 1,200,000
RTF paid by seller \$ 0
Date 10/19/2021 by ESSEY

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

MUNICIPALITY OF PROPERTY LOCATION City of Orange Township

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

Deponent, Dwayne D. Warren being duly sworn according to law upon his/her oath,
(Name)
deposes and says that he/she is the Mayor in a deed dated June 30, 2021 transferring
(Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)
real property identified as Block number 6303 Lot number 7 (portion) located at
695 Lincoln Avenue, Orange, New Jersey 07050 and annexed thereto.
(Street Address, Town)

(2) CONSIDERATION \$ 1,200,000.00 (Instructions #1 and #5 on reverse side) no prior mortgage to which property is subject

(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 assessed by C. 49, P.L. 1988, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.
Exemption because this conveyance is by a municipality.

(5) PARTIAL EXEMPTION FROM FEE (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, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 181, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

A. SENIOR CITIZEN Grantor(s) 62 years of age or older. (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 CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING (Instruction #9 on reverse side)
 Affordable according to H.U.S. standards. Reserved for occupancy.
 Meets income requirements of region. Subject to resale controls.

(6) NEW CONSTRUCTION (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 top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES (Instructions #5, #12, #14 on reverse side)
 No prior mortgage attached or to which property is subject at time of sale.
 No contributions in capital by either grantor or grantee legal entity.
 No stock or interest exchanged by or between grantor or grantee legal entities.

(8) 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. 1988, as amended through Chapter 33, P.L. 2008.

Subscribed and sworn to before me this 30 day of June, 2021
Joyce L. Lanier Signature of Deponent
City of Orange Township
Grantor Name
29 North Day Street
Grantor Address
Orange, NJ 07050

Joyce L. Lanier
NOTARY PUBLIC
State of New Jersey
ID # 50059323
My Commission Expires April 28, 2022

Deponent Address 29 North Day Street Orange, NJ 07050
Grantor Address at Time of Sale 29 North Day Street Orange, NJ 07050
Last three digits in Grantor's Social Security Number XXX-XXX-178 Name of Company of Settlement Officer NOA Simplicity Title LLC
20 21125 867

FOR OFFICIAL USE ONLY
Instrument Number ESSEY
Deed Number 10/19/2021 Book ESSEY Page ESSEY
Deed Dated 10/19/2021 Date Recorded 10/19/2021

MUST SUBMIT IN DUPLICATE

AFFIDAVIT OF CONSIDERATION FOR USE BY BUYER

(Chapter 49, P.L. 1998, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

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

STATE OF NEW JERSEY

FOR RECORDER'S USE ONLY

COUNTY SOMERSET } SS. County Municipal Code 0717
MUNICIPALITY OF PROPERTY LOCATION City of Orange

Consideration \$1,200,000
RTF paid by buyer Date 10/19/2021 By BFB

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3 and #4 on reverse side)
Deponent, Maia Wilson (Name) being duly sworn Last three digits in grantee's Social Security Number XXX-XX-X 745
deposes and says that he/she is the Officer of Title Company in a deed dated June 30, 2021 transferring
(Grantee, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)
real property identified as Block number 6303 Lot number 7 located at
595 Lincoln Avenue, Orange and annexed thereto.
(Street Address, Town)

(2) CONSIDERATION \$1,200,000 (See Instructions #1, #5, and #11 on reverse side)

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

PROPERTY CLASSIFICATION CHECKED OR CIRCLED BELOW IS TAKEN FROM OFFICIAL ASSESSMENT LIST (A PUBLIC RECORD) OF MUNICIPALITY WHERE THE REAL PROPERTY IS LOCATED IN THE YEAR OF TRANSFER. REFER TO N.J.A.C. 17:27-2.2 ET SEQ.

- (A) Grantee required to remit the 1% fee, complete (A) by checking off appropriate box or boxes 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 in (E) required below)
Cooperative unit (four families or less) (See C. 46:8D-3.)
Cooperative units (five Class 4A)
(B) Grantee is not required to remit 1% fee (one or more of following classes being conveyed), complete (B) by checking off appropriate box or boxes below.
Property class. Circle applicable class or classes: 1 3B 4B 4C 15
Exempt organization determined by federal Internal Revenue Service (Internal Revenue Code of 1986, 26 U.S.C. s. 501, incidental to corporate merger or acquisition; equalized assessed valuation less than 20% of total value of all assets exchanged in merger or acquisition. If checked, calculation in (E) required and MUST ATTACH COMPLETED RTF-4.

(C) When grantee transfers properties involving block(s) and lot(s) of two or more classes in one deed, one or more subject to the 1% fee (A), with one or more than one not subject to the 1% fee (B), pursuant to N.J.S.A. 46:15-5, complete (C) by checking off appropriate box or boxes and (D).

(D) EQUALIZED VALUE CALCULATION FOR ALL PROPERTIES CONVEYED WHETHER THE 1% FEE APPLIES OR DOES NOT APPLY
Total Assessed Valuation + Director's Ratio = Equalized Valuation

Table with 4 rows for Property Class, Assessed Value, Director's Ratio, and Equalized Value.

(E) REQUIRED EQUALIZED VALUE CALCULATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS: (See Instructions #6 and #7 on reverse side)

Total Assessed Valuation + Director's Ratio = Equalized Value

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

(3) TOTAL 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. 1998, as amended through Chapter 33, P.L. 2006, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.

(4) Deponent makes Affidavit of Consideration for Use by Buyer to induce 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. 1998, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 30th day of June, 2021.

Signature of Deponent: Maia Wilson
70 Grove Street, Somerville
Deponent Address

Grantee Name: 595 Lincoln Orange LLC
Grantee Address at Time of Sale: 595 Lincoln Avenue, Orange, NJ
Simplicity Title LLC
Name/Company of Settlement Officer



County recording officers: forward one copy of each RTF-1EE to:

STATE OF NJ - DIVISION OF TAXATION
PO BOX 251
TRENTON, NJ 08646-0251
ATTENTION: REALTY TRANSFER FEE UNIT

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

(the "LRHL") and subject to the terms of the Redevelopment Agreement between the Grantor and the Grantee. This conveyance was authorized by Resolution No. 311-2021 of the Municipal Council of the City of Orange which was duly adopted at a public meeting held on June 15, 2021 in accordance with the provisions of the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq.

5. Release of Environmental Claims. As a condition of accepting the Deed, the Grantee hereby releases the Grantor from any and all responsibility, liability and claims for or arising out of the presence on or about the Property (including in the soil, air, structures and surface and subsurface water) of materials, wastes or substances that are or become regulated under or that are or become classified as toxic or hazardous, under any environmental laws, including without limitation, petroleum, oil, gasoline or other petroleum products, byproducts or waste. In addition, and except if arising out of the gross negligence or willful misconduct of the Grantor or any of its contractors, employees, agents or invitees, the Grantee shall defend, indemnify and hold the Grantor harmless from and against all administrative actions, claims, liabilities, demands, causes of action, debts, obligations, promises, acts, agreements, expenses, costs and damages, of whatever kind or nature, arising out of or related to the presence on or about the Property (including in the soil, air, structures and surface and subsurface water) of materials, wastes or substances that are or become regulated under or that are or become classified as toxic or hazardous, under any environmental laws, including, but not limited to, administrative proceedings, third-party suits and claims, made or brought by governmental agencies, persons or entities.

6. Covenants by Grantee. This conveyance is made pursuant to the LRHL and pursuant to the Redevelopment Agreement entered between the Grantor and the Grantee and, consequently, this conveyance shall be made subject to certain redevelopment covenants, conditions and restrictions:

(a) the Grantee shall, in connection with its use or occupancy of the Project on the Property, not effect or execute any covenant, agreement, lease, conveyance or other instrument whereby the Property or the Project is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, sex or familial status, and the Grantee, its successors and assigns, shall comply with all applicable laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sex or familial status.

(b) the Grantee shall comply with the applicable provisions and public purposes of the LRHL and all obligations under the Redevelopment Agreement and shall at all times develop, design, finance, construct and operate the Project or cause the Project to be developed, designed, financed, constructed and operated pursuant to the conditions and requirements of Applicable Laws, Governmental Approvals, the Redevelopment Agreement and the Redevelopment Plan, provided however, that Grantee shall not be deemed to be in breach if the Grantee diligently contests, in good faith and by appropriate proceedings, such compliance with any of the aforesaid Applicable Laws. All uses to which the Project on the Property may be devoted are controlled by the Redevelopment Plan, the Governmental Approvals, Applicable Laws and the Redevelopment Agreement and under no circumstances can the Grantee undertake any construction or development of the Project for the Property not in accordance with the Redevelopment Plan, the Governmental Approvals, Applicable Laws and the Redevelopment Agreement.

(c) in order to effectuate the purposes of the Redevelopment Agreement, the Grantee shall make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions with any other persons, firms or entities and in general do all things which may be requisite or proper for the construction and development of the Project on the Property in accordance with the Redevelopment Agreement, the Redevelopment Plan, Governmental Approvals and Applicable Laws, provided however, that the Grantee shall not be deemed to be in breach of this covenant if the Grantee diligently contests, in good faith and by appropriate proceedings, such compliance with any of the aforesaid Applicable Laws.

(d) the Grantee shall use diligent efforts to (i) obtain all Governmental Approvals requisite to the construction and development of the Project on the Property including evidence satisfactory to the Grantor that the Grantee's use of the Project on the Property is in compliance with the Redevelopment Agreement, the Redevelopment Plan and all Applicable Laws, and (ii) ensure Completion of Construction of the Project within the time periods specified in the Construction Schedule.

(e) the Grantee shall use diligent efforts to obtain all Governmental Approvals authorizing the occupancy and uses of the Project for the purposes contemplated herein. The Grantee shall enter into such other agreements with respect to its development, financing, construction and management and operation of the Project containing such provisions as may be required by Applicable Law and such other provisions as may reasonably be requested by the Grantor or as may reasonably be required by Governmental Approvals.

(f) except as otherwise permitted hereunder in the case of a Force Majeure Event or COVID-19 Delay, the Grantee shall not suspend or discontinue the performance of its obligations under this Redevelopment Agreement (other than in the manner provided for herein) for any reason, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, commercial frustration of purpose, or any damage to or destruction of the Project on the Property.

(g) the Grantee shall diligently undertake the construction and development of each individual component of the Project on the Property throughout the Construction Period and use commercially reasonable efforts to complete each component of the Project on the Property on or before the applicable Completion Date.

(h) the Grantee shall not encumber, hypothecate or otherwise use the Project or the Property, or any part thereof, as collateral for an unrelated transaction.

(i) during construction of the Project, the Grantee shall keep debris and/or waste materials containerized and/or stored and disposed of within normal industry standards.

(j) the Grantee shall cause the Project to be developed, designed, financed and constructed at its sole cost and expense, except as otherwise set forth in the Redevelopment Agreement.

(k) the Grantee shall immediately notify the Grantor of any material change in its financial condition from the information provided to the Grantor by the Grantee, or any other material change in the Grantee's financial capability to design, develop, finance, construct and operate the Project on the Property in furtherance of the Grantor's consideration in executing the Redevelopment Agreement with the Grantee if such change will materially impair the Grantee's ability to perform its obligations pursuant to the terms of the Redevelopment Agreement.

(l) the Grantor shall keep and maintain in good condition any improvements required under the Governmental Approvals, including but not limited to any landscaping required to be planted or cause an entity in control of the Project on the Property (i.e. condominium or homeowner association) to maintain such improvements until the Grantee's conveyance of title pursuant to the Redevelopment Agreement.

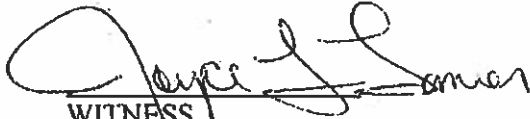
These covenants shall run with the land, and shall be binding upon the Grantee and its permitted successors or assigns, provided that upon the issuance and recording of a Certificate of Completion for the Project described within the Redevelopment Agreement, then except for those covenants which expressly survive the issuance of a Certificate of Completion as designated within Section 7.2 of the Redevelopment Agreement, all other covenants shall be deemed satisfied, and of no further force or effect, and shall no longer encumber the Property conveyed herein.

7. Limited Right Of Reverter. This conveyance is subject to the restriction set forth within Section 10.8(b) of the Redevelopment Agreement providing that "In the event that there is an Event of Default by the Redeveloper that cannot be cured over time or in the event that the Redeveloper elects not to pay Damages as set forth herein, and upon sixty (60) Days prior written notice by the City to the Redeveloper (and where applicable, to the mortgagee) of termination of this Agreement due to an Event of Default, title to the Property shall revert to the City pursuant to a reverter clause which shall be included in such conveyance documents without any further act on the City's part and the estate conveyed by the City by deed to the Redeveloper shall immediately (after expiration of the aforesaid notice period) terminate and revert in the City (the "Declaration of Reverter"). However, any reversion of title as a result of the aforementioned termination due to the occurrence of an Event of Default 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 authorized by this Agreement; and (ii) any rights or interest provided in this Agreement for the protection of mortgagees or other lienholders. The right of the City to declare such a reversion of title is not intended as a waiver by the Redeveloper of its right to challenge the validity of such Declaration of Reverter or otherwise contest the same in any manner if the Redeveloper believes such right has been improperly exercised and/or is otherwise defective, improper or disputable for any reason."


This limited right of reverter shall cease upon the execution of a Certificate of Completion for the Project by Grantor and the recording of the Certificate of Completion by the Grantee.

SIGNATURE. The Grantor signs this Deed as of the date at the top of the first page. This Deed is signed and attested to by the proper corporate officers of the Grantor and its corporate seal is affixed.

ATTEST


WITNESS

CITY OF ORANGE TOWNSHIP


DWAYNE D. WARREN, MAYOR
CITY OF ORANGE TOWNSHIP

Not Certified Copy

STATE OF NEW JERSEY :
SS:
COUNTY OF ESSEX :

BE IT REMEMBERED, that on June 30, 2021, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared DWAYNE D. WARREN, who, being by me duly sworn on her oath, deposes and makes proof to my satisfaction, that he is the Mayor of the CITY OF ORANGE TOWNSHIP, a body corporate and politic, and the body corporate and politic named in the within instrument; that the execution, as well as the making of this instrument, has been duly authorized by a proper resolution and ordinance of the City Council; that deponent well knows the seal of the body corporate and politic; and the seal affixed to said instrument is the proper corporate seal and was thereto affixed and said instrument signed and delivered by DWAYNE D. WARREN, Mayor, as and for the voluntary act and deed of said body corporate and politic, in my presence, who thereupon subscribed my name thereto as attesting witness.

Sworn and subscribed to before me this 30 day
of June, 2021

Joyce L. Lanier

Notary Public of the State of NJ
My Commission Expires _____
(Affix Notarial Seal)

Joyce L. Lanier
NOTARY PUBLIC
State of New Jersey
ID # 50059323
My Commission Expires April 28, 2022

Not Certified Copy

**EXHIBIT A
LEGAL DESCRIPTION OF THE PRIVATE PARCEL WHICH IS EXCLUDED FROM
THE PROPERTY BEING CONVEYED FROM THE GRANTOR TO THE GRANTEE**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ORANGE,
COUNTY OF ESSEX, STATE OF NEW JERSEY AND BEING A PORTION OF LOT 7,
BLOCK 6306 AND BEING MORE PARTICULARLY AS DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHWESTERLY SIDE OF TREMONT
AVE. WITH THE NORTHWESTERLY SIDE OF LINCOLN AVE:

THENCE, N52°15'00"W, ALONG THE SOUTHWESTERLY RIGHT OF WAY LINE OF
TREMONT AVENUE, A DISTANCE OF 171.14 FEET;

THENCE, S44°22'00"W, ALONG THE EASTERLY LINE OF LOT 6, BLOCK 6306 AND
LOT 8, BLOCK 6306, A DISTANCE OF 249.41 FEET TO A POINT ON THE NORTHERLY
RIGHT OF WAY LINE OF LAUREL STREET;

THENCE, S48°03'00"E, ALONG THE NORTHERLY RIGHT OF WAY LINE OF LAUREL
STREET, A DISTANCE OF 3.20 FEET TO A POINT ON THE WESTERLY SIDE OF A
WALL;

THENCE, N43°38'00"E, ALONG THE WESTERLY LINE OF SAID WALL, A DISTANCE
OF 249.30 FEET TO THE POINT OF BEGINNING.

CONTAINING 399 SQUARE FEET OR 0.009 ACRES, MORE OR LESS.

Not Certified Copy



WESTCOR
LAND TITLE INSURANCE COMPANY

**EXHIBIT A
LEGAL DESCRIPTION**

Issuing Office File No. ST-18599

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Orange Township, County of Essex, State of NJ:

Beginning at the intersection of the Southwesterly side of Tremont Ave. with the northwesterly side of Lincoln Ave. thence running along said Tremont Ave. north 52 degrees 15 minutes west 171.14 feet; thence south 44 degrees 22 minutes west 249.41 feet to Laurel Street; thence along said Laurel Street south 48 degrees three minutes east 170.15 feet to Lincoln Ave.; thence along Lincoln Ave. north 44 degrees 22 minutes east 261.96 feet to said Tremont Ave. and place of beginning.

FOR INFORMATION PURPOSES ONLY: BEING known as 595 Lincoln Avenue, Orange, NJ 07050, Tax Lot No. 7, Tax Block 6303 on the Official Tax Map of City of Orange Township, County of Essex, NJ.

Not Certified Copy

EXHIBIT 8

NARRATIVE DESCRIPTION OF PROJECT

Including the height and bulk of proposed improvements, type of construction materials to be used and expected square foot area of each proposed use. Describe each type of unit to be constructed as part of the project as well as any restrictions relating to age or income. Include maps, renderings, floor plans and other graphic materials if available.

The Applicant proposes to demolish the existing structure in order to construct a six-story multifamily residential building, consisting of seventy (70) market rate rental units, along with seventy-two (72) off-street parking spaces. The unit mix consists of studio units, one-bedroom units, two-bedroom units and three-bedroom units.

There is approximately 18,000 square feet of common and amenity space in the building. Building amenities include a lobby, storage room, outdoor roof deck with theater and fitness area.

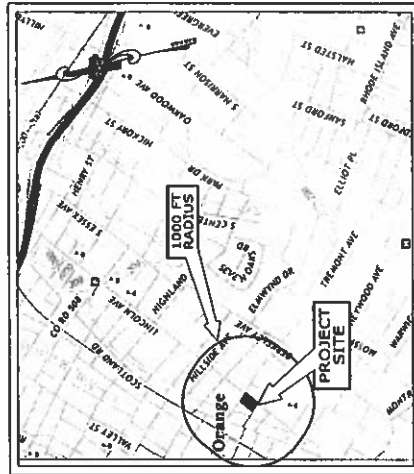
EXHIBIT 9

PRELIMINARY AND FINAL MAJOR SITE PLAN

FOR

ORANGE RESIDENTIAL DEVELOPMENT

595 LINCOLN ORANGE, LLC
 BLOCK 6303, LOT 7
 595 LINCOLN AVENUE
 CITY OF ORANGE TOWNSHIP
 ESSEX COUNTY, NEW JERSEY



LOCATION MAP
 SCALE: 1"=1,000'



SHEET	INDEX OF SHEETS	DESCRIPTION
1	COVER SHEET	
2	GENERAL NOTES AND ZONING SCHEDULE	
3	DEVELOPMENT SITE PREPARATION PLAN	
4	LAYOUT AND DIMENSIONING PLAN	
5	GRADING PLAN	
6	UTILITY PLAN	
7	DRAINAGE CIRCULATION PLAN	
8	LANDSCAPE PLAN	
9	LIGHTING PLAN	
10	SOIL EROSION AND SEDIMENT CONTROL PLAN	
11-12	SOIL EROSION AND SEDIMENT CONTROL NOTES & DETAILS	
13-15	CONSTRUCTION DETAILS	

APPROVALS:
 I HAVE REVIEWED THIS PRELIMINARY & FINAL MAJOR SITE PLAN AND CERTIFY THAT IT COMPLIES WITH ALL APPLICABLE ORDINANCES OF THE APPROVING AUTHORITY.

TOWNSHIP ENGINEER _____ DATE _____
 APPROVED BY THE PLANNING BOARD OF THE CITY OF ORANGE
 TOWNSHIP
 CHAIRMAN _____ DATE _____
 SECRETARY _____ DATE _____
 TOWNSHIP ENGINEER _____ DATE _____

OWNER/APPLICANT:
 595 LINCOLN ORANGE, LLC
 HOBOKEN, NJ 07030

DATE	DESCRIPTION

Professional Engineer
 State of New Jersey
 License No. 12-14874-1
 Date of Issue: 06/28/2011
 Expiration Date: 06/28/2014

Bowman CONSULTING

BRAY A. O'DARY, P.E., Professional Engineer, License No. 12-14874-1
 State of New Jersey
 Date of Issue: 06/28/2011
 Expiration Date: 06/28/2014

PRELIMINARY AND FINAL MAJOR SITE PLAN FOR
 ORANGE RESIDENTIAL DEVELOPMENT
 BLOCK 6303 LOT 7
 595 LINCOLN AVENUE
 CITY OF ORANGE TOWNSHIP, ESSEX COUNTY, NEW JERSEY

SHEET NO. 1 / 15

REV	DATE	DESCRIPTION
1	08/15/13	ISSUED FOR PERMIT

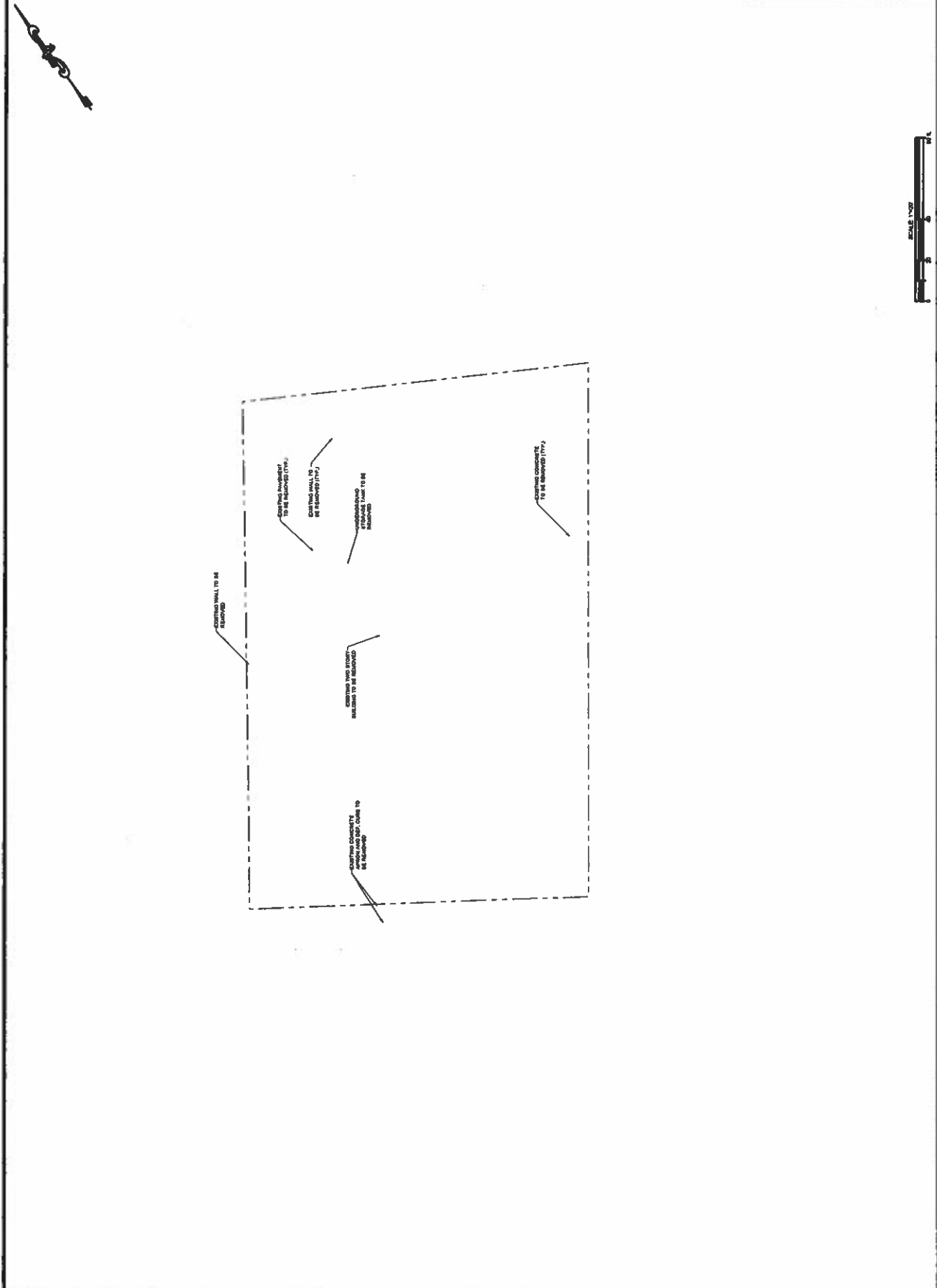
NOTES:
 1. SEE ALL NOTES ON DRAWINGS.
 2. ALL EXISTING UTILITIES TO BE RELOCATED TO BE SHOWN ON SITE PLAN.
 3. ALL EXISTING CONCRETE TO BE REMOVED TO BE SHOWN ON SITE PLAN.
 4. ALL EXISTING FOUNDATION TO BE REMOVED TO BE SHOWN ON SITE PLAN.
 5. ALL EXISTING WALLS TO BE REMOVED TO BE SHOWN ON SITE PLAN.
 6. ALL EXISTING FLOORING TO BE REMOVED TO BE SHOWN ON SITE PLAN.
 7. ALL EXISTING ROOFING TO BE REMOVED TO BE SHOWN ON SITE PLAN.
 8. ALL EXISTING SITES TO BE REMOVED TO BE SHOWN ON SITE PLAN.

BOWMAN CONSULTING

SEAN A. DELANEY, P.E., Registered Professional Engineer (No. 13426) State of New Jersey
(Signature)
 SEAN A. DELANEY, P.E.
 1500 ...
 ...
 ...

CITY OF ORANGE TOWNSHIP, ESSEX COUNTY, NEW JERSEY
 BLOCK 6303, LOT 7
**ORANGE RESIDENTIAL DEVELOPMENT
 DEMOLITION / SITE
 PREPARATION PLAN**

3 15
 SHEET NO.



DATE	DESCRIPTION

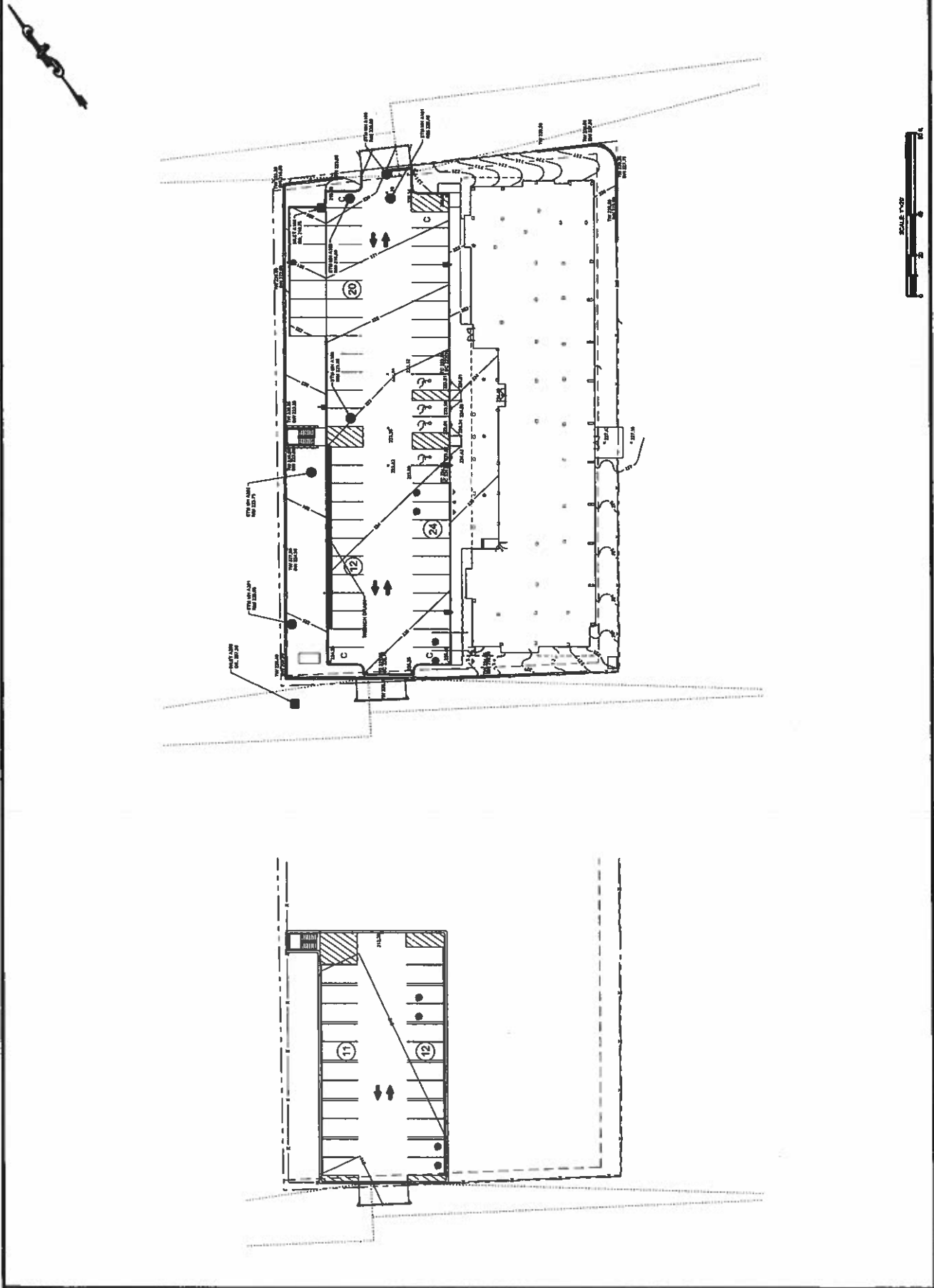
THESE PLANS AND SPECIFICATIONS ARE THE PROPERTY OF BOWMAN CONSULTING. THEY ARE TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON. ANY REUSE OR MODIFICATION OF THESE PLANS WITHOUT THE WRITTEN CONSENT OF BOWMAN CONSULTING IS STRICTLY PROHIBITED. BOWMAN CONSULTING ASSUMES NO LIABILITY FOR ANY ERRORS OR OMISSIONS IN THESE PLANS.

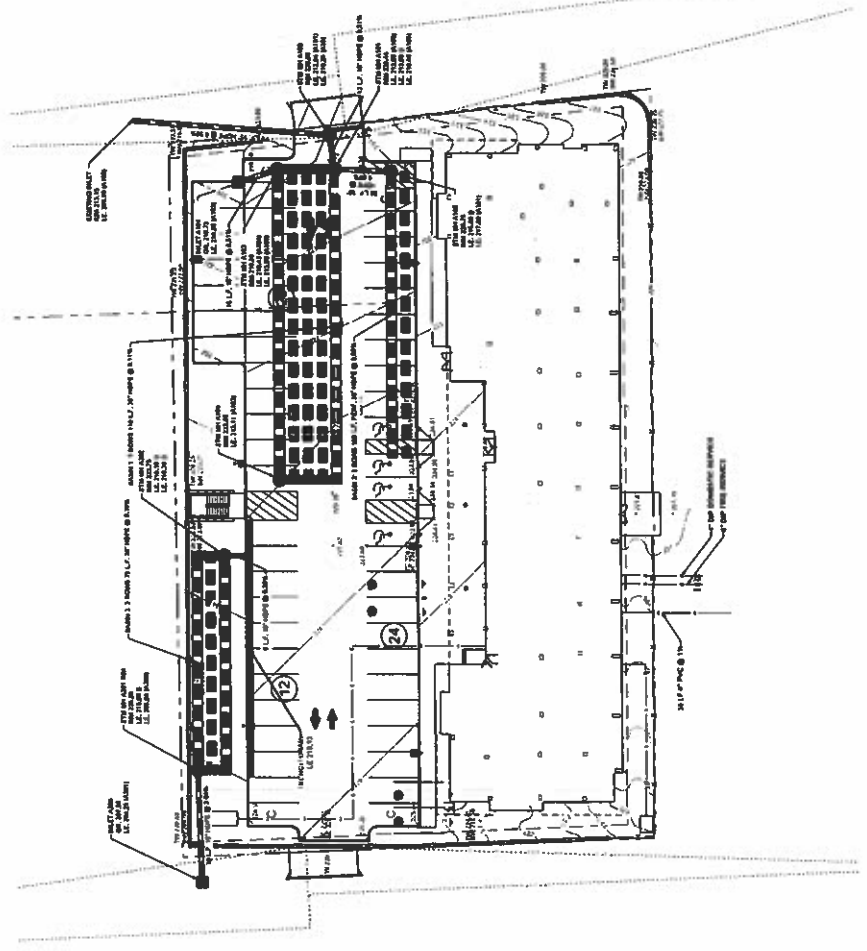
Bowman CONSULTING

SEAN A. DELANEY, M.L. Professional Engineer, License No. 360241180
Sean A. Delaney
 Project: 15-00000000000000000000
 Title: Grading Plan
 Date: 08/15/2015

ORANGE RESIDENTIAL DEVELOPMENT
 66 LINDEN AVENUE
 BLOCK 63B3 LOT 7
 CITY OF ORANGE TOWNSHIP, ESSEX COUNTY, NEW JERSEY

PROJECT NO. 15-00000000000000000000
 SHEET NO. 5





1	DATE	1/15/15
2	BY	AS
3	CHECKED	AS
4	DATE	1/15/15
5	BY	AS
6	CHECKED	AS
7	DATE	1/15/15
8	BY	AS
9	CHECKED	AS

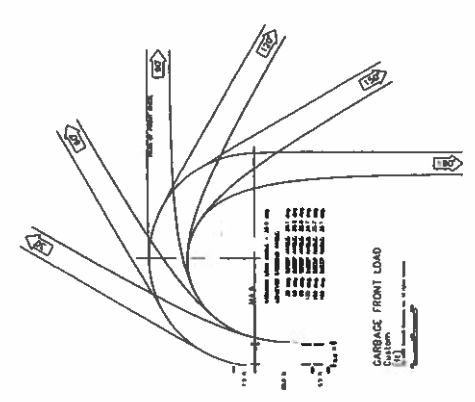
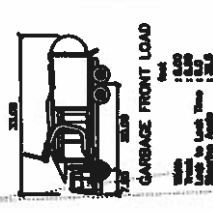
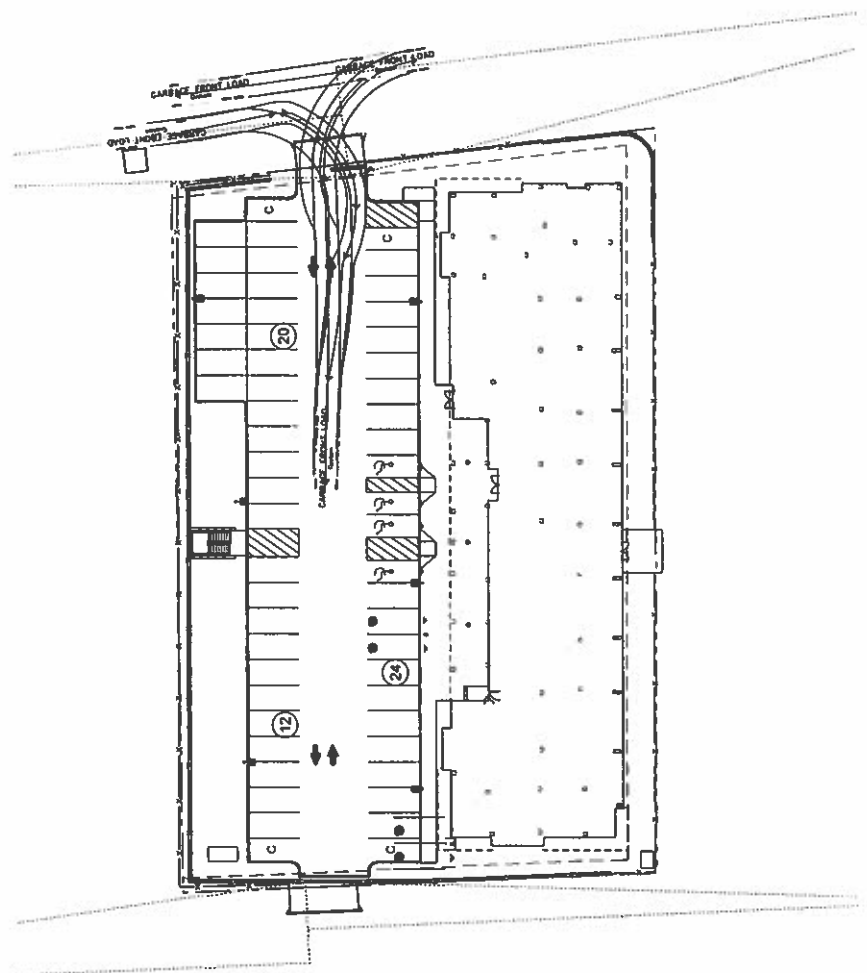
FOR THE ARCHITECT
 FOR THE ENGINEER
 FOR THE CITY

Bowman CONSULTING

BEAM & DELANEY, P.A. ARCHITECTS
 1000 N. W. 10th Street, Suite 100
 Fort Lauderdale, FL 33304
 Phone: (954) 571-1111
 Fax: (954) 571-1112
 Email: info@beamanddelaney.com

CITY OF ORANGE TOWNSHIP, ESSEX COUNTY, NEW JERSEY
 BLOCK 8393, LOT 7
**ORANGE RESIDENTIAL DEVELOPMENT
 GARAGE CIRCULATION
 PLAN**

7 15



NO.	DATE	DESCRIPTION	BY	CHECKED

Bowman
CONSULTING

12110 S. WILLOW STREET, SUITE 100
ORANGE, CALIFORNIA 92667
TEL: 714/765-4400 FAX: 714/765-4401
WWW.BOWMANCONSULTING.COM

REGISTRATION NO. 45289
PROF. LANDSCAPE ARCHITECT
STATE OF CALIFORNIA

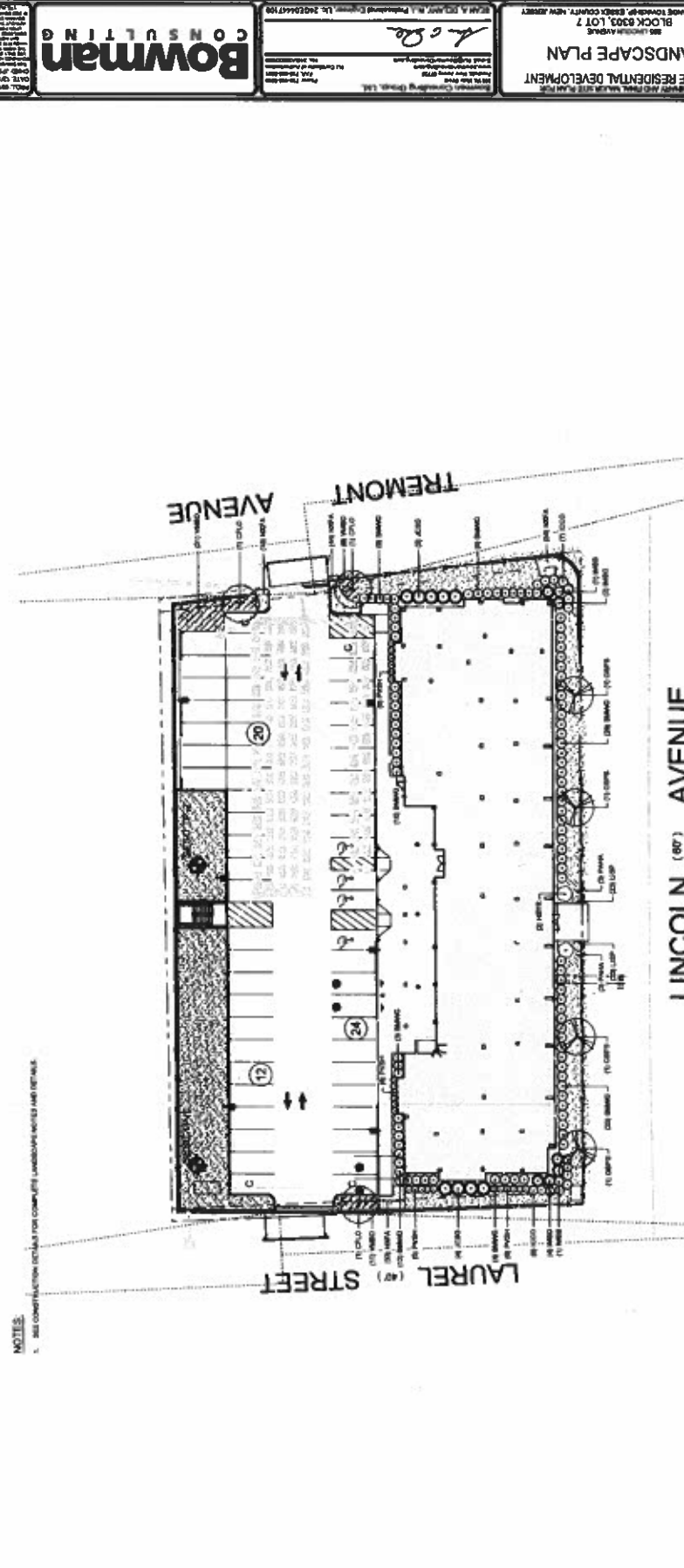
DATE: 08/15/15
SCALE: 1/8" = 1'-0"

LANDSCAPE PLAN
ORANGE RESIDENTIAL DEVELOPMENT
BLOCK 8303 LOT 7
CITY OF ORANGE TOWNSHIP, ESSEX COUNTY, NEW JERSEY

LANDSCAPE ARCHITECT: J. J. FORD
DATE: 08/15/15

LEGEND:

- 2" P. INDICATIVE
- SEASONAL TREE
- SHRUB PERENNIAL
- MOONROCK/FLORA



LAUREL STREET

TREMONT AVENUE

LINCOLN (87) AVENUE

(57)

NOTE:

1. SEE COMPLETION DETAILS FOR COMPLETE LANDSCAPE NOTES AND DETAILS.



15
8
815

08/15/15
J. J. FORD
J. J. FORD

08-15-15
J. J. FORD

12110 S. WILLOW STREET, SUITE 100
ORANGE, CALIFORNIA 92667
TEL: 714/765-4400 FAX: 714/765-4401
WWW.BOWMANCONSULTING.COM

REGISTRATION NO. 45289
PROF. LANDSCAPE ARCHITECT
STATE OF CALIFORNIA

No.	Description	DATE

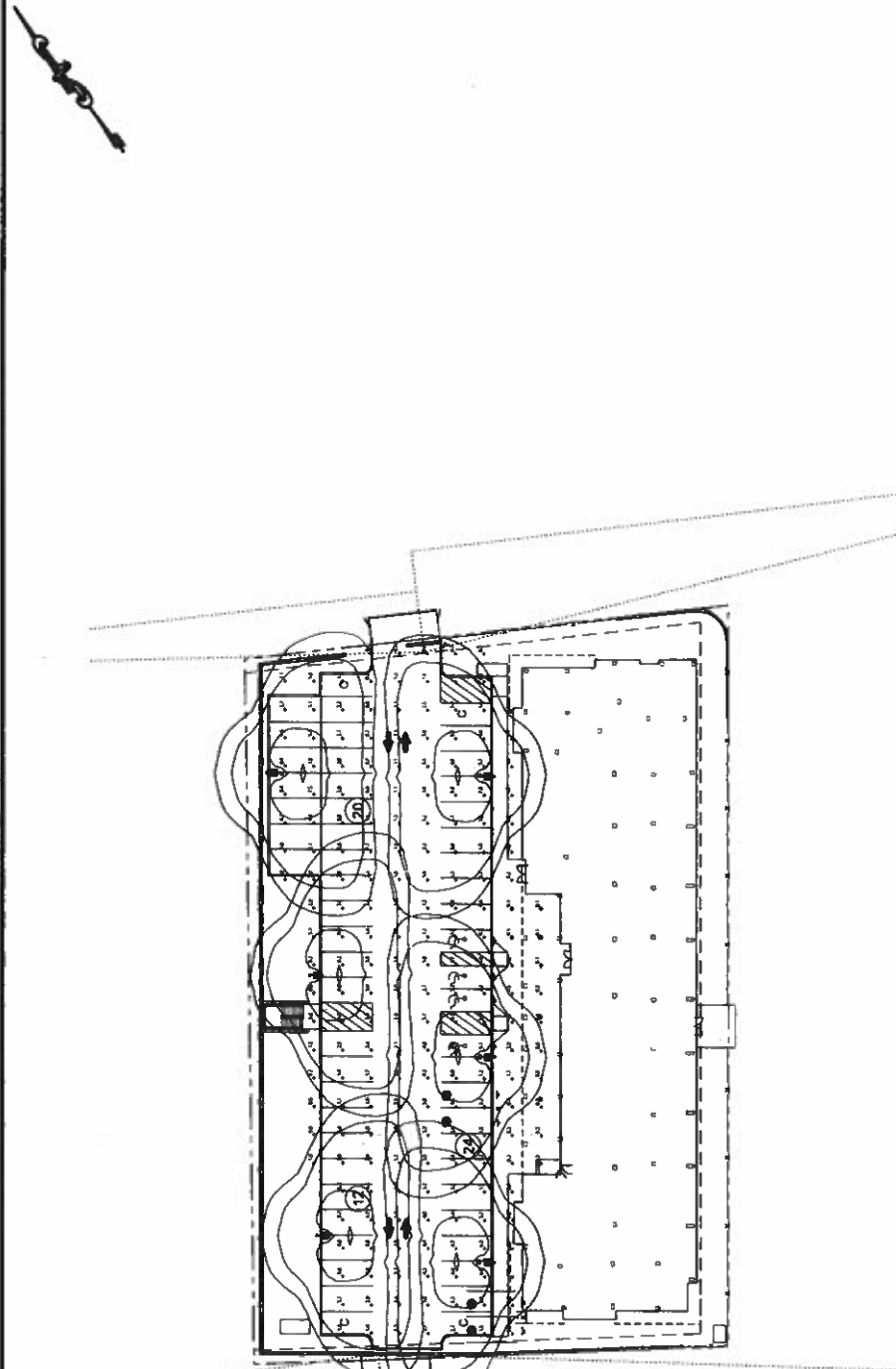
REVISED PER PLAN 2014.01.23
 DATE APPROVED: 2/10/14
 SCALE: AS SHOWN
 PROJECT: BOWMAN CONSULTING



SEAN A. DELANEY, P.E., Licensed Professional Engineer, License No. 26202-000117393
 Project: BOWMAN CONSULTING
 10000 North Loop West
 Suite 1000
 Dallas, TX 75243
 Telephone: (214) 343-8800
 Fax: (214) 343-8801
 www.bowmanconsulting.com

PROJECT NO. 6
 LIGHTING PLAN
 CITY OF ORANGE TOWNSHIP, ESSEX COUNTY, NEW JERSEY
 BLOCK 6303 LOT 7
 ORANGE RESIDENTIAL DEVELOPMENT

6/15
 SCALE 1/8" = 1'-0"



Schedule		Label	Group	Quantity	Manufacturer	Ordering Number	Description	Number of Lamps	Lamp Power	Lamp Voltage	Beam Spread	Foot Candles
○	●	A		8	SHAW MUTUAL LTD	5810-VERSARIAL-5810-3	High Bay LED Flood Light (2000 W, 120 V, 2000 Lumens, 30" Beam)	1	1000	0.75	100'	

Statistics			
Description	Symbol	Avg	Max/Min
Calc Zone FC	+	2.9 fc	0.0 to 0.1 to 98.0-1 28.0-1



DATE	DESCRIPTION

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 08/28/2018 BY 60322
 (U)


Bowman
 CONSULTING


BEAN A. DELANEY, P.E., PROFESSIONAL ENGINEER
 LICENSE NO. 36020-0001-0000
 STATE OF CALIFORNIA

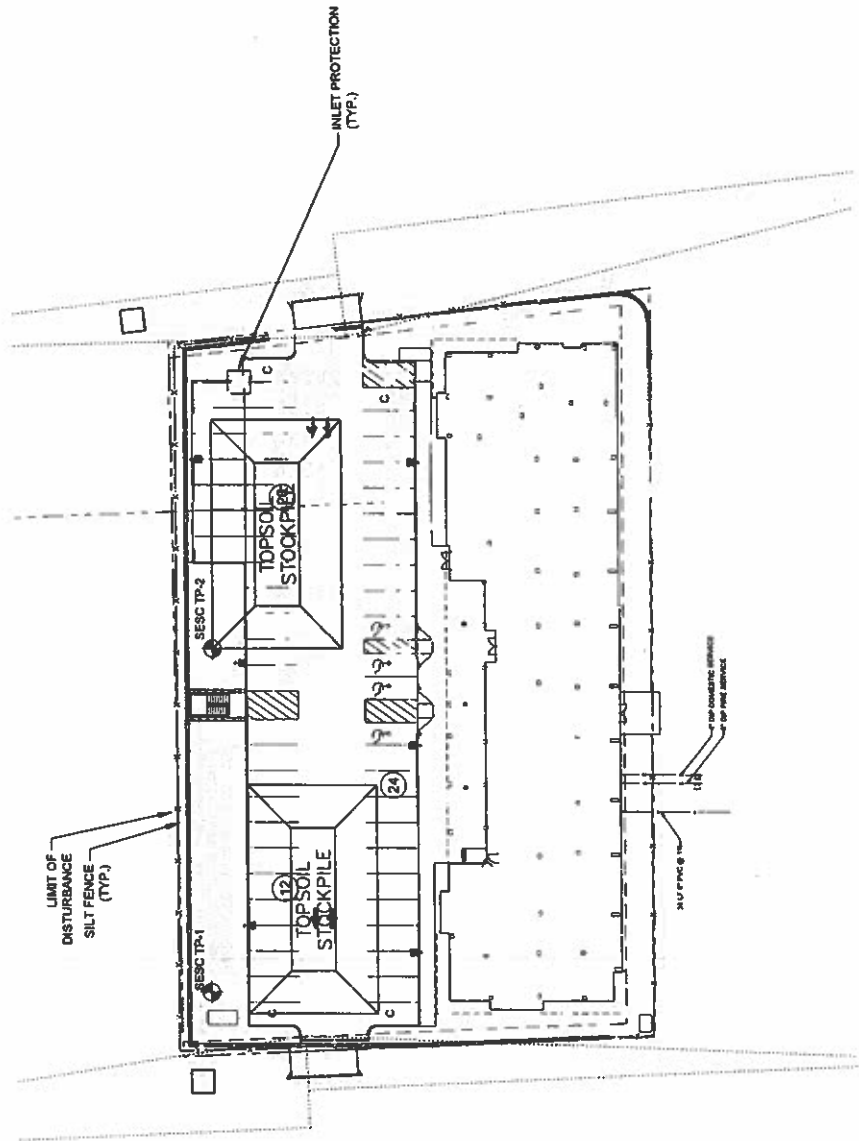
ORANGE RESIDENTIAL DEVELOPMENT
 SOIL EROSION AND
 SEDIMENT CONTROL PLAN
 885 LYNDON AVENUE
 BLOCK 692, LOT 7
 CITY OF ORANGE, TOWNSHIP OF ORANGE COUNTY, NEW JERSEY

SHEET NO. 10/15

LEGEND

 AREA SUBJECT TO COMPACTION TESTING, 0.08 AC

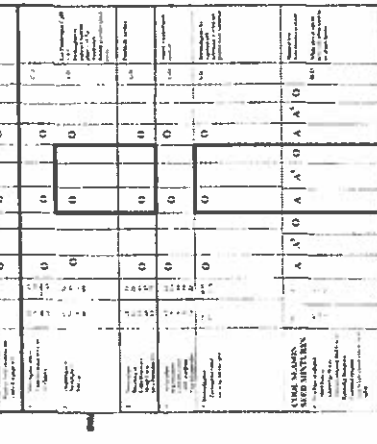
 SESC TP-1 COMPACTION TEST PIT LOCATION



TEMPORARY VEGETATIVE COVER FOR SOIL STABILIZATION
1. The purpose of this section is to provide temporary vegetative cover for soil stabilization on construction sites. This cover is intended to prevent soil erosion and sedimentation during the construction process. The cover should be installed on all areas of exposed soil that are not to be immediately paved or otherwise stabilized.

- 1. The cover should be installed on all areas of exposed soil that are not to be immediately paved or otherwise stabilized.
- 2. The cover should be installed on all areas of exposed soil that are not to be immediately paved or otherwise stabilized.
- 3. The cover should be installed on all areas of exposed soil that are not to be immediately paved or otherwise stabilized.
- 4. The cover should be installed on all areas of exposed soil that are not to be immediately paved or otherwise stabilized.
- 5. The cover should be installed on all areas of exposed soil that are not to be immediately paved or otherwise stabilized.

STABILIZED CONSTRUCTION ENTRANCE
1. The purpose of this section is to provide stabilized construction entrances to prevent soil erosion and sedimentation. These entrances should be installed on all areas where vehicles or heavy equipment will enter or exit the construction site.



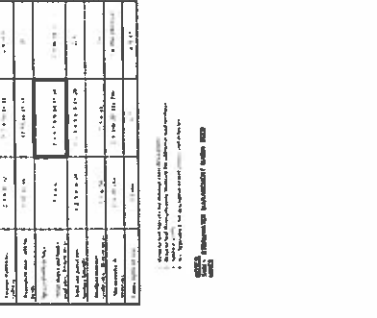
1. The purpose of this section is to provide stabilized construction entrances to prevent soil erosion and sedimentation. These entrances should be installed on all areas where vehicles or heavy equipment will enter or exit the construction site.

Table 4-2
Recommended Specifications for Various Soil Stabilization Methods

Method	Material	Thickness (in.)	Installation
Erosion Control Blanket	Coir	1.0 - 1.5	Hand-laid
	Straw	1.0 - 1.5	Hand-laid
Erosion Control Mat	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid
Erosion Control Fabric	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid
Erosion Control Net	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid
Erosion Control Paper	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid

1. The purpose of this section is to provide stabilized construction entrances to prevent soil erosion and sedimentation. These entrances should be installed on all areas where vehicles or heavy equipment will enter or exit the construction site.

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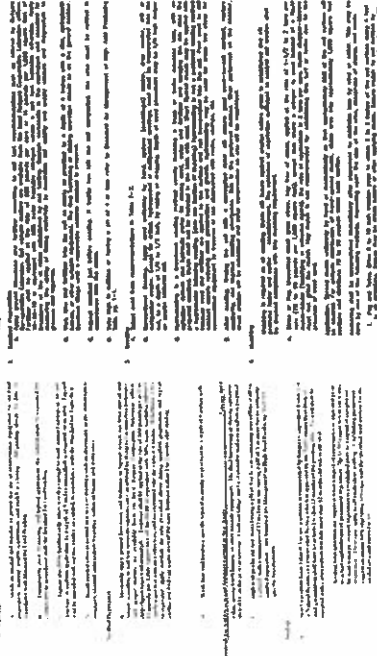
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	Straw	1.0 - 1.5	Machine-laid
Erosion Control Fabric	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid
Erosion Control Net	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid
Erosion Control Paper	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid

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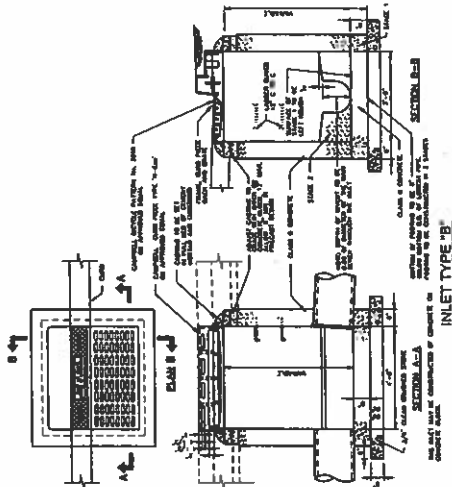
Table 4-2
Recommended Specifications for Various Soil Stabilization Methods

Method	Material	Thickness (in.)	Installation
Erosion Control Blanket	Coir	1.0 - 1.5	Hand-laid
	Straw	1.0 - 1.5	Hand-laid
Erosion Control Mat	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid
Erosion Control Fabric	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid
Erosion Control Net	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid
Erosion Control Paper	Coir	1.0 - 1.5	Machine-laid
	Straw	1.0 - 1.5	Machine-laid

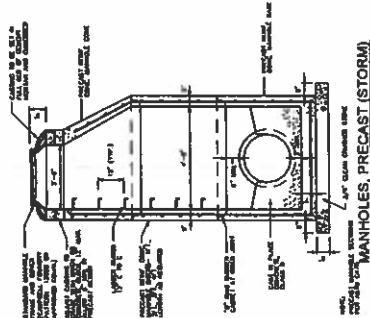
1. The purpose of this section is to provide stabilized construction entrances to prevent soil erosion and sedimentation. These entrances should be installed on all areas where vehicles or heavy equipment will enter or exit the construction site.

INLET & MANHOLE NOTES

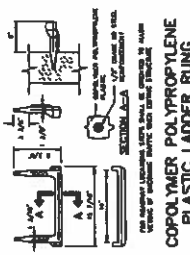
1. MANHOLES OF 18" DIA. SHALL BE CONSTRUCTED TO THE TOP OF 12" DIA. 4" DIA. CONCRETE RINGS, 4" DIA. RINGS TO BE USED FOR ALL OTHER SIZES.
2. RINGS SHALL BE CAST IN PLACE AND SHALL BE REINFORCED WITH #4 BARS AT 12" ON CENTER. THE TOP OF RINGS SHALL BE FINISHED TO THE FINISH GRADE OF THE STREET.
3. ALL MANHOLES SHALL BE CONSTRUCTED TO THE FINISH GRADE OF THE STREET. THE TOP OF RINGS SHALL BE FINISHED TO THE FINISH GRADE OF THE STREET.
4. ALL MANHOLES SHALL BE CONSTRUCTED TO THE FINISH GRADE OF THE STREET. THE TOP OF RINGS SHALL BE FINISHED TO THE FINISH GRADE OF THE STREET.
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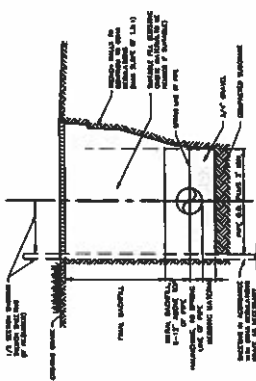
INLET TYPE "B"



MANHOLES PRECAST (STORM)

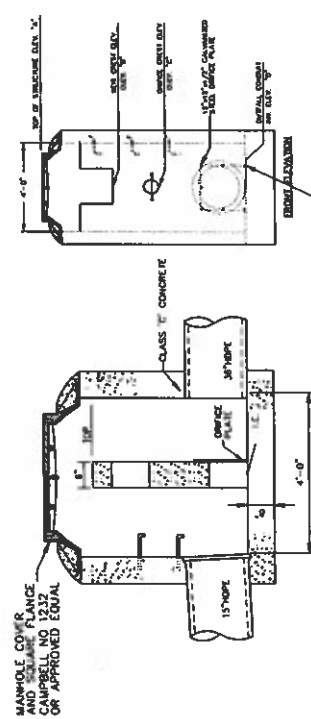


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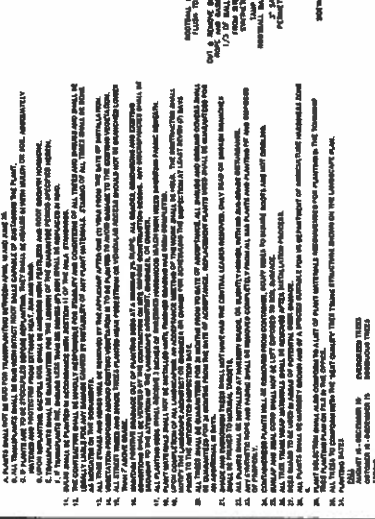
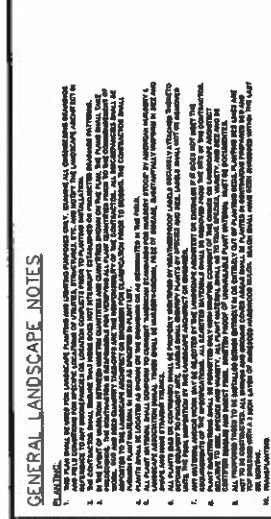
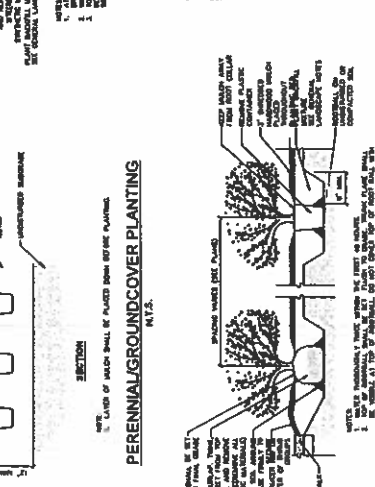
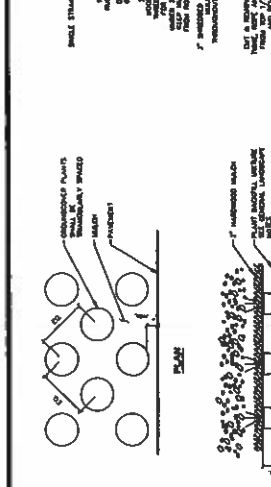
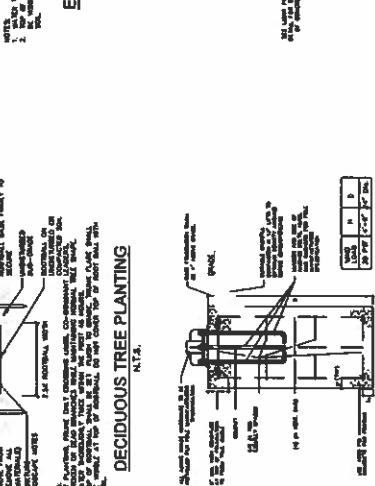
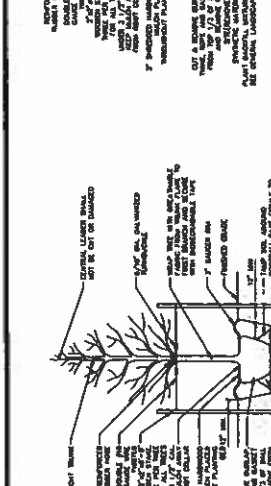
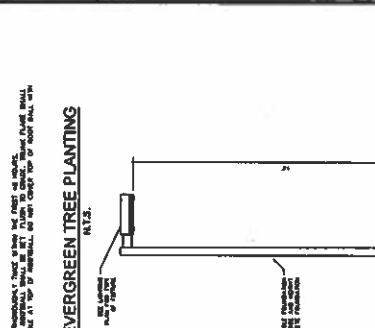
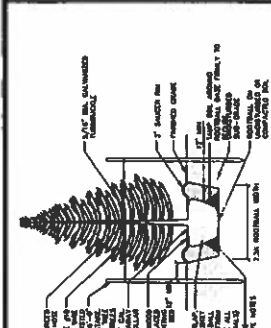
PIPE TRENCH DETAIL - H.D.P.E. PIPE

1. ALL TRENCHES SHALL BE CONSTRUCTED TO THE FINISH GRADE OF THE STREET.
2. ALL TRENCHES SHALL BE CONSTRUCTED TO THE FINISH GRADE OF THE STREET.
3. ALL TRENCHES SHALL BE CONSTRUCTED TO THE FINISH GRADE OF THE STREET.
4. ALL TRENCHES SHALL BE CONSTRUCTED TO THE FINISH GRADE OF THE STREET.



OUTLET CONTROL STRUCTURE DETAIL

LOCATION	ELEV. "A"	MAN LENGTH	ELEV. "B"	ORISE SIZE	ELEV. "C"	OUTLET PIPE SIZE	ELEV. "D"
1	21.00	15.00	15.00	18"	21.00	18"	21.00
2	21.00	15.00	15.00	18"	21.00	18"	21.00
3	21.00	15.00	15.00	18"	21.00	18"	21.00
4	21.00	15.00	15.00	18"	21.00	18"	21.00



GENERAL LANDSCAPE NOTES

1. ALL PLANTING SHALL BE SET AS SHOWN.

2. MULCH SHALL BE 2" MINIMUM DEPTH OF SOFT FILL.

3. IRRIGATION SHALL BE INSTALLED AT THE TOP OF TRUNK.

PHILIPS LUMINEC

EXHIBIT 10

PLANNING BOARD

The City of Orange Township
New Jersey



Date 04/19/2023

Case No. 22-02

TITLE: RESOLUTION OF MEMORIALIZATION

Applicant: 595 Lincoln Orange Urban Renewal, LLC

Application: Preliminary and Final Site Plan

WHEREAS, 595 Lincoln Orange Urban Renewal, LLC (“Applicant”) submitted an Application to City of Orange Township Planning Board (“Board”) seeking preliminary and final site plan approval to demolish the existing structure on the site and in its place construct a new multi-story multifamily residential building consisting of seventy (70) residential units on property identified as Block 6303, Lot 7 on the Official Tax Map of the City of Orange Township (“City” or “Orange”), commonly known as 595 Lincoln Avenue (collectively “Property”); and

WHEREAS, the Property is situated within the Lincoln Avenue Redevelopment Area Zone where this use (multifamily residential) is permitted; and

WHEREAS, the Applicant has presented proof that, at least 10 days prior to the date scheduled for the hearing on this application, adequate notice of this application was published in an official newspaper and served on the neighboring property owners within 200 feet of the Property in accordance with the applicable law; and

WHEREAS, the Application reviewed by the Board consisted of the following plans and/or reports:

<u>Document Title</u>	<u>Date</u>
Application for Development	February 23, 2022
Site Plans, fifteen (15) sheets, titled, Preliminary And Final Site Plan for Orange Residential Development, 595 Lincoln Avenue, Block 6303, Tax Lot 7, City of Orange Township, Essex County, New Jersey, prepared by Sean A. Delany, PE of Bowman Consulting	May 9, 2022
Architectural Plans, four (4) sheets, titled, Proposed Multifamily Residential Development, 595 Lincoln Apartment, Block 6303, Lot 7, 595 Lincoln Avenue,	April 21, 2022 rev. July 25, 2022 rev. November 10, 2022

City Of Orange, New Jersey, prepared by Conrad Roncati, Jr., RA of Architectura	rev. January 9, 2023
Map of Property, one (1) sheet, Located at 595 Lincoln Avenue, Situated in the Township of Orange, Essex County, New Jersey, Block 6303 Lot 7, prepared by Gary Paparozzi, PLS, of Paparozzi Associates, Inc.	June 21, 2021
Traffic Engineering Evaluation, Orange Residential Development, City of Orange Township, Essex County, New Jersey, prepared by Bowman Consulting Group, Ltd.	September 29, 2021 rev. August 30, 2022
Stormwater Management Report, Orange Residential Development, Block 6303, Lot 7, 595 Lincoln Avenue, City of Orange Township, Essex County, New Jersey, prepared by Bowman Consulting Group, Ltd.	December 19, 2022
Planning Review Memorandum by Nishuane Group LLC	March 17, 2023
Engineering Review Memorandum by CP Professional Services; and	March 21, 2023

WHEREAS, a public hearing was held on this application in a virtual session on April 19, 2023, Elnardo Webster, Esq. presenting the application to the Board on behalf of the Applicant; and

WHEREAS, during the virtual public hearing held on April 19, 2023, the Board heard testimony from the Applicant's professionals, including its engineer, architect and planner, as well as from the Board Professionals, and opened the meeting to comments from members of the public in relation to the application; and

WHEREAS, during the virtual public hearing held on April 19, 2023, the Board voted to grant the Application for Preliminary and Final Site Plan subject to certain conditions, as reflected in the findings set forth below; and

WHEREAS, the Applicant has established good cause for preliminary and final site plan approval, having satisfied its burden of proof pursuant to the Municipal Land Use Law ("MLUL"), and its proposed development will advance the purposes of the MLUL; and

WHEREAS, this Resolution incorporates by reference all discussions, exhibits and testimony presented at the virtual public hearing on April 19, 2023, as if set forth at length herein;

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING BOARD OF THE CITY OF ORANGE TOWNSHIP, that this Resolution of Memorialization be, and hereby is, adopted and that the application for Preliminary and Final Site Plan is hereby granted, subject to the following conditions:

1. All of the recitals hereinabove set forth are incorporated herein by reference.
2. To the extent not already satisfied, Applicant shall comply with all the conditions of Board Engineer, as reflected in his reports as agreed by the Applicant on the record, and such conditions shall be incorporated by reference herein and shall be considered to be conditions of approval.
3. To the extent not already satisfied, Applicant shall comply with all the conditions of Board Planner, as reflected in his report as agreed by the Applicant on the record, and such conditions shall be incorporated by reference herein and shall be considered to be conditions of approval.
4. The Site Plan shall be updated to reflect all changes, if any, agreed to at the hearing and the Board Professionals' reports.
5. All other State, County, and Municipal regulatory agency reviews that may be necessary must be obtained.
6. No construction permits of any kind shall be issued by the Construction Code Official of the City of Orange Township until all Board escrow fees have been paid, a Resolution of Approval has been memorialized and appropriately executed by the Board, and the Construction Code Official has received final plans appropriately signed by the Board Chairman, Board Secretary and Board Engineer.
7. Pursuant to the provisions of *N.J.S.A. 40:55D-39* and *N.J.S.A. 40:55D-65*, the Applicant shall provide proof that no taxes or assessments for local improvements are due on the Property.
8. Prior to the initiation of construction activities, the Applicant shall provide inspection escrow funds in accordance with Orange Municipal Code § 210-56 for fees associated with engineering construction inspection of this project.
9. Applicant shall file for and obtain approvals and any other such permits as may be applicable to the site from the County of Essex, State of New Jersey, and any federal agency. Applicant agrees to this as an express condition of approval.
10. Applicant has agreed, as an express condition of approval, to work with the Board and City professionals as to the installation of pedestrian warning device at the egress point of the parking area. The device may be audible, visual or a combination thereof pursuant to conversations with the City.
11. Applicant has agreed, as an express condition of approval, to install a decorative fence on the Lincoln Avenue frontage at a height not to exceed four (4) feet to provide additional separation between the sidewalk and the first floor dwelling units.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

Motion to Approve Site Plan

Motion Date: April 19, 2023

M	2d	Member		AYE	NAY	NV	N/P
<input type="checkbox"/>	<input type="checkbox"/>	HOLMES, Dwight	Board Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	JONES, Antoinette	Board Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	WARREN, Hon. Dwayne D.	Mayor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	EASON, Hon. Tency A.	Councilmember	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	MOBLEY, Christopher		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	ONYIUKE, Callistus		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	FAUSTIN, Enock		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

M: Motion
 2d: Second
 NV: No Vote
 (Abstain/Excused)
 N/P: Not Present

Vote Totals:

6	0	0	1
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 Approved Rejected

Motion to Approve Resolution

Motion Date: May 24, 2023

M	2d	Member		AYE	NAY	NV	N/P
<input type="checkbox"/>	<input type="checkbox"/>	HOLMES, Dwight	Board Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	JONES, Antoinette	Board Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	WARREN, Hon. Dwayne D.	Mayor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	EASON, Hon. Tency A.	Councilmember	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	MOBLEY, Christopher		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	ONYIUKE, Callistus		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	FAUSTIN, Enock		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

M: Motion
 2d: Second
 NV: No Vote
 (Abstain/Excused)
 N/P: Not Present

Vote Totals:

6	0	0	1
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 Approved Rejected

I hereby certify the foregoing Resolution was adopted by the Planning Board of the City of Orange Township at its meeting on May 24, 2023, and that said resolution memorializes the action of the Planning Board taken at its meeting on April 19, 2023.

Dwight Holmes
 Dwight Holmes (May 30, 2023 10:48 EDT)
 Dwight Holmes
 Planning Board Chair

AHR
 Gisell Reyes (May 31, 2023 09:33 EDT)
 Alexandra Reyes
 Planning Board Secretary

Approved as to form and legality:

Joseph M. Wenzel
 Joseph M. Wenzel (May 30, 2023 10:50 EDT)
 Joseph Wenzel, Esq.
 Planning Board Attorney












595 Lincoln- Final Votes

Final Audit Report

2023-05-31

Created:	2023-05-26
By:	Gisell Reyes (areyes@orangenj.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAANYW7Cryl60tCYADrzasD7wjAh2DiGc6r

"595 Lincoln- Final Votes" History

-  Document created by Gisell Reyes (areyes@orangenj.gov)
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-  Document emailed to dwightholmes78@yahoo.com for signature
2023-05-26 - 2:14:09 PM GMT
-  Email viewed by dwightholmes78@yahoo.com
2023-05-30 - 2:42:12 PM GMT
-  Signer dwightholmes78@yahoo.com entered name at signing as Dwight Holmes
2023-05-30 - 2:48:24 PM GMT
-  Document e-signed by Dwight Holmes (dwightholmes78@yahoo.com)
Signature Date: 2023-05-30 - 2:48:26 PM GMT - Time Source: server
-  Document emailed to joe@friendwenzel.com for signature
2023-05-30 - 2:48:27 PM GMT
-  Email viewed by joe@friendwenzel.com
2023-05-30 - 2:49:53 PM GMT
-  Signer joe@friendwenzel.com entered name at signing as Joseph M. Wenzel
2023-05-30 - 2:50:08 PM GMT
-  Document e-signed by Joseph M. Wenzel (joe@friendwenzel.com)
Signature Date: 2023-05-30 - 2:50:10 PM GMT - Time Source: server
-  Document emailed to Gisell Reyes (areyes@orangenj.gov) for signature
2023-05-30 - 2:50:11 PM GMT
-  Email viewed by Gisell Reyes (areyes@orangenj.gov)
2023-05-31 - 1:33:25 PM GMT

 Document e-signed by Gisell Reyes (areyes@orangenj.gov)

Signature Date: 2023-05-31 - 1:33:33 PM GMT - Time Source: server

 Agreement completed.

2023-05-31 - 1:33:33 PM GMT

EXHIBIT 11



Architectura

December 19, 2022

Christopher M. Hartwyk
Business Administrator
City of Orange Township
29 North Day Street
Orange, New Jersey 07050

Re: 595 Lincoln Avenue, Orange, New Jersey
Total Project Cost Certification Letter

Mr. Hartwyk,

I am the owner of Architectura, Inc and the New Jersey licensed Architect-of-Record for the proposed multifamily residential project located at 595 Lincoln Avenue, Orange, New Jersey ("Project").

In accordance with N.J.S.A 40A:20-3h, I have been asked to verify the estimated "actual construction cost" component of Total Project Cost as proved by the client for the completed Project of \$23,074, 863.00 inclusive of the \$1,200,00.00 land cost. I hereby certify that the Total Project Cost as set forth and attached to this Exhibit 11 fairly represents the cost of the proposed construction of the Project as affirmed by the bid proposal provided by the project general contractor.

Respectfully Submitted,

Conrad J Roncati, RA
Chief Executive Officer
NJ License #AI-12279



Architectura, Inc. One Executive Drive, Suite LL100, Fort Lee, New Jersey 07024 201.346.1400 fax 201.346.1418

Fort Lee

New York

San Francisco

Miami

Bridgehampton

Seoul

EXHIBIT 12

**595 Lincoln Avenue
12/6/22**

Project Cost Detail

Gross SF of Residential 82,402
 Gross SF of Parking 7,495
 Total Gross SF 89,897
 # Residential Units 70
 # Parking Spaces 80

<u>Description</u>	<u>Total Budget</u>	<u>Per Gross SF</u>	<u>Per Res. Unit</u>
Land Cost	1,200,000	13.35	17,143
Residential Hard Costs	16,068,447	178.74	229,549
Parking Hard Costs	1,600,000	17.80	22,857
Soft Costs @15%	2,410,267	26.81	34,432
Operating Reserve	945,000	10.51	13,500
Developer Fee	851,149	9.47	12,159
Total wo RAB Proceeds	23,074,863	256.68	329,641
RAB Proceeds	0	0.00	0
Total Project Costs	23,074,863	256.68	329,641

EXHIBIT 13

**Summary
12/6/22**

595 Lincoln Avenue

<u>Case</u>	<u>Project Cost</u>	<u>Land Cost</u>	<u>Gross Area</u>	<u>Net Rentable Amount</u>	<u>RAB</u>	<u>IRR</u>	<u>Yield on Cost (1st Stab. Yr.)</u>	<u>Coverage Ratio (Yr 5)</u>	<u>Coverage Ratio (Yr. 10)</u>
Full Taxes	23,074,863	1,200,000	0	63,547	0	-5.70%	1.69%	33.53%	37.02%
10% PILOT, Normal Stages	23,074,863	1,200,000	0	63,547	0	3.46%	5.25%	109.08%	120.43%

**595 Lincoln Avenue
12/6/22**

2021 Tax Data

<u>Description</u>	<u>2021</u>	<u>% of Total</u>
Net Taxable Value	1,304,770,782	8.722
General Tax Rate	5.780%	0.283
Equalization Ratio	91.49%	9.005
Total Equalized Value	1,441,433,810	9.005
County Levy	6,577,420.51	17.182
County Library Levy	0	0.000
County OS Levy	213,604.31	0.000
Sub-Total County	6,791,024.82	17.182
District School Levy	12,956,900.00	0.000
Regional School Levy	0.00	0.000
Local School Levy	0.00	0.000
Sub-Total School	12,956,900.00	17.182
Municipal Levy	54,801,504.50	72.670
Municipal Open Space Levy	391,431.00	0.519
Municipal Library Levy	470,202.50	0.624
Sub-Total Municipal	55,663,138.00	73.813
Total Levy	75,411,062.82	100.000
Eq. Tax Rate	5.2881%	
2025 Eq. Tax Rate (Proj.)	5.7240%	

595 Lincoln Avenue Assessed Value History

12/6/22

<u>Year</u>	<u>Block</u>	<u>Lot</u>	<u>Address</u>	<u>Total AV</u>	<u>Land AV</u>	<u>Improv. AV</u>	<u>Tax Rate</u>	<u>Taxes</u>
2022	6303	7	595 Lincoln Avenue	1,238,100	420,700	817,400	5.7800%	71,562
Total				1,238,100	420,700	817,400		71,562

**595 Lincoln Avenue
12/6/22**

Unit Mix

<u>Flkor</u>	<u>Unit #</u>	<u>Type</u>	<u>Area</u>
G	1	2	1,039
G	2	1	643
G	3	1	670
G	4	1	619
G	5	0	619
G	6	0	646
G	7	0	581
G	8	1	796
G	9	1	844
Total			6,457
1	1	3	1,222
1	2	2	1,075
1	3	1	771
1	4	1	722
1	5	1	784
1	6	1	716
1	7	1	598
1	8	1	716
1	9	1	786
1	10	1	713
1	11	2	1,084
1	12	3	1,135
1	13	2	1,096
Total			11,418
2	1	3	1,222
2	2	2	1,075
2	3	1	771
2	4	1	722
2	5	2	1,084
2	6	1	716

2	7	2	1,084
2	8	1	716
2	9	2	1,084
2	10	1	713
2	11	2	1,096
2	12	3	1,135
	Total		11,418

3	1	3	1,222
3	2	2	1,075
3	3	1	771
3	4	1	722
3	5	2	1,084
3	6	1	716
3	7	2	1,084
3	8	1	716
3	9	2	1,084
3	10	1	713
3	11	2	1,096
3	12	3	1,135
	Total		11,418

4	1	3	1,222
4	2	2	1,075
4	3	1	771
4	4	1	722
4	5	2	1,084
4	6	1	716
4	7	2	1,084
4	8	1	716
4	9	2	1,084
4	10	1	713
4	11	2	1,096
4	12	3	1,135
	Total		11,418

5	1	3	1,222
5	2	2	1,075
5	3	1	771

5	4	1	722
5	5	2	1,084
5	6	1	716
5	7	2	1,084
5	8	1	716
5	9	2	1,084
5	10	1	713
5	11	2	1,096
5	12	3	1,135
Total			11,418

Total 63,547

**595 Lincoln Avenue
12/6/22**

Average Unit Area

<u>Flkor</u>	<u>Unit #</u>	<u>Type</u>	<u>Area</u>
G	5	0	619
G	6	0	646
G	7	0	581
Total	3		1,846
Average			615
1	3	1	771
1	4	1	722
1	5	1	784
1	6	1	716
1	7	1	598
1	8	1	716
1	9	1	786
1	10	1	713
2	3	1	771
2	4	1	722
2	6	1	716
2	8	1	716
2	10	1	713
3	3	1	771
3	4	1	722
3	6	1	716
3	8	1	716
3	10	1	713
4	3	1	771
4	4	1	722
4	6	1	716
4	8	1	716
4	10	1	713
5	3	1	771
5	4	1	722
5	6	1	716
5	8	1	716
5	10	1	713
5	3	1	771
5	4	1	722
5	6	1	716
5	8	1	716
5	10	1	713

5	10	1	713
G	2	1	643
G	3	1	670
G	4	1	619
G	8	1	796
G	9	1	844
Total	33		23,930
Average			725

1	2	2	1,075
1	11	2	1,084
1	13	2	1,096
2	2	2	1,075
2	5	2	1,084
2	7	2	1,084
2	9	2	1,084
2	11	2	1,096
3	2	2	1,075
3	5	2	1,084
3	7	2	1,084
3	9	2	1,084
3	11	2	1,096
4	2	2	1,075
4	5	2	1,084
4	7	2	1,084
4	9	2	1,084
4	11	2	1,096
5	2	2	1,075
5	5	2	1,084
5	7	2	1,084
5	9	2	1,084
5	11	2	1,096
G	1	2	1,039
Total	24		25,986
Average			1,083

1	1	3	1,222
1	12	3	1,135
2	1	3	1,222

2	12	3	1,135
3	1	3	1,222
3	12	3	1,135
4	1	3	1,222
4	12	3	1,135
5	1	3	1,222
5	12	3	1,135
Total	10		11,785
Average			1,179
Total	70		63,547

**595 Lincoln Avenue
44,901**

Usable Area

<u>Unit Type</u>	<u>#</u>	<u>Average Net Area</u>	<u>Total Net Area</u>	<u>Average Gross Area</u>	<u>Total Gross Area</u>
Studio	3	615	1,846	798	2,394
1 BR	33	725	23,930	940	31,030
2 BR	24	1,083	25,986	1,404	33,696
3 BR	10	1,179	11,785	1,528	15,282
Total	70		63,547		82,402

<u>Gross Area</u>	<u>Gross Area</u>
Ground	12,709
1st	13,771
2nd	13,771
3rd	13,771
4th	13,771
5th	13,771
Roof	838
Total	82,402
Lower Parking	7,495
Total Gross Area	89,897

**595 Lincoln Avenue
12/6/22**

Rent Projection

<u>Unit Type</u>	<u># Units</u>	<u>Net Area per Unit</u>	<u>Total Net Area</u>	<u>Total Gross Area</u>	<u>Rent per SF</u>	<u>Rent per Unit (Monthly)</u>	<u>Total Rent (Annually)</u>
Studio	3	615	1,846	2,394	2.75	1,692	60,918
1 BR	33	725	23,930	31,030	2.50	1,813	717,900
2 BR	24	1,083	25,986	33,696	2.25	2,436	701,622
3 BR	10	1,179	11,785	15,282	2.25	2,652	318,195
Total	70	3,602		82,402		8,593	1,798,635

**595 Lincoln Avenue
12/6/22**

Project Cost Detail

Gross SF of Residential 82,402
 Gross SF of Parking 7,495
 Total Gross SF 89,897
 # Residential Units 70
 # Parking Spaces 80

<u>Description</u>	<u>Total Budget</u>	<u>Per Gross SF</u>	<u>Per Res. Unit</u>
Land Cost	1,200,000	13.35	17,143
Residential Hard Costs	16,068,447	178.74	229,549
Parking Hard Costs	1,600,000	17.80	22,857
Soft Costs @15%	2,410,267	26.81	34,432
Operating Reserve	945,000	10.51	13,500
Developer Fee	851,149	9.47	12,159
Total wo RAB Proceeds	23,074,863	256.68	329,641
RAB Proceeds	0	0.00	0
Total Project Costs	23,074,863	256.68	329,641

**595 Lincoln Avenue
12/6/22**

Full Tax Basis

Net Leasable Area	63,547
<u>Replacement Cost Basis</u>	
Total Project Cost	23,074,863
Less:	
Operating Reserve	945,000
Net Assessable Cost	22,129,863
<u>Income Basis</u>	
Net Earnings at Stabilization (Year 3)(wo Tax)	1,372,939
Capitalization Rate	6.0000%
2027 Equalized Tax Rate	5.9553%
Loaded Cap Rate	11.9553%
Implied Market Value (Year 3)	11,483,955
Value Deflator to Year 1	1.0640
Implied Market Value (Year 1)	10,793,270
2025 Equalized Tax Rate	5.7240%
Implied Year 1 Total Property Tax	617,810
<u>Average of Both Methods</u>	
Replacement Cost Basis	23,074,863
Income Method Basis	10,793,270
Average Basis	16,934,066
2025 Taxes Based on Average Basis	969,312
Taxes per Leasable SF	15.253

**595 Lincoln Avenue
12/6/22**

**Financial Analysis (Full Taxes)
Operating Projection by Year**

<u>Description</u>	<u>Unit Size</u>	<u># Units</u>	<u>Ann. Esc.</u>	<u>Initial Rent/SF</u>	<u>Initial Monthly Rent</u>	<u>2025</u>	
						<u>Year 1</u>	<u>Year 2</u>
Occupancy Factor						0.650	0.800
<u>Revenue</u>							
Studio	615	3	0.02	33.00	1,692	39,597	49,709
1 BR	725	33	0.02	30.00	1,813	466,635	585,806
2 BR	1,083	24	0.02	27.00	2,436	456,054	572,524
3 BR	1,179	10	0.02	27.00	2,652	206,827	259,647
Parking		80	0.02		100.00	62,400	78,336
Operating Reserve						600,000	320,000
Total Revenue						1,831,513	1,866,022

Total Residential Area 63,547
Total Rentable Area 63,547

Rate Per
SF or AGR Basis Ann.
Esc.

Operating Expenses (Res.)	6.000	63,547	0.0200	381,282	388,908
Full Taxes	5.724%	16,934,066	0.0200	969,312	988,698
Replacement Reserve	0.025	TOR	N/A	30,788	38,651
Management Fee	0.030	TOR	N/A	36,945	46,381
Total Operating Expense				1,418,327	1,462,637

Net Operating Income				413,186	403,385
Equity Investment	8,306,951	Land Equity	Cash Equity		
Mortgage Principal	14,767,912	1,200,000	7,106,951		
Rate	0.0650				
Term	30				
Annual Debt Payment	1,130,889			1,130,889	1,130,889

Projected Cash Flow (717,703) (727,503)

**595 Lincoln Avenue
12/6/22**

**Financial Analysis (Full Taxes)
Operating Projection by Year**

<u>Description</u>	<u>Unit Size</u>	<u># Units</u>	<u>Ann. Esc.</u>	<u>Initial Rent/SF</u>	<u>Initial Monthly Rent</u>	<u>2025 Year 1</u>	<u>Year 2</u>
Coverage Ratio (Operating Cash Flow/Debt Service Requirement)						36.5%	35.7%
<u>Analysis of Mortgage</u>							
Beginning Balance						14,767,912	14,596,937
Interest Payment						959,914	948,801
Principal Payment						170,975	182,088
Ending Balance						14,596,937	14,414,849
<u>Analysis of Earnings</u>							
Principal Payment						170,975	182,088
Operating Cash Flow						(717,703)	(727,503)
Total Cash Flow (incl Residual Value)					(8,306,951)	(717,703)	(727,503)
Total Equity						8,306,951	8,306,951
Earnings as % of Equity						-8.64%	-8.76%
Earnings as % of Cash Equity						-10.10%	-10.24%
<u>Analysis of Residual Value</u>							
Total Net Earnings							
Capitalization Rate Projected Value	6.00%						
<u>Analysis of Municipal Receipts</u>							
Land Value for RE Tax	1,200,000		0.020			1,200,000	1,224,000
Equalized Tax Rate	0.05724					0.05724	0.05724
Municipal %	0.73813					0.73813	0.73813
Municipal Share of Land Tax						50,701	51,715

595 Lincoln Avenue
12/6/22

Financial Analysis (Full Taxes)
Operating Projection by Year

<u>Description</u>	<u>Unit</u> <u>Size</u>	<u>#</u> <u>Units</u>	<u>Ann.</u> <u>Esc.</u>	<u>Initial</u> <u>Rent/SF</u>	<u>Initial</u> <u>Monthly</u> <u>Rent</u>	<u>2025</u> <u>Year</u> <u>1</u>	<u>Year</u> <u>2</u>
Improvement Value for RE Tax	15,734,066		0.020			15,734,066	16,048,747
Equalized Tax Rate	0.05724					0.05724	0.05724
Municipal %	0.73813					0.73813	0.73813
Municipal Share of Impr. Tax						664,777	678,072
Total Municipal Share						715,478	729,787
IRR							
Yield to Cost						1.791%	1.748%
Average YTC							

595 Lincoln Avenue

12/6/22

<u>Description</u>	<u>Year</u> <u>3</u>	<u>Year</u> <u>4</u>	<u>Year</u> <u>5</u>	<u>Year</u> <u>6</u>	<u>Year</u> <u>7</u>	<u>Year</u> <u>8</u>	<u>Year</u> <u>9</u>
Occupancy Factor	0.950	0.950	0.950	0.950	0.950	0.950	0.950
<u>Revenue</u>							
Studio	60,210	61,414	62,643	63,895	65,173	66,477	67,806
1 BR	709,558	723,749	738,224	752,989	768,048	783,409	799,078
2 BR	693,469	707,339	721,485	735,915	750,633	765,646	780,959
3 BR	314,498	320,788	327,203	333,747	340,422	347,231	354,175
Parking	94,884	96,782	98,718	100,692	102,706	104,760	106,855
Operating Reserve	25,000	0	0	0	0	0	0
Total Revenue	1,897,619	1,910,072	1,948,273	1,987,239	2,026,983	2,067,523	2,108,874

Total Residential Area
Total Rentable Area

<u>Expense</u>	396,686	404,620	412,712	420,966	429,385	437,973	446,733
Operating Expenses (Res.)							
Full Taxes	1,008,472	1,028,641	1,049,214	1,070,198	1,091,602	1,113,434	1,135,703
Replacement Reserve	46,815	47,752	48,707	49,681	50,675	51,688	52,722
Management Fee	56,179	57,302	58,448	59,617	60,810	62,026	63,266
Total Operating Expense	1,508,152	1,538,315	1,569,081	1,600,463	1,632,472	1,665,121	1,698,424
Net Operating Income	389,468	371,757	379,192	386,776	394,512	402,402	410,450
Equity Investment							
Mortgage Principal							
Rate							
Term							
Annual Debt Payment	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889
Projected Cash Flow	(741,421)	(759,132)	(751,697)	(744,113)	(736,377)	(728,487)	(720,439)

595 Lincoln Avenue

12/6/22

<u>Description</u>	<u>Year</u> <u>3</u>	<u>Year</u> <u>4</u>	<u>Year</u> <u>5</u>	<u>Year</u> <u>6</u>	<u>Year</u> <u>7</u>	<u>Year</u> <u>8</u>	<u>Year</u> <u>9</u>
Coverage Ratio							
(Operating Cash Flow/Debt Service)	34.4%	32.9%	33.5%	34.2%	34.9%	35.6%	36.3%
<u>Analysis of Mortgage</u>							
Beginning Balance	14,414,849	14,220,926	14,014,397	13,794,444	13,560,194	13,310,717	13,045,025
Interest Payment	936,965	924,360	910,936	896,639	881,413	865,197	847,927
Principal Payment	193,924	206,529	219,953	234,250	249,476	265,692	282,962
Ending Balance	14,220,926	14,014,397	13,794,444	13,560,194	13,310,717	13,045,025	12,762,063
<u>Analysis of Earnings</u>							
Principal Payment	193,924	206,529	219,953	234,250	249,476	265,692	282,962
Operating Cash Flow	(741,421)	(759,132)	(751,697)	(744,113)	(736,377)	(728,487)	(720,439)
Total Cash Flow (incl Residual Val	(741,421)	(759,132)	(751,697)	(744,113)	(736,377)	(728,487)	(720,439)
Total Equity	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951
Earnings as % of Equity	-8.93%	-9.14%	-9.05%	-8.96%	-8.86%	-8.77%	-8.67%
Earnings as % of Cash Equity	-10.43%	-10.68%	-10.58%	-10.47%	-10.36%	-10.25%	-10.14%
<u>Analysis of Residual Value</u>							
Total Net Earnings							
Capitalization Rate							
Projected Value							
<u>Analysis of Municipal Receipts</u>							
Land Value for RE Tax	1,248,480	1,273,450	1,298,919	1,324,897	1,351,395	1,378,423	1,405,991
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Land Tax	52,749	53,804	54,880	55,978	57,097	58,239	59,404

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>3</u>	<u>Year</u> <u>4</u>	<u>Year</u> <u>5</u>	<u>Year</u> <u>6</u>	<u>Year</u> <u>7</u>	<u>Year</u> <u>8</u>	<u>Year</u> <u>9</u>
Improvement Value for RE Tax	16,369,722	16,697,117	17,031,059	17,371,680	17,719,114	18,073,496	18,434,966
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Impr. Tax	691,634	705,466	719,576	733,967	748,646	763,619	778,892
Total Municipal Share	744,383	759,271	774,456	789,945	805,744	821,859	838,296
IRR	1.688%	1.611%	1.643%	1.676%	1.710%	1.744%	1.779%
Yield to Cost							
Average YTC							

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>10</u>	<u>Year</u> <u>11</u>	<u>Year</u> <u>12</u>	<u>Year</u> <u>13</u>	<u>Year</u> <u>14</u>	<u>Year</u> <u>15</u>	<u>Year</u> <u>16</u>
Occupancy Factor	0.950	0.950	0.950	0.950	0.950	0.950	0.950
<u>Revenue</u>							
Studio	69,163	70,546	71,957	73,396	74,864	76,361	77,888
1 BR	815,059	831,360	847,987	864,947	882,246	899,891	917,889
2 BR	796,578	812,510	828,760	845,335	862,242	879,487	897,076
3 BR	361,259	368,484	375,854	383,371	391,038	398,859	406,836
Parking	108,992	111,172	113,396	115,664	117,977	120,336	122,743
Operating Reserve	0	0	0	0	0	0	0
Total Revenue	2,151,051	2,194,072	2,237,953	2,282,713	2,328,367	2,374,934	2,422,433

Total Residential Area
Total Rentable Area

Expense

Operating Expenses (Res.)	455,667	464,781	474,076	483,558	493,229	503,094	513,155
Full Taxes	1,158,417	1,181,585	1,205,217	1,229,321	1,253,908	1,278,986	1,304,566
Replacement Reserve	53,776	54,852	55,949	57,068	58,209	59,373	60,561
Management Fee	64,532	65,822	67,139	68,481	69,851	71,248	72,673
Total Operating Expense	1,732,392	1,767,040	1,802,381	1,838,428	1,875,197	1,912,701	1,950,955
Net Operating Income	418,659	427,032	435,573	444,284	453,170	462,233	471,478
Equity Investment							
Mortgage Principal							
Rate							
Term							
Annual Debt Payment	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889
Projected Cash Flow	(712,230)	(703,857)	(695,316)	(686,605)	(677,719)	(668,656)	(659,411)

595 Lincoln Avenue

12/6/22

<u>Description</u>	<u>Year</u> <u>10</u>	<u>Year</u> <u>11</u>	<u>Year</u> <u>12</u>	<u>Year</u> <u>13</u>	<u>Year</u> <u>14</u>	<u>Year</u> <u>15</u>	<u>Year</u> <u>16</u>
Coverage Ratio							
(Operating Cash Flow/Debt Service)	37.0%	37.8%	38.5%	39.3%	40.1%	40.9%	41.7%
<u>Analysis of Mortgage</u>							
Beginning Balance	12,762,063	12,460,708	12,139,765	11,797,961	11,433,939	11,046,256	10,633,374
Interest Payment	829,534	809,946	789,085	766,867	743,206	718,007	691,169
Principal Payment	301,355	320,943	341,804	364,021	387,683	412,882	439,720
Ending Balance	12,460,708	12,139,765	11,797,961	11,433,939	11,046,256	10,633,374	10,193,655
<u>Analysis of Earnings</u>							
Principal Payment	301,355	320,943	341,804	364,021	387,683	412,882	439,720
Operating Cash Flow	(712,230)	(703,857)	(695,316)	(686,605)	(677,719)	(668,656)	(659,411)
Total Cash Flow (incl Residual Val)	(712,230)	(703,857)	(695,316)	(686,605)	(677,719)	(668,656)	(659,411)
Total Equity	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951
Earnings as % of Equity	-8.57%	-8.47%	-8.37%	-8.27%	-8.16%	-8.05%	-7.94%
Earnings as % of Cash Equity	-10.02%	-9.90%	-9.78%	-9.66%	-9.54%	-9.41%	-9.28%
<u>Analysis of Residual Value</u>							
Total Net Earnings							
Capitalization Rate							
Projected Value							
<u>Analysis of Municipal Receipts</u>							
Land Value for RE Tax	1,434,111	1,462,793	1,492,049	1,521,890	1,552,328	1,583,375	1,615,042
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Land Tax	60,592	61,804	63,040	64,301	65,587	66,899	68,237

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>10</u>	<u>Year</u> <u>11</u>	<u>Year</u> <u>12</u>	<u>Year</u> <u>13</u>	<u>Year</u> <u>14</u>	<u>Year</u> <u>15</u>	<u>Year</u> <u>16</u>
Improvement Value for RE Tax	18,803,665	19,179,739	19,563,334	19,954,600	20,353,692	20,760,766	21,175,981
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Impr. Tax	794,470	810,359	826,566	843,098	859,959	877,159	894,702
Total Municipal Share	855,062	872,163	889,606	907,399	925,547	944,057	962,939
IRR							
Yield to Cost	1.814%	1.851%	1.888%	1.925%	1.964%	2.003%	2.043%
Average YTC							

595 Lincoln Avenue

12/6/22

<u>Description</u>	<u>Year</u> <u>17</u>	<u>Year</u> <u>18</u>	<u>Year</u> <u>19</u>	<u>Year</u> <u>20</u>	<u>Year</u> <u>21</u>	<u>Year</u> <u>22</u>	<u>Year</u> <u>23</u>
Occupancy Factor	0.950	0.950	0.950	0.950	0.950	0.950	0.950
<u>Revenue</u>							
Studio	79,446	81,035	82,656	84,309	85,995	87,715	89,469
1 BR	936,247	954,972	974,071	993,553	1,013,424	1,033,692	1,054,366
2 BR	915,018	933,318	951,985	971,024	990,445	1,010,254	1,030,459
3 BR	414,973	423,272	431,738	440,373	449,180	458,164	467,327
Parking	125,198	127,702	130,256	132,861	135,518	138,229	140,993
Operating Reserve	0	0	0	0	0	0	0
Total Revenue	2,470,881	2,520,299	2,570,705	2,622,119	2,674,562	2,728,053	2,782,614
Total Residential Area							
Total Rentable Area							
<u>Expense</u>							
Operating Expenses (Res.)	523,418	533,887	544,565	555,456	566,565	577,896	589,454
Full Taxes	1,330,657	1,357,270	1,384,416	1,412,104	1,440,346	1,469,153	1,498,536
Replacement Reserve	61,772	63,007	64,268	65,553	66,864	68,201	69,565
Management Fee	74,126	75,609	77,121	78,664	80,237	81,842	83,478
Total Operating Expense	1,989,974	2,029,774	2,070,369	2,111,776	2,154,012	2,197,092	2,241,034
Net Operating Income	480,907	490,526	500,336	510,343	520,550	530,961	541,580
Equity Investment							
Mortgage Principal							
Rate							
Term							
Annual Debt Payment	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889
Projected Cash Flow	(649,982)	(640,363)	(630,553)	(620,546)	(610,339)	(599,928)	(589,309)

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>17</u>	<u>Year</u> <u>18</u>	<u>Year</u> <u>19</u>	<u>Year</u> <u>20</u>	<u>Year</u> <u>21</u>	<u>Year</u> <u>22</u>	<u>Year</u> <u>23</u>
Coverage Ratio							
(Operating Cash Flow/Debt Service)	42.5%	43.4%	44.2%	45.1%	46.0%	47.0%	47.9%
<u>Analysis of Mortgage</u>							
Beginning Balance	10,193,655	9,725,353	9,226,612	8,695,453	8,129,769	7,527,315	6,885,701
Interest Payment	662,588	632,148	599,730	565,204	528,435	489,275	447,571
Principal Payment	468,301	498,741	531,159	565,684	602,454	641,613	683,318
Ending Balance	9,725,353	9,226,612	8,695,453	8,129,769	7,527,315	6,885,701	6,202,383
<u>Analysis of Earnings</u>							
Principal Payment	468,301	498,741	531,159	565,684	602,454	641,613	683,318
Operating Cash Flow	(649,982)	(640,363)	(630,553)	(620,546)	(610,339)	(599,928)	(589,309)
Total Cash Flow (incl Residual Val	(649,982)	(640,363)	(630,553)	(620,546)	(610,339)	(599,928)	(589,309)
Total Equity	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951
Earnings as % of Equity	-7.82%	-7.71%	-7.59%	-7.47%	-7.35%	-7.22%	-7.09%
Earnings as % of Cash Equity	-9.15%	-9.01%	-8.87%	-8.73%	-8.59%	-8.44%	-8.29%

Analysis of Residual Value

Total Net Earnings
Capitalization Rate
Projected Value

Analysis of Municipal Receipts

Land Value for RE Tax	1,647,343	1,680,290	1,713,895	1,748,173	1,783,137	1,818,800	1,855,176
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Land Tax	69,602	70,994	72,413	73,862	75,339	76,846	78,383

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>17</u>	<u>Year</u> <u>18</u>	<u>Year</u> <u>19</u>	<u>Year</u> <u>20</u>	<u>Year</u> <u>21</u>	<u>Year</u> <u>22</u>	<u>Year</u> <u>23</u>
Improvement Value for RE Tax	21,599,501	22,031,491	22,472,121	22,921,563	23,379,995	23,847,594	24,324,546
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Impr. Tax	912,596	930,848	949,465	968,454	987,823	1,007,580	1,027,731
Total Municipal Share	982,197	1,001,841	1,021,878	1,042,316	1,063,162	1,084,425	1,106,114
IRR							
Yield to Cost	2.084%	2.126%	2.168%	2.212%	2.256%	2.301%	2.347%
Average YTC							

595 Lincoln Avenue

12/6/22

<u>Description</u>	<u>Year</u> <u>24</u>	<u>Year</u> <u>25</u>	<u>Year</u> <u>26</u>	<u>Year</u> <u>27</u>	<u>Year</u> <u>28</u>	<u>Year</u> <u>29</u>	<u>Year</u> <u>30</u>
Occupancy Factor	0.950	0.950	0.950	0.950	0.950	0.950	0.950
<u>Revenue</u>							
Studio	91,258	93,084	94,945	96,844	98,781	100,757	102,772
1 BR	1,075,453	1,096,962	1,118,901	1,141,280	1,164,105	1,187,387	1,211,135
2 BR	1,051,068	1,072,089	1,093,531	1,115,402	1,137,710	1,160,464	1,183,673
3 BR	476,673	486,207	495,931	505,850	515,967	526,286	536,812
Parking	143,813	146,689	149,623	152,616	155,668	158,781	161,957
Operating Reserve	0	0	0	0	0	0	0
Total Revenue	2,838,266	2,895,031	2,952,932	3,011,991	3,072,231	3,133,675	3,196,349

Total Residential Area Total Rentable Area

<u>Expense</u>	2024	2025	2026	2027	2028	2029	2030
Operating Expenses (Res.)	601,243	613,268	625,534	638,044	650,805	663,821	677,098
Full Taxes	1,528,507	1,559,077	1,590,258	1,622,064	1,654,505	1,687,595	1,721,347
Replacement Reserve	70,957	72,376	73,823	75,300	76,806	78,342	79,909
Management Fee	85,148	86,851	88,588	90,360	92,167	94,010	95,890
Total Operating Expense	2,285,855	2,331,572	2,378,203	2,425,767	2,474,283	2,523,768	2,574,244
Net Operating Income	552,411	563,460	574,729	586,223	597,948	609,907	622,105
Equity Investment							
Mortgage Principal							
Rate							
Term							
Annual Debt Payment	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889
Projected Cash Flow	(578,477)	(567,429)	(556,160)	(544,665)	(532,941)	(520,982)	(508,784)

595 Lincoln Avenue

12/6/22

<u>Description</u>	<u>Year</u> <u>24</u>	<u>Year</u> <u>25</u>	<u>Year</u> <u>26</u>	<u>Year</u> <u>27</u>	<u>Year</u> <u>28</u>	<u>Year</u> <u>29</u>	<u>Year</u> <u>30</u>
Coverage Ratio							
(Operating Cash Flow/Debt Service)	48.8%	49.8%	50.8%	51.8%	52.9%	53.9%	55.0%
<u>Analysis of Mortgage</u>							
Beginning Balance	6,202,383	5,474,649	4,699,612	3,874,198	2,995,132	2,058,926	1,061,868
Interest Payment	403,155	355,852	305,475	251,823	194,684	133,830	69,021
Principal Payment	727,734	775,037	825,414	879,066	936,205	997,059	1,061,868
Ending Balance	5,474,649	4,699,612	3,874,198	2,995,132	2,058,926	1,061,868	(0)
<u>Analysis of Earnings</u>							
Principal Payment	727,734	775,037	825,414	879,066	936,205	997,059	1,061,868
Operating Cash Flow	(578,477)	(567,429)	(556,160)	(544,665)	(532,941)	(520,982)	(508,784)
Total Cash Flow (incl Residual Val)	(578,477)	(567,429)	(556,160)	(544,665)	(532,941)	(520,982)	9,859,633
Total Equity	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951
Earnings as % of Equity	-6.96%	-6.83%	-6.70%	-6.56%	-6.42%	-6.27%	118.69%
Earnings as % of Cash Equity	-8.14%	-7.98%	-7.83%	-7.66%	-7.50%	-7.33%	138.73%
<u>Analysis of Residual Value</u>							
Total Net Earnings							622,105
Capitalization Rate							6.00%
Projected Value							10,368,417
<u>Analysis of Municipal Receipts</u>							
Land Value for RE Tax	1,892,279	1,930,125	1,968,727	2,008,102	2,048,264	2,089,229	2,131,014
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Land Tax	79,950	81,549	83,180	84,844	86,541	88,272	90,037

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>24</u>	<u>Year</u> <u>25</u>	<u>Year</u> <u>26</u>	<u>Year</u> <u>27</u>	<u>Year</u> <u>28</u>	<u>Year</u> <u>29</u>	<u>Year</u> <u>30</u>
Improvement Value for RE Tax	24,811,037	25,307,258	25,813,403	26,329,671	26,856,265	27,393,390	27,941,258
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Impr. Tax	1,048,286	1,069,252	1,090,637	1,112,449	1,134,698	1,157,392	1,180,540
Total Municipal Share	1,128,236	1,150,801	1,173,817	1,197,293	1,221,239	1,245,664	1,270,577
IRR							
Yield to Cost	2.394%	2.442%	2.491%	2.541%	2.591%	2.643%	2.696%
Average YTC							

**595 Lincoln Avenue
12/6/22**

Description

Occupancy Factor

Revenue

Studio

1 BR

2 BR

3 BR

Parking

Operating Reserve

Total Revenue

Total Residential Area

Total Rentable Area

Expense

Operating Expenses (Res.)

Full Taxes

Replacement Reserve

Management Fee

Total Operating Expense

Net Operating Income

Equity Investment

Mortgage Principal

Rate

Term

Annual Debt Payment

Projected Cash Flow

**595 Lincoln Avenue
12/6/22**

Description

**Coverage Ratio
(Operating Cash Flow/Debt Service)**

Analysis of Mortgage

**Beginning Balance
Interest Payment
Principal Payment
Ending Balance**

Analysis of Earnings

**Principal Payment
Operating Cash Flow
Total Cash Flow (incl Residual Val
Total Equity
Earnings as % of Equity
Earnings as % of Cash Equity Average**

Analysis of Residual Value

**Total Net Earnings
Capitalization Rate
Projected Value**

Analysis of Municipal Receipts

**Land Value for RE Tax
Equalized Tax Rate
Municipal %
Municipal Share of Land Tax**

**595 Lincoln Avenue
12/6/22**

Description

**Improvement Value for RE Tax
Equalized Tax Rate
Municipal %
Municipal Share of Impr. Tax**

Total Municipal Share

**IRR
Yield to Cost
Average YTC**

**595 Lincoln Avenue
12/6/22**

**Financial Analysis (PILOT)
Operating Projection by Year**

<u>Description</u>	<u>Unit Size</u>	<u># Units</u>	<u>Ann. Esc.</u>	<u>Initial Rent/SF</u>	<u>Initial Monthly Rent</u>	<u>2024</u>	
						<u>Year 1</u>	<u>Year 2</u>
Occupancy Factor						0.650	0.800
<u>Revenue</u>							
Studio	615	3	0.02	33.00	1,692	39,597	49,709
1 BR	725	33	0.02	30.00	1,813	466,635	585,806
2 BR	1,083	24	0.02	27.00	2,436	456,054	572,524
3 BR	1,179	10	0.02	27.00	2,652	206,827	259,647
Parking		80	0.02		100.00	62,400	78,336
Operating Reserve						600,000	320,000
Total Revenue						1,831,513	1,866,022

Total Residential Area 63,547
Total Rentable Area 63,547

Rate per SF or AGR Basis Ann. Esc.

Operating Expenses (Res.)	6.000	63,547	0.0200	381,282	388,908
PILOT				123,151	154,602
Replacement Reserve	0.025	TOR	N/A	30,788	38,651
Management Fee	0.030	TOR	N/A	36,945	46,381
Total Operating Expense				572,166	628,541

Net Operating Income				1,259,346	1,237,481
Equity Investment	8,306,951	Land Equity	Cash Equity		
Mortgage Principal	14,767,912	1,200,000	7,106,951		
Rate	0.0650				
Term	30				
Annual Debt Payment	1,130,889			1,130,889	1,130,889

Projected Cash Flow 128,457 106,592

**595 Lincoln Avenue
12/6/22**

**Financial Analysis (PILOT)
Operating Projection by Year**

<u>2024</u>	<u>Year</u>
<u>1</u>	<u>2</u>

Initial
Monthly
Rent

Initial
Rent/SF

Ann.
Esc.

Units

Unit
Size

Description

111.4% 109.4%

**Coverage Ratio
(Operating Cash Flow/Debt Service Requirement)**

Analysis of Mortgage

Beginning Balance	14,767,912	14,596,937
Interest Payment	959,914	948,801
Principal Payment	170,975	182,088
Ending Balance	14,596,937	14,414,849

Analysis of Earnings

Principal Payment	170,975	182,088
Operating Cash Flow	128,457	106,592
Total Cash Flow (incl Residual Value)	128,457	106,592
Total Equity	8,306,951	8,306,951
Earnings as % of Equity	1.55%	1.28%
Earnings as % of Cash Equity	1.81%	1.50%

(8,306,951)

Analysis of Residual Value

Total Net Earnings	
Capitalization Rate	6.00%
Projected Value	

Analysis of Municipal Receipts

Land Value for RE Tax	1,200,000	1,224,000
Equalized Tax Rate	0.05724	0.05724
Municipal %	0.73813	0.73813
Municipal Share of Land Tax	50,701	51,715

Ann. Esc.

0.020

**595 Lincoln Avenue
12/6/22**

**Financial Analysis (PILOT)
Operating Projection by Year**

<u>Description</u>	<u>Unit Size</u>	<u># Units</u>	<u>Ann. Esc.</u>	<u>Initial Rent/SF</u>	<u>Initial Monthly Rent</u>	<u>2024 Year 1</u>	<u>2024 Year 2</u>
PILOT Payment						123,151	154,602
Less Land Tax						0	68,688
Net PILOT						123,151	85,914
Municipal %	0.95					0.95000	0.95000
Municipal Share of PILOT						116,994	81,618
Total Municipal Share						167,695	133,333
IRR	3.46%						
Yield to Cost	6.054%					5.458%	5.363%
Average YTC							

595 Lincoln Avenue

12/6/22

<u>Description</u>	<u>Year</u> 3	<u>Year</u> 4	<u>Year</u> 5	<u>Year</u> 6	<u>Year</u> 7	<u>Year</u> 8	<u>Year</u> 9
Occupancy Factor	0.950	0.950	0.950	0.950	0.950	0.950	0.950
<u>Revenue</u>							
Studio	60,210	61,414	62,643	63,895	65,173	66,477	67,806
1 BR	709,558	723,749	738,224	752,989	768,048	783,409	799,078
2 BR	693,469	707,339	721,485	735,915	750,633	765,646	780,959
3 BR	314,498	320,788	327,203	333,747	340,422	347,231	354,175
Parking	94,884	96,782	98,718	100,692	102,706	104,760	106,855
Operating Reserve	25,000	0	0	0	0	0	0
Total Revenue	1,897,619	1,910,072	1,948,273	1,987,239	2,026,983	2,067,523	2,108,874

Total Residential Area
Total Rentable Area

Expense

Operating Expenses (Res.)	396,686	404,620	412,712	420,966	429,385	437,973	446,733
PILOT	187,262	191,007	194,827	198,724	202,698	206,752	210,887
Replacement Reserve	46,815	47,752	48,707	49,681	50,675	51,688	52,722
Management Fee	56,179	57,302	58,448	59,617	60,810	62,026	63,266
Total Operating Expense	686,942	700,681	714,694	728,988	743,568	758,439	773,608
Net Operating Income	1,210,678	1,209,391	1,233,579	1,258,251	1,283,416	1,309,084	1,335,265
Equity Investment							
Mortgage Principal							
Rate							
Term							
Annual Debt Payment	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889
Projected Cash Flow	79,789	78,502	102,690	127,362	152,527	178,195	204,377

595 Lincoln Avenue

12/6/22

<u>Description</u>	<u>Year</u> <u>3</u>	<u>Year</u> <u>4</u>	<u>Year</u> <u>5</u>	<u>Year</u> <u>6</u>	<u>Year</u> <u>7</u>	<u>Year</u> <u>8</u>	<u>Year</u> <u>9</u>
Coverage Ratio							
(Operating Cash Flow/Debt Service)	107.1%	106.9%	109.1%	111.3%	113.5%	115.8%	118.1%
<u>Analysis of Mortgage</u>							
Beginning Balance	14,414,849	14,220,926	14,014,397	13,794,444	13,560,194	13,310,717	13,045,025
Interest Payment	936,965	924,360	910,936	896,639	881,413	865,197	847,927
Principal Payment	193,924	206,529	219,953	234,250	249,476	265,692	282,962
Ending Balance	14,220,926	14,014,397	13,794,444	13,560,194	13,310,717	13,045,025	12,762,063
<u>Analysis of Earnings</u>							
Principal Payment	193,924	206,529	219,953	234,250	249,476	265,692	282,962
Operating Cash Flow	79,789	78,502	102,690	127,362	152,527	178,195	204,377
Total Cash Flow (incl Residual Val)	79,789	78,502	102,690	127,362	152,527	178,195	204,377
Total Equity	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951
Earnings as % of Equity	0.96%	0.95%	1.24%	1.53%	1.84%	2.15%	2.46%
Earnings as % of Cash Equity	1.12%	1.10%	1.44%	1.79%	2.15%	2.51%	2.88%
<u>Analysis of Residual Value</u>							
Total Net Earnings							
Capitalization Rate							
Projected Value							
<u>Analysis of Municipal Receipts</u>							
Land Value for RE Tax	1,248,480	1,273,450	1,298,919	1,324,897	1,351,395	1,378,423	1,405,991
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Land Tax	52,749	53,804	54,880	55,978	57,097	58,239	59,404

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>3</u>	<u>Year</u> <u>4</u>	<u>Year</u> <u>5</u>	<u>Year</u> <u>6</u>	<u>Year</u> <u>7</u>	<u>Year</u> <u>8</u>	<u>Year</u> <u>9</u>
PILOT Payment	187,262	191,007	194,827	198,724	202,698	206,752	210,887
Less Land Tax	70,062	71,463	72,893	74,351	75,838	77,354	78,901
Net PILOT	117,200	119,544	121,935	124,373	126,861	129,398	131,986
Municipal %	0.95000	0.95000	0.95000	0.95000	0.95000	0.95000	0.95000
Municipal Share of PILOT	111,340	113,567	115,838	118,155	120,518	122,928	125,387
Total Municipal Share	164,089	167,371	170,718	174,133	177,615	181,168	184,791
IRR							
Yield to Cost	5.247%	5.241%	5.346%	5.453%	5.562%	5.673%	5.787%
Average YTC							

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>10</u>	<u>Year</u> <u>11</u>	<u>Year</u> <u>12</u>	<u>Year</u> <u>13</u>	<u>Year</u> <u>14</u>	<u>Year</u> <u>15</u>	<u>Year</u> <u>16</u>
Occupancy Factor	0.950	0.950	0.950	0.950	0.950	0.950	0.950
<u>Revenue</u>							
Studio	69,163	70,546	71,957	73,396	74,864	76,361	77,888
1 BR	815,059	831,360	847,987	864,947	882,246	899,891	917,889
2 BR	796,578	812,510	828,760	845,335	862,242	879,487	897,076
3 BR	361,259	368,484	375,854	383,371	391,038	398,859	406,836
Parking	108,992	111,172	113,396	115,664	117,977	120,336	122,743
Operating Reserve	0	0	0	0	0	0	0
Total Revenue	2,151,051	2,194,072	2,237,953	2,282,713	2,328,367	2,374,934	2,422,433

Total Residential Area
Total Rentable Area

Expense

Operating Expenses (Res.)	455,667	464,781	474,076	483,558	493,229	503,094	513,155
PILOT	215,105	219,407	223,795	228,271	232,837	237,493	260,913
Replacement Reserve	53,776	54,852	55,949	57,068	58,209	59,373	60,561
Management Fee	64,532	65,822	67,139	68,481	69,851	71,248	72,673
Total Operating Expense	789,080	804,862	820,959	837,378	854,126	871,208	907,302
Net Operating Income	1,361,971	1,389,210	1,416,994	1,445,334	1,474,241	1,503,726	1,515,130
Equity Investment							
Mortgage Principal							
Rate							
Term							
Annual Debt Payment	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889
Projected Cash Flow	231,082	258,321	286,105	314,445	343,352	372,837	384,242

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>10</u>	<u>Year</u> <u>11</u>	<u>Year</u> <u>12</u>	<u>Year</u> <u>13</u>	<u>Year</u> <u>14</u>	<u>Year</u> <u>15</u>	<u>Year</u> <u>16</u>
Coverage Ratio							
(Operating Cash Flow/Debt Service)	120.4%	122.8%	125.3%	127.8%	130.4%	133.0%	134.0%
<u>Analysis of Mortgage</u>							
Beginning Balance	12,762,063	12,460,708	12,139,765	11,797,961	11,433,939	11,046,256	10,633,374
Interest Payment	829,534	809,946	789,085	766,867	743,206	718,007	691,169
Principal Payment	301,355	320,943	341,804	364,021	387,683	412,882	439,720
Ending Balance	12,460,708	12,139,765	11,797,961	11,433,939	11,046,256	10,633,374	10,193,655
<u>Analysis of Earnings</u>							
Principal Payment	301,355	320,943	341,804	364,021	387,683	412,882	439,720
Operating Cash Flow	231,082	258,321	286,105	314,445	343,352	372,837	384,242
Total Cash Flow (incl Residual Val)	231,082	258,321	286,105	314,445	343,352	372,837	384,242
Total Equity	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951
Earnings as % of Equity	2.78%	3.11%	3.44%	3.79%	4.13%	4.49%	4.63%
Earnings as % of Cash Equity	3.25%	3.63%	4.03%	4.42%	4.83%	5.25%	5.41%

Analysis of Residual Value

Total Net Earnings
Capitalization Rate
Projected Value

Analysis of Municipal Receipts

Land Value for RE Tax	1,434,111	1,462,793	1,492,049	1,521,890	1,552,328	1,583,375	1,615,042
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Land Tax	60,592	61,804	63,040	64,301	65,587	66,899	68,237

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>10</u>	<u>Year</u> <u>11</u>	<u>Year</u> <u>12</u>	<u>Year</u> <u>13</u>	<u>Year</u> <u>14</u>	<u>Year</u> <u>15</u>	<u>Year</u> <u>16</u>
PILOT Payment	215,105	219,407	223,795	228,271	232,837	237,493	260,913
Less Land Tax	80,479	82,089	83,731	85,405	87,113	88,856	90,633
Net PILOT	134,626	137,318	140,065	142,866	145,723	148,638	170,280
Municipal %	0.95000	0.95000	0.95000	0.95000	0.95000	0.95000	0.95000
Municipal Share of PILOT	127,894	130,452	133,061	135,723	138,437	141,206	161,766
Total Municipal Share	188,487	192,256	196,102	200,024	204,024	208,105	230,003
IRR							
Yield to Cost	5.902%	6.020%	6.141%	6.264%	6.389%	6.517%	6.566%
Average YTC							

595 Lincoln Avenue

12/6/22

<u>Description</u>	<u>Year</u> <u>17</u>	<u>Year</u> <u>18</u>	<u>Year</u> <u>19</u>	<u>Year</u> <u>20</u>	<u>Year</u> <u>21</u>	<u>Year</u> <u>22</u>	<u>Year</u> <u>23</u>
Occupancy Factor	0.950	0.950	0.950	0.950	0.950	0.950	0.950
<u>Revenue</u>							
Studio	79,446	81,035	82,656	84,309	85,995	87,715	89,469
1 BR	936,247	954,972	974,071	993,553	1,013,424	1,033,692	1,054,366
2 BR	915,018	933,318	951,985	971,024	990,445	1,010,254	1,030,459
3 BR	414,973	423,272	431,738	440,373	449,180	458,164	467,327
Parking	125,198	127,702	130,256	132,861	135,518	138,229	140,993
Operating Reserve	0	0	0	0	0	0	0
Total Revenue	2,470,881	2,520,299	2,570,705	2,622,119	2,674,562	2,728,053	2,782,614
Total Residential Area							
Total Rentable Area							
<u>Expense</u>							
Operating Expenses (Res.)	523,418	533,887	544,565	555,456	566,565	577,896	589,454
PILOT	266,131	271,454	276,883	282,421	288,069	287,661	287,661
Replacement Reserve	61,772	63,007	64,268	65,553	66,864	68,201	69,565
Management Fee	74,126	75,609	77,121	78,664	80,237	81,842	83,478
Total Operating Expense	925,448	943,957	962,836	982,093	1,001,735	1,020,500	1,041,912
Net Operating Income	1,545,433	1,576,342	1,607,869	1,640,026	1,672,826	1,707,457	1,740,701
Equity Investment							
Mortgage Principal							
Rate							
Term							
Annual Debt Payment	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889
Projected Cash Flow	414,544	445,453	476,980	509,137	541,938	576,963	638,813

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>17</u>	<u>Year</u> <u>18</u>	<u>Year</u> <u>19</u>	<u>Year</u> <u>20</u>	<u>Year</u> <u>21</u>	<u>Year</u> <u>22</u>	<u>Year</u> <u>23</u>
Coverage Ratio							
(Operating Cash Flow/Debt Service)	136.7%	139.4%	142.2%	145.0%	147.9%	124.9%	127.4%
<u>Analysis of Mortgage</u>							
Beginning Balance	10,193,655	9,725,353	9,226,612	8,695,453	8,129,769	7,527,315	6,885,701
Interest Payment	662,588	632,148	599,730	565,204	528,435	489,275	447,571
Principal Payment	468,301	498,741	531,159	565,684	602,454	641,613	683,318
Ending Balance	9,725,353	9,226,612	8,695,453	8,129,769	7,527,315	6,885,701	6,202,383
<u>Analysis of Earnings</u>							
Principal Payment	468,301	498,741	531,159	565,684	602,454	641,613	683,318
Operating Cash Flow	414,544	445,453	476,980	509,137	541,938	281,563	309,813
Total Cash Flow (incl Residual Val	414,544	445,453	476,980	509,137	541,938	281,563	309,813
Total Equity	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951
Earnings as % of Equity	4.99%	5.36%	5.74%	6.13%	6.52%	3.39%	3.73%
Earnings as % of Cash Equity	5.83%	6.27%	6.71%	7.16%	7.63%	3.96%	4.36%
<u>Analysis of Residual Value</u>							
Total Net Earnings							
Capitalization Rate							
Projected Value							
<u>Analysis of Municipal Receipts</u>							
Land Value for RE Tax	1,647,343	1,680,290	1,713,895	1,748,173	1,783,137	1,818,800	1,855,176
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Land Tax	69,602	70,994	72,413	73,862	75,339	76,846	78,383

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>17</u>	<u>Year</u> <u>18</u>	<u>Year</u> <u>19</u>	<u>Year</u> <u>20</u>	<u>Year</u> <u>21</u>	<u>Year</u> <u>22</u>	<u>Year</u> <u>23</u>
PILOT Payment	266,131	271,454	276,883	282,421	288,069	587,661	599,414
Less Land Tax	92,446	94,294	96,180	98,104	100,066	102,067	104,109
Net PILOT	173,686	177,160	180,703	184,317	188,003	485,594	495,306
Municipal %	0.95000	0.95000	0.95000	0.95000	0.95000	0.95000	0.95000
Municipal Share of PILOT	165,002	168,302	171,668	175,101	178,603	461,314	470,540
Total Municipal Share	234,603	239,295	244,081	248,963	253,942	538,160	548,923
IRR							
Yield to Cost	6.697%	6.831%	6.968%	7.107%	7.250%	6.121%	6.244%
Average YTC							

595 Lincoln Avenue
12/6/22

<u>Description</u>	<u>Year</u> <u>24</u>	<u>Year</u> <u>25</u>	<u>Year</u> <u>26</u>	<u>Year</u> <u>27</u>	<u>Year</u> <u>28</u>	<u>Year</u> <u>29</u>	<u>Year</u> <u>30</u>
Occupancy Factor	0.950	0.950	0.950	0.950	0.950	0.950	0.950
<u>Revenue</u>							
Studio	91,258	93,084	94,945	96,844	98,781	100,757	102,772
1 BR	1,075,453	1,096,962	1,118,901	1,141,280	1,164,105	1,187,387	1,211,135
2 BR	1,051,068	1,072,089	1,093,531	1,115,402	1,137,710	1,160,464	1,183,673
3 BR	476,673	486,207	495,931	505,850	515,967	526,286	536,812
Parking	143,813	146,689	149,623	152,616	155,668	158,781	161,957
Operating Reserve	0	0	0	0	0	0	0
Total Revenue	2,838,266	2,895,031	2,952,932	3,011,991	3,072,231	3,133,675	3,196,349

Total Residential Area
Total Rentable Area

Expense

Operating Expenses (Res.)	601,243	613,268	625,534	638,044	650,805	663,821	677,098
PILOT	611,403	623,631	636,103	648,825	662,703	675,557	688,077
Replacement Reserve	70,957	72,376	73,823	75,300	76,806	78,342	79,909
Management Fee	85,148	86,851	88,588	90,360	92,167	94,010	95,890
Total Operating Expense	1,368,751	1,396,126	1,424,048	1,452,529	1,481,481	1,510,433	1,539,377
Net Operating Income	1,469,515	1,498,906	1,528,884	1,559,462	1,579,750	1,600,045	1,620,374
Equity Investment							
Mortgage Principal							
Rate							
Term							
Annual Debt Payment	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889	1,130,889
Projected Cash Flow	338,627	368,017	397,995	428,573	458,861	489,156	(164,515)

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>24</u>	<u>Year</u> <u>25</u>	<u>Year</u> <u>26</u>	<u>Year</u> <u>27</u>	<u>Year</u> <u>28</u>	<u>Year</u> <u>29</u>	<u>Year</u> <u>30</u>
Coverage Ratio							
(Operating Cash Flow/Debt Service)	129.9%	132.5%	135.2%	137.9%	111.4%	113.6%	85.5%
<u>Analysis of Mortgage</u>							
Beginning Balance	6,202,383	5,474,649	4,699,612	3,874,198	2,995,132	2,058,926	1,061,868
Interest Payment	403,155	355,852	305,475	251,823	194,684	133,830	69,021
Principal Payment	727,734	775,037	825,414	879,066	936,205	997,059	1,061,868
Ending Balance	5,474,649	4,699,612	3,874,198	2,995,132	2,058,926	1,061,868	(0)
<u>Analysis of Earnings</u>							
Principal Payment	727,734	775,037	825,414	879,066	936,205	997,059	1,061,868
Operating Cash Flow	338,627	368,017	397,995	428,573	428,861	428,861	(164,515)
Total Cash Flow (incl Residual Val)	338,627	368,017	397,995	428,573	428,861	428,861	10,203,902
Total Equity	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951	8,306,951
Earnings as % of Equity	4.08%	4.43%	4.79%	5.16%	1.55%	1.85%	122.84%
Earnings as % of Cash Equity	4.76%	5.18%	5.60%	6.03%	1.81%	2.17%	143.58%
<u>Analysis of Residual Value</u>							
Total Net Earnings							622,105
Capitalization Rate							6.00%
Projected Value							10,368,417
<u>Analysis of Municipal Receipts</u>							
Land Value for RE Tax	1,892,279	1,930,125	1,968,727	2,008,102	2,048,264	2,089,229	2,131,014
Equalized Tax Rate	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724	0.05724
Municipal %	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813	0.73813
Municipal Share of Land Tax	79,950	81,549	83,180	84,844	86,541	88,272	90,037

**595 Lincoln Avenue
12/6/22**

<u>Description</u>	<u>Year</u> <u>24</u>	<u>Year</u> <u>25</u>	<u>Year</u> <u>26</u>	<u>Year</u> <u>27</u>	<u>Year</u> <u>28</u>	<u>Year</u> <u>29</u>	<u>Year</u> <u>30</u>
PILOT Payment	611,403	623,631	636,103	648,825	992,703	1,012,557	1,377,077
Less Land Tax	106,191	108,315	110,481	112,691	114,944	117,243	119,588
Net PILOT	505,212	515,316	525,622	536,135	877,758	895,314	1,257,489
Municipal %	0.95000	0.95000	0.95000	0.95000	0.95000	0.95000	0.95000
Municipal Share of PILOT	479,951	489,550	499,341	509,328	833,871	850,548	1,194,615
Total Municipal Share	559,902	571,100	582,522	594,172	920,411	938,820	1,284,652
IRR							
Yield to Cost	6.368%	6.496%	6.626%	6.758%	5.459%	5.569%	4.188%
Average YTC							

595 Lincoln Avenue
12/6/22

Description

Occupancy Factor

Revenue

Studio

1 BR

2 BR

3 BR

Parking

Operating Reserve

Total Revenue

Total Residential Area

Total Rentable Area

Expense

Operating Expenses (Res.)

PILOT

Replacement Reserve

Management Fee

Total Operating Expense

Net Operating Income

Equity Investment

Mortgage Principal

Rate

Term

Annual Debt Payment

Projected Cash Flow

**595 Lincoln Avenue
12/6/22**

Description

**Coverage Ratio
(Operating Cash Flow/Debt Service)**

Analysis of Mortgage

**Beginning Balance
Interest Payment
Principal Payment
Ending Balance**

Analysis of Earnings

**Principal Payment
Operating Cash Flow
Total Cash Flow (incl Residual Val
Total Equity
Earnings as % of Equity
Earnings as % of Cash Equity Average**

Analysis of Residual Value

**Total Net Earnings
Capitalization Rate
Projected Value**

Analysis of Municipal Receipts

**Land Value for RE Tax
Equalized Tax Rate
Municipal %
Municipal Share of Land Tax**

**595 Lincoln Avenue
12/6/22**

Description

**PILOT Payment
Less Land Tax
Net PILOT
Municipal %
Municipal Share of PILOT

Total Municipal Share

IRR
Yield to Cost
Average YTC**

**595 Lincoln Avenue
12/6/22**

PILOT Details

Site % of Total Area	100.00%												
Land Assessment (2022)	420,700	Prior Year Taxes	74,453										
2021 Tax Rate	5.780%	Proj. Eq Value of Land (2025)	1,200,000										
Equalization Rate	91.4900%	Proj. Eq. Value (2025)	16,934,066										
2021 Equalized Tax Rate	5.2881%	Proj. Full Taxes (2025)	969,312										
PV Escalation Rate	2.0000%	Projected Annual Tax Rate Increase	2.0000%										
Annual Revenue Esc.	2.0000%	Municipal Share of Taxes	73.8130%										
Proj 2025 Eq. Rate	5.7240%												
Year	1	2	3	4	5	6	7	8					
Calendar Year	2025	2026	2027	2028	2029	2030	2031	2032					
Project Completion Indicator	1	1	1	1	1	1	1	1					
Annual Gross Revenue	1,231,513	1,546,022	1,872,619	1,910,072	1,948,273	1,987,239	2,026,983	2,067,523					
PILOT Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%					
Formula PILOT Payment	123,151	154,602	187,262	191,007	194,827	198,724	202,698	206,752					
Prior Full Taxes	74,453	74,453	74,453	74,453	74,453	74,453	74,453	74,453					
Min % of Full Taxes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					
Projected Theoretical Taxes	969,312	988,698	1,008,472	1,028,641	1,049,214	1,070,198	1,091,602	1,113,434					
Municipal Share (Full Tax)	715,478	729,787	744,383	759,271	774,456	789,945	805,744	821,859					
PILOT per Statute	123,151	154,602	187,262	191,007	194,827	198,724	202,698	206,752					
Land Taxes	67,342	68,688	70,062	71,463	72,893	74,351	75,838	77,354					
Municipal Share (Land Tax)	49,707	50,701	51,715	52,749	53,804	54,880	55,978	57,097					
Add'l PILOT for RAB	0	0	0	0	0	0	0	0					
Gross PILOT	123,151	154,602	187,262	191,007	194,827	198,724	202,698	206,752					
Pledged to RAB	0	0	0	0	0	0	0	0					
Net PILOT (After LT Credit)	123,151	87,261	118,574	120,945	123,364	125,831	128,348	130,915					
County Share (PILOT)	6,158	4,363	5,929	6,047	6,168	6,292	6,417	6,546					
Municipal Share (PILOT)	116,994	82,898	112,645	114,898	117,196	119,540	121,930	124,369					
Total Municipal Share	166,701	133,599	164,360	167,647	171,000	174,420	177,908	181,467					
MS (Tax) v MS (PILOT)	548,777	596,189	580,023	591,624	603,456	615,525	627,836	640,392					

595 Lincoln Avenue

12/6/22

Site % of Total Area	9	10	11	12	13	14	15	16
Land Assessment (2022)	2033	2034	2035	2036	2037	2038	2039	2040
2021 Tax Rate	1	1	1	1	1	1	1	1
Equalization Rate								
2021 Equalized Tax Rate								
PV Escalation Rate								
Annual Revenue Esc.								
Proj 2025 Eq. Rate								
Year	9	10	11	12	13	14	15	16
Calendar Year	2033	2034	2035	2036	2037	2038	2039	2040
Project Completion Indicator	1	1	1	1	1	1	1	1
Annual Gross Revenue	2,108,874	2,151,051	2,194,072	2,237,953	2,282,713	2,328,367	2,374,934	2,422,433
PILOT Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Formula PILOT Payment	210,887	215,105	219,407	223,795	228,271	232,837	237,493	242,243
Prior Full Taxes	74,453	74,453	74,453	74,453	74,453	74,453	74,453	74,453
Min % of Full Taxes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Projected Theoretical Taxes	1,135,703	1,158,417	1,181,585	1,205,217	1,229,321	1,253,908	1,278,986	1,304,566
Municipal Share (Full Tax)	838,296	855,062	872,163	889,606	907,399	925,547	944,057	962,939
PILOT per Statute	210,887	215,105	219,407	223,795	228,271	232,837	237,493	260,913
Land Taxes	78,901	80,479	82,089	83,731	85,405	87,113	88,856	90,633
Municipal Share (Land Tax)	58,239	59,404	60,592	61,804	63,040	64,301	65,587	66,899
Add'l PILOT for RAB	0	0	0	0	0	0	0	0
Gross PILOT	210,887	215,105	219,407	223,795	228,271	232,837	237,493	260,913
Pledged to RAB	0	0	0	0	0	0	0	0
Net PILOT (After LT Credit)	133,533	136,204	138,928	141,706	144,540	147,431	150,380	172,057
County Share (PILOT)	6,677	6,810	6,946	7,085	7,227	7,372	7,519	8,603
Municipal Share (PILOT)	126,856	129,394	131,981	134,621	137,313	140,060	142,861	163,455
Total Municipal Share	185,096	188,798	192,574	196,425	200,354	204,361	208,448	230,353
MS (Tax) v MS (PILOT)	653,200	666,264	679,589	693,181	707,045	721,186	735,609	732,585

**595 Lincoln Avenue
12/6/22**

Site % of Total Area
Land Assessment (2022)
2021 Tax Rate
Equalization Rate
2021 Equalized Tax Rate
PV Escalation Rate
Annual Revenue Esc.
Proj 2025 Eq. Rate

Year	17	18	19	20	21	22	23	24
Calendar Year	2041	2042	2043	2044	2045	2046	2047	2048
Project Completion Indicator	1	1	1	1	1	1	1	1
Annual Gross Revenue	2,470,881	2,520,299	2,570,705	2,622,119	2,674,562	2,728,053	2,782,614	2,838,266
PILOT Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Formula PILOT Payment	247,088	252,030	257,071	262,212	267,456	272,805	278,261	283,827
Prior Full Taxes	74,453	74,453	74,453	74,453	74,453	74,453	74,453	74,453
Min % of Full Taxes	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Projected Theoretical Taxes	1,330,657	1,357,270	1,384,416	1,412,104	1,440,346	1,469,153	1,498,536	1,528,507
Municipal Share (Full Tax)	982,197	1,001,841	1,021,878	1,042,316	1,063,162	1,084,425	1,106,114	1,128,236
PILOT per Statute	266,131	271,454	276,883	282,421	288,069	293,661	299,414	305,140
Land Taxes	92,446	94,294	96,180	98,104	100,066	102,067	104,109	106,191
Municipal Share (Land Tax)	68,237	69,602	70,994	72,413	73,862	75,339	76,846	78,383
Add'l PILOT for RAB	0	0	0	0	0	0	0	0
Gross PILOT	266,131	271,454	276,883	282,421	288,069	293,661	299,414	305,140
Pledged to RAB	0	0	0	0	0	0	0	0
Net PILOT (After LT Credit)	175,499	179,009	182,589	186,240	189,965	193,695	197,347	201,094
County Share (PILOT)	8,775	8,950	9,129	9,312	9,498	9,680	9,867	10,055
Municipal Share (PILOT)	166,724	170,058	173,459	176,928	180,467	184,015	187,480	191,039
Total Municipal Share	234,960	239,660	244,453	249,342	254,329	259,325	264,325	269,312
MS (Tax) v MS (PILOT)	747,237	762,182	777,425	792,974	808,833	824,788	840,743	856,698

595 Lincoln Avenue 12/6/22

Year	25	26	27	28	29	30	Total
Calendar Year	2049	2050	2051	2052	2053	2054	
Project Completion Indicator	1	1	1	1	1	1	
Annual Gross Revenue	2,895,031	2,952,932	3,011,991	3,072,231	3,133,675	3,196,349	72,160,348
PILOT Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
Formula PILOT Payment	289,503	295,293	301,199	307,223	313,368	319,635	7,216,035
Prior Full Taxes	74,453	74,453	74,453	74,453	74,453	74,453	
Min % of Full Taxes	40.00%	40.00%	40.00%	60.00%	60.00%	80.00%	
Projected Theoretical Taxes	1,559,077	1,590,258	1,622,064	1,654,505	1,687,595	1,721,347	39,323,109
Municipal Share (Full Tax)	1,150,801	1,173,817	1,197,293	1,221,239	1,245,664	1,270,577	29,025,551
PILOT per Statute	623,631	636,103	648,825	992,703	1,012,557	1,377,077	11,762,068
Land Taxes	108,315	110,481	112,691	114,944	117,243	119,588	2,731,918
Municipal Share (Land Tax)	79,950	81,549	83,180	84,844	86,541	88,272	2,016,510
Add'l PILOT for RAB	0	0	0	0	0	0	0
Gross PILOT	623,631	636,103	648,825	992,703	1,012,557	1,377,077	11,762,068
Pledged to RAB	0	0	0	0	0	0	0
Net PILOT (After LT Credit)	517,440	527,789	538,344	880,012	897,613	1,259,834	9,149,738
County Share (PILOT)	25,872	26,389	26,917	44,001	44,881	62,992	457,487
Municipal Share (PILOT)	491,568	501,399	511,427	836,012	852,732	1,196,842	8,692,251
Total Municipal Share	571,518	582,949	594,607	920,856	939,273	1,285,114	10,708,760
<u>MS (Tax) v MS (PILOT)</u>	579,283	590,868	602,686	300,383	306,391	(14,537)	18,316,791

**595 Lincoln Avenue
12/6/22**

RAB Calculation

Proposed RAB Amount

<u>Principal</u>	<u>Term</u>	<u>Rate</u>	<u>Annual Payment</u>
0.00	30	0.0400	0.00

EXHIBIT 14

SOURCES

Equity Investment	Land Equity	Cash Equity
8,306,951	1,200,000	7,106,951
Mortgage Principal/Loan	14,767,912	
Rate	0.0650	
Term	30	
Annual Debt Payment	1,130,889	

EXHIBIT 15

Financing Commitments to be provided prior to construction.

EXHIBIT 16

EXPLANATION OF NEED FOR TAX EXEMPTION

Attach an explanation of why the applicant believes that a long term tax exemption is necessary to make this Project economically feasible. Include specific figures where possible to explain any financing gaps.

The Applicant formed its entity to initiate and conduct the redevelopment of an underutilized area that has remained relatively unchanged for quite some time. The Applicant seeks to revitalize the project site consistent with the goals and objectives of the City of Orange Township's Lincoln Avenue Redevelopment Plan. This redevelopment project is being undertaken for the public benefit, namely to: (i) promote housing options; (ii) redevelop the Property in a manner consistent with principles supportive of viable, self-sustaining, vibrant traditional neighborhoods, and transit friendly communities; and (iii) promote the principles of a "Transit Village," to provide pedestrian friendly public right-of-way improvements and connections, within the surrounding area and the area's neighborhoods and educational, cultural, governmental, health and other institutions, as set forth in the Lincoln Avenue Redevelopment Plan.

The funding of this project will be provided through private equity investment and a private loan. These investments and loans will be used to fund the construction and revitalization phase of the project. The long-term tax exemption is needed because tax savings on this project will have a direct impact on the Applicant's ability to proceed with construction and to obtain debt financing.

EXHIBIT 17

Project Schedule

<u>ACTIVITY</u>	<u>START</u>	<u>END</u>
Site Plan Approval	Complete	Complete
Resolution Compliance	May 2023	Within 6 months
Permitting	January 2024	Within 3 months
Construction	Upon Construction Financing	Within 36 months from start of Construction
Lease Out	Upon Certificate of Completion	

EXHIBIT 18

SUMMARY OF PROJECT BENEFITS

Attach a summary of all the public benefits associated with this project, including, at a minimum, the number and type of construction jobs anticipated, the number and type of permanent jobs to be created and the amount of municipal revenue to be generated by the project through the payment of taxes, payments in lieu of taxes, water and sewer fees and any other municipal payments.

This project will revitalize an area designated in need of redevelopment in accordance with the goals and objectives of the Lincoln Avenue Redevelopment Plan. The project will support ongoing revitalization and reinvestment within the City of Orange Township through the accommodation of residential uses in an area that has not experienced significant change in decades. The project will contribute to the wellbeing of the community by creating housing opportunities, and provide parking for residents. Other project benefits include temporary and permanent employment and increased tax revenue to the City.

EXHIBIT 19

FINANCIAL AGREEMENT
(N.J.S.A. 40A: 20-1, et seq.)

This **FINANCIAL AGREEMENT** (hereinafter, the “**Financial Agreement**”) made this ____ day of _____, 2023 by and between 595 Lincoln Orange Urban Renewal LLC, a New Jersey limited liability company qualified to do business under the provisions of the Long Term Tax Exemption Law, as amended and supplemented, (N.J.S.A. 40A:20-1 et seq.), having its principal office at 80 River Street, #2C, Hoboken, New Jersey 070303 (hereinafter referred to as the “**Entity**”), and the City of Orange Township, a Municipal Corporation in the County of Essex and the State of New Jersey, having offices at City Hall, 29 North Day Street, Orange, New Jersey 07050 (hereinafter referred to as the “**City**”).

WITNESSETH:

WHEREAS, the Entity has applied for a long-term tax exemption for a redevelopment project on property located at 595 Lincoln Avenue in the City of Orange Township identified on the City tax map as Block 6303, Lot 7 (the “**Property**”) which is located within the Central Valley Redevelopment Area; and

WHEREAS, as described more fully within the application for long term tax exemption submitted by the Entity (a copy of which is attached hereto as **Exhibit A**) (the “**Application**”), the project consists of the demolition of the existing structure on the Property and the construction six-story multifamily residential building, consisting of seventy (70) market rate rental units, along with seventy-two (72) off-street parking spaces. The unit mix consists of studio units, one-bedroom units, two-bedroom units and three-bedroom units. Building amenities include a lobby, storage room, outdoor roof deck with theater and fitness area. (the “**Project**”); and

WHEREAS, the City Council has reviewed the Application and has made the following findings:

A. Relative Benefits of the Project when Compared to Costs. The granting of the long-term tax exemption provided herein will permit the development of market rate residential units on the Property which would not be developed but for the granting of the exemption provided herein and will also create both temporary construction and permanent jobs which will benefit the community. Thus, the City Council finds that this substantial public benefit outweighs the difference between the unabated tax amount and the amount that the Entity will be required to pay hereunder.

B. Assessment of the Importance of the Tax Exemption in Developing the Project and Influencing the Locational Decisions of Potential Occupants:

(i) This long-term tax exemption represents a logical and economical method of attracting residents who will utilize more housing options which are vital to the City and the community because but for the provision of this financial incentive and the subsidy provided thereby, the development of residential rental housing units would not be possible and thus would not occur; and

(ii) The relative stability and predictability of the Annual Service Charges will enhance the Entity's ability and opportunity to successfully construct, operate and maintain this Project, which in turn will ensure the likelihood of success over the life of the Project; and

(iii) The long-term tax exemption granted under this Financial Agreement is important to the City because without the incentive of the tax exemption granted under this Financial Agreement, it is unlikely that the Project would be undertaken and as such the goals and objectives of the Redevelopment Plan would go unfulfilled. The tax exemption is also expected to influence

the locational decisions of potential occupants of the Project, and will be of benefit to the local businesses in the community and will foster the growth of additional off-site local business opportunities; and,

WHEREAS, the parties hereto wish to set forth in detail their mutual rights and obligations with respect to the tax exemption applicable to this Project by entering into this Financial Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

Article I - General Provisions

Section 1.1 Governing Law

This Financial Agreement shall be governed by the provisions of the Long-Term Tax Exemption Law, N.J.S.A. 40A: 20-1 et. seq. (as amended and supplemented, the “**Law**”). It is expressly understood and agreed that the City expressly relies upon the facts, data, and presentations contained in the Application attached hereto in granting this tax exemption.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, the following terms when used in this Financial Agreement shall mean:

i. Allowable Net Profit - The amount arrived at by applying the allowable profit rate to the total project cost pursuant to the provisions of N.J.S.A. 40A: 20-3(c).

ii. Allowable Profit Rate - The Allowable Profit Rate means the greater of twelve (12%) percent or the percentage per annum arrived at by adding 1 ¼ % per annum to the annual interest percentage rate payable on the Entity’s initial permanent mortgage financing.

iii. Annual Service Charge - The amount that the Entity has agreed to pay the City in lieu of full taxation on the Improvements as set forth more fully within Section 4.1 of this Financial Agreement, and which is subject to verification and review by the City.

iv. Application - The Application was filed by the Entity pursuant to N.J.S.A. 40A:20-8 for a long term tax exemption for the Project which is attached hereto as **Exhibit A**.

v. Auditor's Report - A complete financial statement outlining the financial status of the Project (for a period of time as indicated by context) the contents of which shall include a certification of Total Project Cost (in the first Auditor's Report following Substantial Completion only, with any changes to be contained in a subsequent Annual Report) and proper and accurate computations of annual Gross Revenue and Net Profit. The contents of the Auditor's Report shall be prepared in conformity with generally accepted accounting principles and shall contain such information as necessary to compute the foregoing items, and any other items required by Law, Statutes or Ordinance. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - Document issued by the City authorizing occupancy of a building.

vii. City - The City of Orange Township, New Jersey.

viii. Default - Shall be the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Financial Agreement.

ix. Entity - Shall mean 595 Lincoln Orange Urban Renewal LLC, a New Jersey limited liability company qualified to do business under the provisions of the Law, and any lawful assignees as authorized under this Financial Agreement.

x. Gross Revenue – Any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants or income or fees from third parties, including but not limited to fees or income paid or received for parking, laundry room, vending machines, and the like, or as user fees or for any other services. No deductions will be allowed for operating or maintenance costs, including, but not limited to gas, electric, water and sewer, other utilities, garbage removal and insurance charges, whether paid for by the Entity, tenant or third party.

xi. Improvements - Any building, structure or fixture permanently affixed to the Land.

xii. In Rem Tax Foreclosure - A summary proceeding by which the City may enforce the lien for taxes due and owing by a tax sale. Said foreclosure is governed by N.J.S.A. 54: 5 -1 et seq.

xiii. Land – The land, but not the Improvements, on the Property.

xiv. Land Taxes - The amount of taxes assessed on the value of the Land. Land assessments are not abated and shall remain a lien on the Land.

xv. Land Tax Payments - Payments made on the quarterly due dates for Land Taxes on the Land as determined by the Tax Assessor and the Tax Collector.

xvi. Law - The term “Law” shall refer to the Long-Term Tax Exemption Law, as amended and supplemented N.J.S.A. 40A: 20-1, et. seq.

xvii. Minimum Annual Service Charge - The minimum annual service charge shall be the greater of (i) the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, and (ii) \$41,592.00.

xviii. Net Profit - The gross revenue of the Entity less all operating and non-operating expenses of the Entity, calculated on a cumulative basis from Substantial Completion through the

most recent fiscal year, as determined in accordance with generally accepted accounting principles and the provisions of N.J.S.A. 40A:20-3(c).

xix. Project - The Land and Improvements thereon which are the subject of this Financial Agreement and as defined in N.J.S.A. 40A:20-3 (e) and (i). The Project consists of the demolition of the existing structure on the Property and the construction six-story multifamily residential building, consisting of seventy (70) market rate rental units, along with seventy-two (72) off-street parking spaces. The unit mix consists of studio units, one-bedroom units, two-bedroom units and three-bedroom units. Building amenities include a lobby, storage room, outdoor roof deck with theater and fitness area, as described more fully within the Application.

xx. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as, the plural, as proper meaning requires.

xxi. Property - The Land and the Improvements thereon located at 595 Lincoln Avenue in the City of Orange Township identified on the City tax map as Block 6303, Lot 7.

xxii. Statutes - The term Statutes when used in this Financial Agreement shall refer to all relevant statutes of the State of New Jersey.

xxiii. Substantial Completion - The determination by the City that the Project is ready for the use intended, as further defined in Section 6.2 of this Financial Agreement.

xxiv. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its long-term tax exemption on the Property.

xxv. Total Project Cost – The total cost of construction and/or rehabilitation of the Project through the date of Certificate of Occupancy is issued for the entire Project, which categories of cost are as defined in N.J.S.A. 40A:20-3(h). There shall be included in Total Project

Cost the actual costs incurred to construct the Improvements which are specifically described in the Application attached as Exhibit A hereto.

xxvi. Total Project Cost Audit – A report prepared by a certified public accountant, who is licensed to do business in the State of New Jersey on behalf of the Entity that sets forth the Total Project Cost for the Project. The Total Project Cost shall be supported by a certification of the licensed architect for the Project as required by N.J.S.A. 40A:20-3(h)(4).

Section 1.3 Exhibits Incorporated

All exhibits that are referred to in this Financial Agreement and are attached hereto are incorporated herein and made a part hereof.

Article II - Approval

Section 2.1 Approval of Tax Exemption

The City has granted and does hereby grant its approval for a tax exemption for the Project to be acquired, developed and to be maintained under the provisions of the Law on the premises described in the Application. The Entity represents and covenants that, effective as of the completion of the Project, it shall use the Project for the purposes set forth in the Application, and the land use applications filed with, and as approved by, the City in connection with this Project.

Section 2.2 Approval of Entity

Approval hereunder is granted to the Entity for the contemplated Project on the Property, which shall in all respects comply and conform to all applicable statutes of the State of New Jersey, and the lawful regulations made pursuant thereto, governing land, building(s) and the use thereof, and which Project is more particularly described in the Application.

Section 2.3 First Source Employment

(a) If the Entity, its successors and/or assigns and/or any subsequent purchasers and/or any third party management companies retained to manage the Property, intend to hire new or

replacement employees, for either part time or full time employment, for the construction of the Project or for the operation of the Project once it is constructed, the Entity, its successors and/or assigns and/or subsequent purchasers and/or any third party management companies retained to manage the Property, shall make good faith efforts to hire City residents to fill these jobs as specified below. The City, through the City's Office of Human Resources and/or a non-profit entity to be named by the City as the job referral center (hereinafter, the "**Job Referral Center**"), shall be available to assist in providing qualified candidates for the above 'first source' interviewing and hiring. The good faith efforts by Entity, its successors and/or assigns and/or subsequent purchasers and/or any third party management companies retained to manage the Property, shall include, but not be limited to, the following: (1) written notification to the Job Referral Center of any new full or part-time job opportunities at least five (5) business Days prior to the commencement of the interviewing process. Such notification shall include, but not be limited to, the number of positions available, projected start date, estimated level of compensation, the skills and experience required for successful applicants, and the anticipated term of employment; (2) hold a first source interview window of at least five (5) business Days during which only candidates referred by the Job Referral Center shall be interviewed. These first source interviews shall take place prior to interviewing candidates from the general public; (3) cooperate with efforts to recruit City residents for employment opportunities, including participation in job fairs or similar events held by the City; and (4) meet with appropriate City officials to determine the status of recruitment efforts and to plan future employment recruitment activities. The Entity, its successors and/or assigns and/or subsequent purchasers and/or any third-party management companies retained to manage the Property, shall maintain records of this first source notification, interviewing and hiring activity for review by the City upon the City's written request.

(b) Upon completion of the Project, as evidenced by the receipt of a Certificate of Occupancy, the Entity and its successors and/or assigns and/or any subsequent purchasers, shall include a provision in all of their non-residential leases for space in a structure constructed as part of the Project providing that:

“If the lessee (tenant) intends to hire a new or replacement employee for either part time or full-time employment, the lessee shall use good faith efforts to hire City residents to fill those jobs as specified below. The City, through the Job Referral Center, shall be available to assist in providing qualified candidates for the above ‘first source’ interviewing and hiring. The lessee’s good faith effort shall include, but not be limited to: (1) written notification to the Job Referral Center of any new full or part-time job opportunities at least five (5) business Days prior to the commencement of the interviewing process. Such notification shall include, but not be limited to, the number of positions available, projected start date, estimated level of compensation, the skills and experience required for successful applicants, and the anticipated term of employment; (2) hold a first source interview window of at least five (5) business Days during which only candidates referred by the Job Referral Center shall be interviewed. These first source interviews shall take place prior to interviewing candidates from the general public; (3) cooperate with efforts to recruit City residents for employment opportunities, including participation in job fairs or similar events held by the City; and (4) meet with appropriate City officials to determine the status of recruitment efforts and to plan future employment recruitment activities. Lessee will maintain records of this ‘first source’ notification, interviewing and hiring activity (including but not limited to a written description of the reasons for the decision not to hire any candidate referred by the Job Referral Center for review by the City upon the City’s written request. Failure of the lessee to comply with this ‘first source’ requirement shall be considered by the lessor to be a material breach of the lease and shall entitle the lessor to exercise any and all remedies provided for in the lease for a material breach including eviction.”

(c) Upon written notice from the City to the Entity or its successors and/or assigns and/or any subsequent purchasers that the tenant is not using good faith efforts to hire City residents and is not in compliance with the first source provisions of the lease, the Entity and its successors and/or assigns and/or any subsequent purchasers agree to enforce the lease provisions set forth within Section 2.3(b) above to ensure compliance by all lessees. The Entity and its successors and/or assigns and/or any subsequent purchasers also agree to include the terms of this Section in any contract for sale or transfer of the Property or any structure constructed as part of the Project to

any other person or entity and to explicitly provide within such contract that these terms shall survive the closing and that the City shall be a third party beneficiary as to the enforcement of these terms.

(d) In addition to any other remedy provided under this Financial Agreement and any other remedy provided by law, the parties hereby agree that the provisions of this Section may be enforced by the City through specific performance.

Section 2.4 Affirmative Action

The Entity, for itself and its successors and assigns, agrees that during the construction of the Improvements provided for in this Financial Agreement:

(a) It will comply with the provisions of the Affirmative Action Language contained herein.

(b) When hiring workers in each construction trade, or when engaging contractors, the Entity agrees, pursuant to the City's request, to use its best efforts to employ:

(i) minority workers in each construction trade; or

(ii) minority contractors consistent with the following goals: (as to workers) - a goal of employing twenty (20%) percent minority workers out of the total number of workers employed as part of the work force in connection with the Project; or (as to contractors) - a goal of contracting with Qualified Minority Business Enterprises for twenty (20%) percent of the dollar value of the hard costs of total procurements to be awarded in connection with the Project.

For purposes of this section, the term "Minority" shall mean persons who are Black, Hispanic, Portuguese, Latino, Asian American, American Indian or Alaskan Natives. The term "Qualified Minority Business Enterprise" shall mean a business which has its principal place of business in New Jersey, is independently owned and operated, is at least fifty-one (51%) percent owned and controlled by Minority group members and is qualified.

(c) It will undertake a program of local preference to facilitate entering into contracts with and/or purchasing goods and services from local merchants and businesses located within the City.

(d) It will endeavor to comply with the above stated goals by, among other things, considering employment of applicants, contractors and vendors who are from a pool registered by the City or its designee.

(e) Where applicable, it will at all times conform to the laws, regulations, policies of the State of New Jersey, the Federal Government, and other governmental bodies with respect to affirmative action and equal employment opportunities requirements, and particularly those which are imposed as a condition to receipt of any government-sponsored funding for the Project, notwithstanding any other provision of this Financial Agreement to the contrary.

Section 2.5 Compliance and Reporting

The obligations contained in Sections 2.4 and 2.5 shall be binding on all contractors and subcontractors to the extent that any work is done by any contractor or subcontractor, and any contract entered into by the Entity (or any other person or entity) in respect of the construction of the Project shall so provide. The Entity covenants to enforce (and cause any other person or entity to enforce) its contracts with its contractors and subcontractors if such parties are not in compliance with Sections 2.4 and 2.5.

Article III – Duration of Financial Agreement

Section 3.1 Term

So long as there is compliance with the Law and this Financial Agreement, it is understood and agreed by the parties hereto that this Financial Agreement shall remain in effect for a term of thirty (30) years from the date of Substantial Completion of the Project and shall continue in force only while said Project is owned by an urban renewal entity formed pursuant to the Law; provided, however, that in no case shall this Financial Agreement remain in effect longer than 35 years from the date of execution of this Financial Agreement. Upon expiration of the term of this tax exemption, (i) the tax exemption for the Project shall no longer be in effect and the Land and the Improvements on the Property thereon shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the City and (ii) all restrictions and limitations upon the Entity shall terminate upon the Entity's rendering and the City's acceptance of the Entity's final accounting.

Article IV - Annual Service Charge

Section 4.1 Annual Service Charge

(a) The Annual Gross Revenue shall be calculated as set forth within N.J.S.A. 40A:20-3(a) and shall include the total of all revenues that would normally be payable to a landlord in the case where the landlord is responsible to pay all costs of operations and maintenance as well as to pay the full cost of the capital required to construct the Project. To the extent that the actual revenues collected by the Entity are less than such amount, due to any reason including without limitation, the payment of expenses by tenants that would normally be paid by the landlord, such as insurance, taxes and or maintenance or the existence of an intermediate entity between the Entity and any tenant, but specifically excluding reductions in revenue due to vacancies within the

Project, the City shall have the right, at its sole discretion, to recalculate the amount that the revenues would have been, without such issues and to utilize the results of its recalculations in all determinations of Annual Service Charges.

(b) All parking spaces on the Property, if applicable and approved by the Office of Central Planning, will be exclusively for the use of the owners, tenants or customers of the Property. If the Entity charges for the parking spaces on the Property, the Entity must report this as other revenue generated from the Project. In the event that the Entity seeks to lease the parking spaces on the Property, the Entity must first notify the City in writing and must comply with all City ordinances and State laws regarding parking.

(c) The Annual Service Charge for year one (1) through year fourteen (14) of this Financial Agreement shall be the amount equivalent to ten percent (10%) of the Annual Gross Revenue generated from the Project. The Annual Service Charge for the remaining period of the Financial Agreement shall be determined as follows, pursuant to N.J.S.A. 40A:20-12(b)(2):

- (i) During year fifteen (15) through year twenty (20) of the Financial Agreement, the Annual Service Charge shall be an amount equal to ten percent (10%) of the Annual Gross Revenue generated from the Project or twenty percent (20%) of the amount of the taxes otherwise due on the value of the Land and Improvements, whichever is greater;
- (ii) During year twenty-one (21) through year twenty-six (26) of the Financial Agreement, the Annual Service Charge shall be an amount equal to ten percent (10%) of the Annual Gross Revenue generated from the Project or forty percent (40%) of the amount of the taxes otherwise due on the value of the Land and Improvements, whichever is greater;

- (iii) During year twenty-seven (27) through year twenty-eight (28) of the Financial Agreement, the Annual Service Charge shall be an amount equal to ten percent (10%) of the Annual Gross Revenue generated from the Project or sixty percent (60%) of the amount of the taxes otherwise due on the value of the Land and Improvements, whichever is greater;
- (iv) During year twenty-nine (29) through year thirty (30) of the Financial Agreement, the Annual Service Charge shall be an amount equal to ten percent (10%) of the Annual Gross Revenue generated from the Project or eighty percent (80%) of the amount of the taxes otherwise due on the value of the Land and Improvements, whichever is greater.

In no event shall the Annual Service Charge, excluding taxes on the Land, in any year after the Annual Service Charge Start Date be less than the Minimum Annual Service Charge. The Minimum Annual Service Charge shall not be reduced through any tax appeal on Land and/or Improvement during the period the Agreement is in force and effect.

Section 4.2 Quarterly Installments

The Entity expressly agrees that the aforesaid Annual Service Charge(s) shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each City fiscal year. In the event that the Entity fails to so pay, the amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid.

Section 4.3 Land Tax Credit

The Entity is obligated to make Land Tax Payments, notwithstanding any entitlement to a Land Tax Credit against the Annual Service Charge for the subsequent year. The Entity shall be

entitled to a credit for the amount, without interest, of the Land Tax Payments paid by it in the last four preceding quarterly installments in the prior tax year (the "Land Tax Credit") against the Annual Service Charge. For purposes of clarification the amount of the Land Tax Credit to be applied against the quarterly installment of the Annual Service Charge shall equal $\frac{1}{4}$ of the total Land Tax Payments paid by it in the last four preceding quarterly installments in the prior tax year. The Entity's failure to make the requisite Annual Service Charge payment in a timely manner shall constitute a violation and breach of the Financial Agreement and the City shall, among its other remedies, have the right to proceed against the Property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54: 5-1, et. seq. and/or may cancel the Financial Agreement upon thirty (30) days notice to the Entity. Any default arising out of the Entity's failure to pay Land Taxes and/or Annual Service Charges, shall not be subject to the default procedural remedies as provided in Section 5.1 of this Financial Agreement.

Section 4.4 Material Conditions

It is expressly agreed and understood that all Land Tax Payments, Annual Service Charges, including the methodology of computation, water and sewer charges, and any interest payments due, are material conditions of this Financial Agreement. If any other term, covenant or condition of this Financial Agreement or the Application, to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Financial Agreement shall be valid and be enforced to the fullest extent permitted by law.

Section 4.5 City Administrative Charge

In addition to the Annual Service Charge, there will be a fee of two (2%) percent of the Annual Service Charge added for each year that the Financial Agreement is in effect in order to cover the City's administrative costs.

Article V - Dispute Resolution

Section 5.1 Remedies

In the event of a breach of this Financial Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, other than those items specifically included as material conditions herein, either party may apply to the Superior Court of New Jersey for relief through the filing of an appropriate proceeding to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the Law. In the event that the Superior Court does not accept jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined, in accordance with its rules and regulations, in such a fashion to accomplish the purpose of said Law. Costs for said arbitration shall be borne equally by the parties. In the event of a default on the part of the Entity to pay the Annual Service Charge as defined in Article IV, above, the City among its other remedies, reserves the right to proceed against the Entity's Property, in the manner provided by N.J.S.A. 54:5-1 to 54:5-129, and any act supplementary or amendatory thereof. Whenever the word "Taxes" appear, or is applied, directly or implied to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Financial Agreement, as if the Annual Service Charge were taxes or municipal liens on land. In such event, however, the Entity, whichever the case may be, does not waive any defense it may have to contest the right of the City to proceed in the above mentioned manner by conventional or In Rem Tax foreclosure.

Article VI – Certificate of Occupancy

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to make application for and make all best efforts to obtain all Certificates of Occupancy in a timely manner as identified in the Application and failure to use best efforts to secure and submit said Certificates of Occupancy shall subject the Property to full taxation.

Section 6.2 Substantial Completion

The Annual Service Charge is to commence from the first day of the month following the Substantial Completion of the Project or any phase(s) thereof, if the Project is undertaken in phases.

The phrase Substantial Completion denotes the issuance, by the City's Construction Official, of any valid Certificate of Occupancy of all, or a substantial part of, the Project's structure.

Section 6.3 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with the Tax Assessor, the Tax Collector and the Chief Financial Officer of the City a copy of such certificate.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action taken by the City's Tax Assessor in the absence of such filing by the Entity.

The estimated cost basis disclosed by the Application and Financial Agreement may, at the option of the City's Construction Official, be used as the basis for construction cost in the issuance of the building permit(s).

Article VII - Annual Audits

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles and as otherwise prescribed in the Law during the term of the tax exemption.

Section 7.2 Periodic Reports

Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis, that this Financial Agreement shall continue in effect, the Entity shall submit its Auditor's Report certified by a certified public accountant for the preceding fiscal or calendar year to the City's Chief Financial Officer, and the City Clerk, who shall advise those municipal officials required to be advised, and to the Director of the Division of Local Government Services in the Department of Community Affairs as required under N.J.S.A. 40A:20-9(d). Said Auditor's Report shall include, but not be limited to the following:

Rental schedule of the Project, and the terms and interest rate on any mortgage(s) associated with the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Financial Agreement.

After completion of the Project, the Entity agrees to submit a Total Project Cost audit certified by a certified public accountant within ninety (90) days after completion of the Project.

Section 7.3 Inspection

The Entity shall permit the inspection of property, equipment, buildings and other facilities of the Project. It also shall permit, upon request, examination and audit of its books, contracts, records, documents and papers by representatives duly authorized by the City. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of any officer or agent of the Entity.

Section 7.4 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to limitation of its profits payable by it pursuant to the provisions of N.J.S.A. 40A:20 -15.

The Entity shall have the right to establish a reserve against unpaid rentals, reasonable contingencies and/or vacancies in an amount not exceeding ten percent (10%) of the gross revenues of the Entity for the fiscal year preceding the year in which a determination is being made with respect to permitted Net Profits as provided in N.J.S.A. 40A:20-15, said reserve to be noncumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of ten percent (10%) of the preceding year's gross revenues as aforesaid.

Section 7.5 Payment of Dividend and Excess Profit Charge

In the event the Net Profits of the Entity, as provided in N.J.S.A. 40A:20-15, shall exceed the Allowable Net Profits for such period, then the Entity shall, within 90 days after the end of such fiscal year, pay such excess profit to the City as an additional service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 7.4.

Article VIII - Assignment and/or Assumption

Section 8.1 Approval

Any change made in the ownership of the Project, any change made in the ownership of the Entity prior to Substantial Completion, or any other change that would materially affect the terms of the Financial Agreement shall be void unless approved by the Municipal Council by resolution. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of the Financial Agreement to an urban renewal entity eligible to operate under the Law provided that the Entity is not in default regarding any performance required of it hereunder and full compliance with the Law has occurred and the Entity obligation under this Financial Agreement with the City is fully assumed by the transferee.

Section 8.2 Operation of Project

The Project shall be operated in accordance with the provisions of the Law, as currently amended and/or supplemented. Operation of the Project under this Financial Agreement shall not only be terminable as provided by the Law, but also by a material breach of this Financial Agreement.

Section 8.3 Termination

The Entity hereby agrees at all times prior to the expiration or termination of this Financial Agreement to remain bound by the provisions of the Law. It is an express condition of the granting of this tax exemption that during its duration, the Entity shall not, without the prior consent of the Municipal Council, convey, mortgage or transfer, all or part of the Project so as to sever, disconnect, or divide the Improvements from the Land which are basic to, embraced in, or underlying the exempted Improvements.

Article IX Waiver

Section 9.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including without limitation, the right to terminate the Financial Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit any right of recovery of any amount that the City has under law, in equity, or under any provisions of this Financial Agreement.

Article X – Notice

Section 10.1 Notice

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested, addressed as follows:

(a) When sent by the City to the Entity it shall be addressed as follows:

595 Lincoln Orange Urban Renewal LLC
80 River Street
#2C
Hoboken, New Jersey 07030

With copies to:

Elnardo J. Webster, II, Esq.
Connell Foley LLP
1085 Raymond Boulevard, 19th Floor
Newark, New Jersey 07102

(b) When sent by the Entity to the City, it shall be addressed as follows:

City Hall
29 N. Day Street
Orange, New Jersey 07050
Attention: Municipal Clerk

The notice to the City shall identify the subject as “595 Lincoln Avenue Redevelopment Project” and shall include any assigned tax account numbers.

Article XI – Compliance

Section 11.1 Statutes and Ordinances

The Entity hereby agrees at all times prior to the expiration or termination of this Financial Agreement to remain bound by the provisions of Federal and State Statutes and Municipal Ordinances and Regulations including, but not limited to, the Law. The Entity's failure to comply with such statutes or Ordinances shall constitute a violation and breach of the Financial Agreement and the City shall, among its other remedies, have the right to terminate said tax exemption.

Article XII - Construction

Section 12.1 Construction

This Financial Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Financial Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Article XIII – Indemnification

Section 13.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action brought against the Entity by reason of any breach, default or a violation of any of the provisions of this Financial Agreement and/or the provisions of the Law, the Entity shall indemnify and hold the City harmless, and the Entity agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents, the expense thereof to be borne by the Entity.

Article XIV - Default

Section 14.1 Default

Default shall be failure of the Entity to conform with the terms of this Financial Agreement and failure of the Entity to perform any obligation imposed upon the Entity by statute, ordinance or lawful regulation.

Section 14.2 Cure Upon Default

Should the Entity be in default on any obligation other than the obligation to pay the Annual Service Charge and Land Taxes as defined and set forth in this Financial Agreement, the City shall notify the Entity in writing of said default. Said notice shall set forth with particularity the basis of said default. The Entity shall have thirty (30) days from its receipt of such notice to cure any notice. The City may not cancel the Financial Agreement unless thirty (30) days notice to cure has also been given to all lenders of record.

Section 14.3 Remedies Upon Default

Subsequent to the passage of thirty (30) days after the Entity's receipt of a default notice without cure, the City shall have the right to proceed against the Property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54: 4-1, et seq. if the default is the failure to pay the Annual Service Charge and/or may cancel the Financial Agreement. All of the remedies provided in this agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No determination of any provision within this Financial Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay land taxes, the Annual Service Charge, and/or the water and sewer charges and interest payments. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due nor shall the bringing of any action for Land Taxes and Annual Service Charges, or other charges, or for breach of covenant or the resort of any other remedy herein provided for the recovery of land taxes, Annual Service Charges, and water

and sewer charges, or other charges be construed as a waiver of the right to terminate said tax exemption or proceed with In Rem Foreclosure action or any other remedy.

Article XV - Termination

Section 15.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy such default or breach within the time period provided in Section 14.2, the City may cancel this Financial Agreement upon thirty (30) days notice to the Entity and all lenders of record. For purposes of rendering a final financial accounting the termination of the Financial Agreement shall be deemed to be the end of the fiscal year for the Entity. The Entity shall within ninety (90) days after the date of such termination pay to the City a sum equal to the amount of the reserves, if any, maintained pursuant to N.J.S.A. 40A:20-13 and 15. Upon such termination of the Project, all affected parcels and all improvements made thereto shall be assessed and subject to taxation as are all other taxable properties within the City.

Section 15.2 Voluntary Termination by the Entity

The Entity may after the expiration of one year from the completion date of the Project notify the Municipal Council of the City that as of a certain date designated in the notice, it relinquishes its status as a tax exempted project. As of the date so set, the tax exemption, the service charges and the profit and dividend restriction shall terminate. Upon termination, the Entity shall provide a final accounting and pay any reserve, if any, to the City pursuant to the provisions of N.J.S.A. 40A:20-13 and 15.

Section 15.3 Final Accounting

Upon any termination of such exemption, whether by affirmative action of the Entity or by virtue of the provisions of the Law, or pursuant to the terms of this Financial Agreement, the date of such termination shall be deemed to be the end of the fiscal year of the Entity.

It is further provided that at the end of the period of tax exemption granted hereunder, the Land and Improvements shall be assessed and taxed according to general law like other property in the City. At the same date, all restrictions and limitations upon the Entity shall terminate upon the Entity rendering its final accounting with the City, and the City's acceptance thereof, pursuant to N.J.S.A. 40A:20-13.

Article XVI - Miscellaneous

Section 16.1 Conflict

The parties agree that in the event of a conflict between the Application and the Financial Agreement, the language in this Financial Agreement shall govern and prevail.

Section 16.2 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Financial Agreement. This Financial Agreement, the Ordinance authorizing the Financial Agreement, and the Application constitute the entire agreement between the parties and there shall be no modifications thereto other than by a written instrument executed by both parties and delivered to each.

Section 16.3 Entire Document

This Financial Agreement and all conditions in the Ordinance of the Municipal Council approving this Financial Agreement are incorporated in this Financial Agreement and made a part hereof.

Section 16.4 Good Faith

In their dealings with each other, utmost good faith is required from the Entity and the City.

Section 16.5 Grammatical Agreement

The bracketing of the letter(s) at the end of a word such as unit(s) shall mean the singular or plural as proper meaning requires and all related verbs and pronouns shall be made to correspond.

Section 16.6 Recording

Either this entire Financial Agreement or a memorandum of recording will be filed and recorded with the Essex County Register of Deeds by the Entity.

Article XVII – Exhibits

Exhibit A – The 595 Lincoln Orange Urban Renewal LLC Tax Abatement Application

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the day and year first above written.

ATTEST:

595 LINCOLN ORANGEURBAN
RENEWAL LLC

Witness

By: _____
Alexander McGee, Managing Member

ATTEST:

THE CITY OF ORANGE TOWNSHIP

Clerk

Dwayne D. Warren, Esq., Mayor

APPROVED AS TO FORM

City Attorney

EXHIBIT A
[Long Term Tax Exemption Application]