

Financial Agreement

By and Between

Borough of Roseland

and

6 BECKER URBAN RENEWAL, L.L.C.

THIS FINANCIAL AGREEMENT (hereinafter “**Agreement**” or “**Financial Agreement**”), made this 3 day of MAY, 2018, by and between 6 Becker Urban Renewal, L.L.C. (the “**Urban Renewal Entity**” or “**Redeveloper**”), a New Jersey limited liability company qualified to do business under the provisions of the *Long Term Tax Exemption Law of 1992*, as amended and supplemented, *N.J.S.A. 40A:20-1 et seq.* (the “**Exemption Law**”), with offices c/o ROSELAND RESIDENTIAL TRUST, A Mack-Cali Company, Harborside 3 – 210 Hudson Street, Suite 400, Jersey City, New Jersey 07311, along with its permitted successors and/or assigns, and the Borough of Roseland, a municipal corporation in the County of Essex and the State of New Jersey (the “**Borough**”; together with the Urban Renewal Entity, the “**Parties**”).

WITNESSETH:

WHEREAS, pursuant to the *Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.* (the “**Redevelopment Law**”), the municipal council (the “**Borough Council**”) of the Borough of Roseland (the “**Borough**”) on February 28, 2016, adopted a resolution which designated an area consisting of certain properties identified on the tax map of the Borough as Block 30, Lot 2 (the “**Property**”) as an area in need of redevelopment; and

WHEREAS, the Borough Council designated the Borough as the redevelopment entity responsible for implementing and carrying out redevelopment plans pursuant to the Redevelopment Law; and

WHEREAS, Maser Consulting, P.A., has prepared, and the Borough Council has adopted, the redevelopment plan entitled “Redevelopment Plan for Block 30, Lot 2 also known as 6 Becker Farm Road, Borough of Roseland, Essex County, New Jersey” (the “**Redevelopment Plan**”), providing the development standards for the Property; and

WHEREAS, on the Borough Council referred the Redevelopment Plan to the Borough planning board (the “**Planning Board**”) for comments and recommendations; and

WHEREAS, the Planning Board held a public hearing and provided findings with respect to the proposed Redevelopment Plan; and

WHEREAS, after reviewing the Planning Board’s recommendation, the Borough Council adopted the Redevelopment Plan by Ordinance #11-2017 on August 15, 2017; and

WHEREAS, the Redeveloper submitted to the Borough a proposal to undertake the construction of a four (4)-story residential apartment building with up to 300 units, consisting of two hundred forty (240) market rate family rental residential units (consisting of eleven (11) studio, seventy nine (79) one bedroom and one hundred fifty (150) two bedroom apartments) and 60 units would be affordable to low and moderate income households, as well as approximately 591 parking spaces (inclusive of approximately 330 pre-cast garage parking spaces) (the “**Project**”); and

WHEREAS, on April 17, 2018, the Borough adopted Resolution No. 148-2018, designating the Redeveloper as “redeveloper” (as such term is defined in the Redevelopment Law) of the Property and authorizing the execution of a redevelopment agreement; and

WHEREAS, the Borough and the Redeveloper executed a redevelopment agreement, dated MAY 3, 2018 (the “**Redevelopment Agreement**”), that set forth the terms and conditions upon which the Property is to be redeveloped; and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Borough now enters into this Financial Agreement with the Urban Renewal Entity, which Agreement shall govern payments made to the Borough in lieu of real estate taxes on the Project pursuant to the Exemption Law; and

WHEREAS, the Urban Renewal Entity has filed an application (the “**Application**,” as further defined herein), with the Mayor of the Borough for approval of a long term tax exemption for the Improvements (as defined herein) to the extent permitted by the Exemption Law; and

WHEREAS, the Borough has made the following findings with respect to the Project:

- A. Relative benefits of the Project:
 - i. The Project will provide additional housing in the Borough, along with the renewal and revitalization of the Redevelopment Area.
 - ii. The Borough will benefit from the creation of approximately six (6) permanent new jobs.
 - iii. Without the tax exemption granted herein, it is highly unlikely that the Urban Renewal Entity would have proceeded with the Project.
 - iv. It is anticipated that the general contractor hired to build this Project will employ approximately 175 construction workers which will consist of minorities, women, and the local residents of the Borough.
- B. Assessment of the importance of the Tax Exemption in obtaining development of the Project and influencing the locational decisions of probable occupants:
 - i. Tax Exemption permits better use of the Land through:
 - a. Revitalizing the neighborhood, re-using lands that have become obsolete, and increasing the quality of life for the residents of the community. It will also offer market rate and affordable housing and retail spaces to generate additional tax revenue for the Borough.

WHEREAS, upon consideration of the Application and the Mayor's recommendations with respect thereto pursuant to *N.J.S.A. 40A:20-8*, the Borough Council, on April 17, 2018, adopted Ordinance No. 05-2018 (the “**Ordinance**”), authorizing the execution of this Agreement and granting a tax exemption in accordance with the terms hereof; and

WHEREAS, in order to satisfy requirements of the Exemption Law and to set forth the terms and conditions under which the Parties shall carry out their respective obligations with respect to the Annual Service Charge (as such term is defined herein), the Parties have determined to execute 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 1.01 Governing Law – THIS FINANCIAL AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THIS STATE, INCLUDING THE PROVISIONS OF THE EXEMPTION LAW, THE REDEVELOPMENT LAW AND ALL OTHER APPLICABLE LAWS. IT IS HEREBY EXPRESSLY ACKNOWLEDGED, UNDERSTOOD AND AGREED THAT EACH AND EVERY PARCEL OF LAND, AND ANY IMPROVEMENT RELATED THERETO, INCLUDING WITHOUT LIMITATION, ANY UNIT, AS SUCH TERMS ARE DEFINED HEREIN, SHALL BE SUBJECT TO AND GOVERNED BY THE TERMS OF THIS FINANCIAL AGREEMENT.

Section 1.02 General Definitions. The following terms shall have the meaning assigned to such term in the preambles hereof:

Agreement	Planning Board
Application	Project
Borough	Redeveloper
Borough Council	Redevelopment Agreement
Exemption Law	Redevelopment Area
Financial Agreement	Redevelopment Law
Ordinance	Redevelopment Plan
Parties	Urban Renewal Entity

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

Administrative Fee – shall be as defined in Section 14.08 herein.

Allowable Net Profit – shall mean the amount arrived at by applying the Allowable Profit Rate to the cost of the Project pursuant to the provisions of *N.J.S.A. 40A:20-3(c)*.

Allowable Profit Rate – shall mean the greater of (a) twelve percent (12%) or (b) the percentage per annum arrived at by adding one and one-quarter percent (1¼%) to the annual interest percentage rate payable on the Urban Renewal Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of (i) twelve percent (12%) or (ii) the percentage per annum arrived at by adding one and one-quarter percent (1¼%) per annum to the interest rate per annum that the Borough determines to be the prevailing rate of mortgage financing on comparable improvements in the County. The provisions of *N.J.S.A. 40A:20-3(b)* are incorporated herein by reference.

Annual Gross Revenue or **Gross Revenue** – shall have the meaning applied to such term in, and shall be construed in accordance with, the Exemption Law, specifically *N.J.S.A. 40A:20-3(a)* and Section 6.07 hereof.

Annual Service Charge – shall mean the payment pursuant to Article IV herein.

Annual Service Charge Payment Dates – shall mean February 1, May 1, August 1 and November 1 of each year commencing on the first such date following the Annual Service Charge Start Date and continuing in accordance with the term of this Financial Agreement.

Annual Service Charge Start Date – shall mean, with respect to the Project or any portion thereof, including any Unit, the earlier of Substantial Completion or the date that the Project or any portion thereof, as applicable, including any Unit, receives a Certificate of Occupancy, and shall be the date upon which the Annual Service Charge begins to accrue.

Applicable Law – shall mean all federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, the Ordinance, the Redevelopment Law, the Exemption Law, relevant construction codes including construction codes governing access for people with disabilities, and such zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations thereunder, including all applicable environmental laws, applicable federal and State labor standards and all applicable laws or regulations with respect to the payment of prevailing wages.

Application – shall mean collectively, the applications, as supplemented, filed by the Urban Renewal Entity pursuant to *N.J.S.A. 40A:20-8* with the Mayor of the Borough for a long-term tax exemption for the Project, attached hereto as **Exhibit 2**.

Auditor's Report – shall mean a complete financial statement outlining the financial status of the Project (for a period of time as indicated by context), which shall also include a certification of Total Project Cost and clear computation of Net Profit as provided in *N.J.S.A. 40A:20-3(c)(2)*. The contents of the Auditor's Report shall have been prepared in conformity with Generally Accepted Auditing Standards. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant licensed to practice that profession in the State.

Borough Clerk – shall mean the Clerk of the Borough.

Certificate of Occupancy – shall mean a temporary or permanent Certificate of Occupancy, as such term is defined in the New Jersey Administrative Code, as issued by the Borough authorizing occupancy of a building, in whole or in part, pursuant to *N.J.S.A. 52:27D-133*.

Change in Law – shall mean the enactment, promulgation, modification or repeal of or with respect to Applicable Law, including without limitation, the Exemption Law, the Redevelopment Law or other similar statute with respect to the matters addressed by the terms of this Financial Agreement and/or the transactions contemplated hereby.

Chief Financial Officer – shall mean the Borough's chief financial officer.

Completion, Complete or Completed – shall mean, with respect to the Project, (a) all work related to the Project in its entirety or any other work or actions to which such term is applied has been completed, acquired and/or installed in accordance with the Redevelopment Agreement and in compliance with Applicable Laws so that (i) the Project in its entirety may, in all respects, be used and operated under the applicable provisions of the Redevelopment Agreement, or (ii) with respect to any other work or action to which such term is applied, that the intended purpose of such work or action has been completed; (b) all permits, licenses and approvals that are required can be issued for the Project in its entirety or such other work or action to which such term is applied are in full force and effect; and (c) such “completion” has been evidenced by a written notice provided by the Urban Renewal Entity with respect to the Project, which determination is reasonably acceptable to the Borough.

County – shall mean the County of Essex.

County Share – shall mean five percent (5%) of the Annual Service Charge received by the Borough, which shall be payable to the County as provided herein.

Default – shall mean a breach of or the failure of any Party to perform any obligation imposed upon such Party by the terms of this Agreement, or under Applicable Law, beyond any applicable grace or cure periods.

Disclosure Statement – shall be as defined in Section 6.02(b).

Exhibit(s) – shall mean any exhibit attached hereto, which shall be deemed to be a part of this Financial Agreement, as if set forth in full in the text hereof.

Improvements – shall mean any building, structure or fixtures which are permanently affixed to the Land as part of the Project and become incorporated therein, which improvements are recognized and exempted from taxation under this Agreement.

In Rem Tax Foreclosure – shall mean a summary proceeding by which the Borough 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.*

Land – shall mean the real property, but not the Improvements, known as Block 30, Lot 2 as set forth on the tax maps of the Borough, and more particularly described by the metes and bounds description set forth as **Exhibit 1** to this Agreement.

Land Taxes – shall mean the amount of taxes assessed on the value of the Land upon which the Project is located.

Land Tax Payments – shall mean payments made on the quarterly due dates for Land Taxes as determined by the Tax Assessor and the Tax Collector.

Material Conditions – shall be as defined in Section 4.05 herein.

Minimum Annual Service Charge – shall be the amount of the total taxes levied against the Property in the last full tax year in which the Property was subject to taxation.

Net Profit – shall mean the Gross Revenue of the Urban Renewal Entity pertaining to the Project less all operating and non-operating expenses of the Urban Renewal Entity, all determined in accordance with generally accepted accounting principles and the provisions of *N.J.S.A. 40A:20-3(c)*. Without limiting the foregoing, included in expenses shall be payments of principal and interest made by the Urban Renewal Entity in an amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost over the term of the exemption granted pursuant to this Agreement as well as all other expenses permitted under the provisions of *N.J.S.A. 40A:20-3(c)*.

Project – shall mean that component of the Project consisting of the design, development, financing and construction of approximately 300 residential rental units, required parking, and uses attendant and necessary thereto as required, or otherwise permitted, under the Redevelopment Plan, the Redevelopment Agreement and Applicable Law.

Residential Unit – shall mean one of the residential rental units to be built as a part of the Residential Project.

State – shall mean the State of New Jersey.

Substantial Completion – shall mean the date the work related to the Project, or any portion thereof, including any Unit, is sufficiently complete in accordance with the Redevelopment Plan and the Redevelopment Agreement so that the Project, or any portion thereof, including any Unit, may be occupied or utilized for the use for which it is intended. The issuance of a temporary Certificate of Occupancy shall be conclusive proof that the Project, or any portion thereof, including any Unit, has reached Substantial Completion.

Tax Assessor – shall mean the Borough tax assessor.

Tax Collector – shall mean the Borough tax collector.

Tax Sale Law – *N.J.S.A. 54:5-1 et seq.*, as the same may be amended or supplemented from time to time.

Term – shall be as defined in Section 3.01 of this Agreement.

Termination – shall mean the expiration of the term of this Agreement in accordance with Section 3.01 hereof which by operation of the terms of this Financial Agreement shall cause the relinquishment of the tax exemption applicable to any Improvement, including any Unit.

Total Project Cost – shall have the meaning applied to such term in, and shall be construed in accordance with, the Exemption Law, specifically *N.J.S.A. 40A:20-3(h)*.

Section 1.03 Interpretation and Construction. In this Financial Agreement, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Financial Agreement, refer to this Financial Agreement, and the term “hereafter” means after, and the term “heretofore” means before the date of delivery of this Financial Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, as well as natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Financial Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Financial Agreement, nor shall they affect its meaning, construction or effect.

(e) Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any person or party hereunder shall not be unreasonably withheld, conditioned, or delayed.

(f) All notices to be given hereunder and responses thereto shall be given, unless a certain number of days is specified, in writing and within a reasonable time, which shall not be less than fifteen (15) days nor more than thirty (30) days, unless the context dictates otherwise.

(g) This Financial Agreement shall become effective upon its execution and delivery by the parties hereto.

(h) All exhibits referred to in this Financial Agreement and attached hereto are incorporated herein and made part hereof.

ARTICLE II

BASIS OF AGREEMENT

Section 2.01 Covenant of Tax Exemption. The Borough hereby grants its approval for a tax exemption for the Improvements, including, without limitation, any Unit, to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of Applicable Law, which Improvements shall be constructed and/or renovated on the Land. Land Taxes and Land Tax Payments shall continue to be paid on the Land at all times during the term of this Agreement.

Section 2.02 Representations of Urban Renewal Entity. The Urban Renewal Entity represents that its Certificate of Formation, attached hereto as **Exhibit 3**, contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the State Department

of Community Affairs, and has been filed with, as appropriate, the State Department of Treasury, all in accordance with *N.J.S.A. 40A:20-5*.

Section 2.03 Construction of the Project. The Urban Renewal Entity represents that it will construct the Project in accordance with the Redevelopment Agreement, the Redevelopment Plan and Applicable Law, the use of which is more specifically described in the Application attached hereto as **Exhibit 2**.

Section 2.04 Construction Schedule. The Urban Renewal Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the construction schedule set forth in the Redevelopment Agreement, as such schedule may be amended from time to time in accordance with the terms of the Redevelopment Agreement.

Section 2.05 Ownership, Management and Control.

(a) The Urban Renewal Entity hereby represents that it is the fee title owner of the Property.

Section 2.06 Financial Plan. The Urban Renewal Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as **Exhibit 4**. The Plan sets forth estimated Total Project Cost, amortization rate on Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

Section 2.07 Statement of Rental Schedules. The Urban Renewal Entity represents that its good faith projections of the initial rental schedules are set forth in **Exhibit 5** attached hereto.

ARTICLE III DURATION OF AGREEMENT

Section 3.01 Term. It is understood and agreed by the Parties that this Agreement, including the obligation to pay the Annual Service Charge required under Article IV hereof and the tax exemption granted and referred to in Section 2.01 hereof, shall, with respect to the Project or any portion thereof, including any Unit, remain in full force and effect for twenty (20) years from the Annual Service Charge Start Date, but in no event shall be greater than allowable pursuant to Applicable Law. Upon Termination, the tax exemption for the Project shall expire and the Improvements shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Borough. Upon Termination, all restrictions and limitations upon the Urban Renewal Entity shall terminate upon the Urban Renewal Entity's rendering and the Borough's acceptance of its final accounting, pursuant to *N.J.S.A. 40A:20-13*.

Section 3.02 Date of Termination. Upon any Termination of the tax exemption described in Section 2.01 hereof, the date of such Termination shall be deemed to coincide with the end of the fiscal year of the Urban Renewal Entity.

ARTICLE IV

ANNUAL SERVICE CHARGE

Section 4.01 Payment of Conventional Taxes Prior to Commencement of Annual Service Charge. During the period between execution of this Agreement and the Substantial Completion of the Project, the Urban Renewal Entity shall make payment of conventional real estate taxes with respect to the Land and the improvements currently existing thereon, at the time and to the extent due in accordance with generally applicable law.

Section 4.02 Commencement of Annual Service Charge. The Urban Renewal Entity shall make payment of an annual service charge (the “**Annual Service Charge**”) commencing on the Annual Service Charge Start Date.

Section 4.03 Payment of Annual Service Charge.

(a) The Annual Service Charge shall be due and payable to the Borough on the Annual Service Charge Payment Dates, commencing to accrue as of the Annual Service Charge Start Date. In the event that the Urban Renewal Entity fails to timely pay any installment of the Annual Service Charge, the amount past due shall bear until paid the highest rate of interest permitted under applicable State law then being assessed against other delinquent taxpayers in the case of unpaid taxes or tax liens.

(b) Each installment payment of the Annual Service Charge is to be made to the Borough and shall be clearly identified as “Annual Service Charge Payment for the Project.”

Section 4.04 Annual Service Charge. In consideration of the exemption from taxation for the Improvements, including the Units, the Urban Renewal Entity shall pay the Annual Service Charge to the Borough on the Annual Service Charge Payment Dates in the amounts set forth below.

- (a) The Annual Service Charge shall be equal to an amount calculated as follows:
- (i) For each of the first ten (10) years from the Annual Service Charge Start Date, the Annual Service Charge shall be equal to the greater of (A) ten percent (10%) of the Annual Gross Revenue or (B) the Minimum Annual Service Charge, to the extent applicable; and
 - (ii) For each of the years 11 through 20 from the Annual Service Charge Start Date, the Annual Service Charge shall be equal to the greater of (A) eleven percent (11%) of the Annual Gross Revenue, (B) the Minimum Annual Service Charge, or (C) a percentage of the real property taxes otherwise due on the value of the Land and the Improvements to the extent applicable as more fully set forth in (b) below.
- (b) Notwithstanding the foregoing, in any given year the Annual Service Charge shall be subject to the staged increases required under N.J.S.A. 40A:20-12(b)(2) as described herein, the Annual Service Charge shall be the greater of (a) above or:

- (i) For years 1 through 10 zero percent (0%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (ii) For years 11 through 15 twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (iii) For years 16 through 17 forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (iv) For years 18 through 19 sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements; and
- (v) For year 20 eighty percent (80%) of the real property taxes otherwise due on the value of the Land and the Improvements.

(c) In accordance with the Exemption Law, including without limitation, N.J.S.A. 40A:20-12, the Urban Renewal Entity shall be entitled to a credit against the Annual Service Charge equal to the amount, without interest, of the Land Taxes paid by it in the last four preceding quarterly installments.

Section 4.05 Material Conditions. It is expressly agreed and understood that all payments of Land Taxes, Annual Service Charges and any interest payments, penalties or costs of collection due thereon, are material conditions of this Financial Agreement. If any other term, covenant or condition of this Financial Agreement or the Application, as to any person or circumstance shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Financial 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 remaining term, covenant or condition of this Financial Agreement shall be valid and enforced to the fullest extent permitted by Applicable Law.

ARTICLE V

CERTIFICATE OF OCCUPANCY

Section 5.01 Certificate of Occupancy. It is understood and agreed that it shall be the obligation of the Urban Renewal Entity to obtain all Certificates of Occupancy in a timely manner after the Urban Renewal Entity has satisfied all requirements to secure such Certificate of Occupancy.

Section 5.02 Filing of Certificate of Occupancy. It shall be the responsibility of the Urban Renewal Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Notwithstanding the foregoing, the filing of any Certificate of Occupancy shall not be a prerequisite for any action taken by the Borough, including, if appropriate, retroactive billing with interest to collect any charges hereunder to be due.

ARTICLE VI

ACCOUNTING, REPORTS, CALCULATIONS

Section 6.01 Accounting System. The Urban Renewal Entity agrees to calculate its Net Profit pursuant to *N.J.S.A. 40A:20-3(c)*. The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles or in accordance with cash basis accounting principles and as otherwise prescribed by applicable law.

Section 6.02 Periodic Reports.

(a) Auditor's Report. Within ninety (90) days after the close of each fiscal or calendar year (depending on the Urban Renewal Entity's accounting basis) that this Agreement shall continue in effect, the Urban Renewal Entity shall submit to the Borough Council, the Tax Collector and the Borough Clerk, who shall advise those municipal officials required to be advised, and the Division of Local Government Services in the State Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The report shall clearly identify and calculate the Net Profit for the Urban Renewal Entity during the previous year. The Urban Renewal Entity assumes all costs associated with preparation of the periodic reports.

(b) Disclosure Statement. On each anniversary date of the execution of this Agreement, if there has been a change in ownership or interest in the Project from the prior year's filing, the Urban Renewal Entity shall submit to the Borough Council, the Tax Collector and the Borough Clerk, who shall advise those municipal officials required to be advised, a disclosure statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the Borough may request from time to time (the "**Disclosure Statement**").

Section 6.03 Inspection. The Urban Renewal Entity shall, upon reasonable request and notice, permit inspection of its property, equipment, buildings and other facilities of the Project and also permit examination of audit of its books, contracts, records, documents and papers with respect to the Project, by authorized officers of the Borough, and the Division of Local Government Services in the State Department of Community Affairs pursuant to *N.J.S.A. 40A:20-9(e)*. To the extent reasonably possible, the inspection will not materially interfere with the construction or operation of the Project.

Section 6.04 Limitation on Profits and Reserves. During the period of tax exemption as provided herein, the Urban Renewal Entity shall be subject to a limitation of its profits pursuant to the provisions of *N.J.S.A. 40A:20-15*. Pursuant to *N.J.S.A. 40A:20-3(c)*, this calculation is completed in accordance with generally accepted accounting principles.

The Urban Renewal Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to 10 percent of the Annual Gross Revenues of the Urban Renewal Entity for the last full fiscal year preceding the year and may retain such part of the excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in *N.J.S.A. 40A:20-15*.

Section 6.05 Payment of Dividend and Excess Profit Charge. In the event the Net Profits of the Urban Renewal Entity shall exceed the Allowable Net Profits for such period, then the Urban Renewal Entity, within one hundred and twenty (120) days after the end of the accounting period established by the Exemption Law, shall pay such excess Net Profits to the Borough as an additional service charge; provided, however, that the Urban Renewal Entity may maintain a reserve as determined pursuant to aforementioned Section 6.04. The calculation of Net Profit and Allowable Net Profit shall be made in the manner required pursuant to *N.J.S.A.* 40A:20-3(c) and -15.

Section 6.06 Calculation of Gross Revenue and Net Profit. There is expressly excluded from calculation of Gross Revenue and from Net Profit as set forth in *N.J.S.A.* 40A:20-3 for the purpose of determining compliance with *N.J.S.A.* 40A:20-15 or -16, any gain realized by the Urban Renewal Entity on the sale of any Unit, whether or not taxable under federal or State law.

ARTICLE VII

ASSIGNMENT AND/OR ASSUMPTION

Section 7.01 Approval to Sale of Project by Urban Renewal Entity Formed and Eligible to Operate Under Law. As permitted by *N.J.S.A.* 40A:20-10, it is understood and agreed that the Borough, on written application by the Urban Renewal Entity, will consent to a sale of the Project (or a portion thereof) and the transfer of this Agreement (as pertaining to a portion of the Project) to another urban renewal entity, provided that (a) the transferee urban renewal entity shall have demonstrated to the reasonable satisfaction of the Borough that it possesses the experience and capitalization necessary to complete and/or operate the Project or relevant portion thereof, which determination shall not be unreasonably withheld; (b) the transferee urban renewal entity does not own any other project subject to long term tax exemption at the time of transfer; (c) the transferee urban renewal entity is formed and eligible to operate under the Exemption Law; (d) the Urban Renewal Entity is not then in Default of this Agreement or in violation of Applicable Law; (e) the Urban Renewal Entity's obligations under this Agreement are fully assumed by the transferee urban renewal entity; and (f) the transferee urban renewal entity abides by all terms and conditions of this Agreement including, without limitation, the filing of an application pursuant to *N.J.S.A.* 40A:20-8. Notwithstanding the foregoing, a transfer pursuant to this Section 7.01 is also subject to the transfer prohibitions and exemptions specified in Article 11 of the Redevelopment Agreement.

Section 7.02 Severability. It is an express condition of the granting of this tax exemption that during its duration, the Urban Renewal Entity shall not, without the prior consent of the Borough Council by ordinance, convey, mortgage or transfer, all or part of the Project so as to sever, disconnect, or divide the Improvements from the Land which is basic to, embraced in, or underlying the exempted Improvements.

Section 7.03 Subordination of Fee Title. It is expressly understood and agreed that the Urban Renewal Entity has the right to encumber and/or assign the fee title to the Land and/or Improvements for the purpose of financing the design, development and construction of the Project and that any such encumbrance or assignment shall not be deemed to be a violation of this Agreement. Notwithstanding the foregoing, a transfer pursuant to this Section 7.03 is also subject

to the transfer prohibitions and exemptions specified in Article 11 of the Redevelopment Agreement.

ARTICLE VIII

RESERVATION OF BOROUGH RIGHTS AND REMEDIES

Section 8.01 Reservation of Rights and Remedies. Except as expressly provided herein, nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the Borough or the Urban Renewal Entity of any rights and remedies provided by Applicable Law. Unless otherwise expressly stated, nothing herein shall be deemed to limit any right of recovery that the Borough or the Urban Renewal Entity has under law, in equity, or under any provision of this Financial Agreement.

ARTICLE IX

NOTICES

Section 9.01 Notice. Formal notices, demands and communications between and among the Borough and the Urban Renewal Entity shall be in writing and deemed given if dispatched to the address set forth below by registered or certified mail, postage prepaid, return receipt requested, or by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available. In that case such notice is deemed effective upon delivery. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by written notice.

Copies of all notices, demands and communications shall be sent as follows:

If to the Borough:

Borough of Roseland
140 Eagle Rock Avenue
Roseland, New Jersey 07068
Attn: Borough Clerk
Fax: (973) 403-6031

with copies to:

William W. Northgrave, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, New Jersey 07068
Fax: (973) 712-1431

If to the Urban Renewal Entity:

Ivan M. Baron, Esq.
6 Becker Urban Renewal, L.L.C.
Harborside 3, 210 Hudson Street, Suite 400
Jersey City, New Jersey 07311

Fax: (732) 590-1009

with copies to:

Steven R. Tombalakian, Esq.
WEINER LAW GROUP, LLC
629 Parsippany Road, P.O. Box 0438
Parsippany, New Jersey 07054
Fax: (973) 403-0010

ARTICLE X
COMPLIANCE BY ENTITY WITH LAW

Section 10.01 Statutes and Ordinances. The Urban Renewal Entity hereby agrees at all times prior to the expiration or other Termination of this Financial Agreement to remain bound by the provisions of Applicable Law, including, but not limited to, the Exemption Law. The Urban Renewal Entity's failure to comply with such statutes or ordinances shall constitute a violation and breach of the Financial Agreement.

ARTICLE XI
CONSTRUCTION

Section 11.01 Construction. This Financial Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid or any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Urban Renewal Entity and the Borough have combined in their review and approval of same.

ARTICLE XII
INDEMNIFICATION

Section 12.01 Indemnification. It is understood and agreed that in the event the Borough shall be named as party defendant in any action brought against the Borough by allegation of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of Applicable Law, the Urban Renewal Entity shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Urban Renewal Entity and/or by reason of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of Applicable Law, including without limitation, *N.J.S.A. 40A:20-1 et seq.*, except for the willful misconduct by the Borough or its officers, officials, employees or agents and the Urban Renewal Entity shall defend the suit at its own expense. However, the Borough maintains the right to intervene as a party thereto, to which intervention the Urban Renewal Entity hereby consents, the reasonable expense thereof to be borne by the Urban Renewal Entity. To the extent practical and ethically permissible, the Urban Renewal Entity's attorneys shall jointly defend and represent the

interest of the Borough and the Urban Renewal Entity as to all claims indemnified in connection with this Agreement.

ARTICLE XIII **DEFAULT**

Section 13.01 Default. Default shall be the failure of any party to conform to the terms of this Agreement, and/or the failure of any party to perform any obligation imposed upon such party by Applicable Law beyond any applicable notice, cure or grace period.

Section 13.02 Cure Upon Default. Should any party be in Default of any obligation under this Agreement, the other party shall notify the defaulting party and any mortgagee, if applicable, in writing of said Default. If the defaulting party is the Urban Renewal Entity, the Borough, shall provide such notice. Said notice shall set forth with particularity the basis of said Default. Except as otherwise limited by law, the defaulting party shall have sixty (60) days to cure any Default, other than a Default in payment of any installment of the Annual Service Charge, in which case the defaulting party shall have fifteen (15) days to cure.

Section 13.03 Arbitration. In the event of an uncured Default by any party or a dispute arising between any parties in reference to the terms and provisions as set forth herein, then the parties shall submit the dispute to the American Arbitration Association in the State to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Exemption Law. Costs for said arbitration shall be paid by the non-prevailing party.

Section 13.04 Default in the Payment of Annual Service Charge.

(a) Upon any Default by the Urban Renewal Entity in payment of any installment of the Annual Service Charge, the Borough, in addition to its other remedies, reserves the right to proceed against the applicable Land, and any Improvements related thereto, in the manner provided by Applicable Law and shall have the right to proceed to In Rem Tax Foreclosure consistent with the provisions and procedures of the In Rem Tax Foreclosure Law.

(b) Whenever the word "Taxes" appears, or is applied, directly or implied, to mean taxes or municipal liens on Land, such statutory provisions shall be read, as far as it is pertinent to this Agreement, as if the Annual Service Charge were taxes or municipal liens on Land.

Section 13.05 Remedies Upon Default Cumulative; No Waiver. Subject to the provisions of this Article XIII and the other terms and conditions of this Agreement, all of the remedies provided in this Agreement to any party, and all rights and remedies granted by law and equity shall be cumulative and concurrent and no determination of the invalidity of any provision of this Agreement shall deprive the Borough of any of its remedies or actions against the Urban Renewal Entity because of the Urban Renewal Entity's failure to pay Land Taxes, the Annual Service Charge and/or any applicable water and sewer charges and interest payments. This right shall only apply to arrearages that are due and owing at the time, and the bringing of any action for Land Taxes, 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 or other

charges shall not be construed as a waiver of the right to proceed with an In Rem Tax Foreclosure action consistent with the terms and provisions of this Agreement.

Section 13.06 Final Accounting. Within one hundred and twenty (120) days after the date of Termination, the Urban Renewal Entity shall provide a final accounting and pay to the Borough any excess Net Profits. For purposes of rendering a final accounting the Termination of the Agreement shall be deemed to coincide with the end of the fiscal year of the Borough.

Section 13.07 Conventional Taxes. Upon Termination or expiration of this Agreement, the Tax Exemption for the Improvements shall expire and the Land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the Borough.

ARTICLE XIV MISCELLANEOUS

Section 14.01 Financial Agreement Controlling. The Parties agree that in the event of a conflict between (i) the Application and this Financial Agreement or (ii) the Redevelopment Agreement and this Financial Agreement, the provisions of this Financial Agreement shall govern and prevail.

Section 14.02 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 Redevelopment Agreement, the Ordinance and the Application constitute the entire agreement between the Parties with respect to the Project and there shall be no modifications thereto other than by a written instrument executed by the Parties and delivered to each of them.

Section 14.03 Entire Document. All conditions in the Ordinance are incorporated in this Agreement and made a part hereof.

Section 14.04 Good Faith. In their dealings with each other, the Parties agree that they shall act in good faith.

Section 14.05 Recording. Upon the execution and delivery of this Financial Agreement, the entire Financial Agreement and the Ordinance shall be filed and recorded with the Essex County Clerk by the Borough, at the Urban Renewal Entity's expense, such that this Financial Agreement and the Ordinance shall be reflected upon the land records of the County of Essex.

Section 14.06 Municipal Services. The Urban Renewal Entity shall make payments for municipal services, including water and sewer charges and any services, to the extent that such water and sewer charges, and other services, are not otherwise included in the real property taxes generally assessed upon property within the Borough, that create a lien on a parity with or superior to the lien for the Land Taxes and Annual Service Charge, as required by law. These charges are not included in the Annual Service Charge and shall be billed separately. Nothing herein is intended to release any Owner from its obligation to make such payments.

Section 14.07 Portion of Annual Service Charge Paid to County. Pursuant to *N.J.S.A. 40A:20-12*, the Borough shall remit the County Share to the County upon the receipt thereof.

Section 14.08 Administrative Fee. In accordance with *N.J.S.A. 40A:20-9(h)*, the Borough shall collect an administrative fee equal to two percent (2%) of the Annual Service Charge due in any year (the “**Administrative Fee**”), which shall be payable on November 1 of each such year.

Section 14.09 Financing Matters. The financial information required by the final paragraph of *N.J.S.A. 40A:20-9* is set forth in the Application.

Section 14.10 Counterparts. This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.11 Amendments. This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the parties hereto.

Section 14.12 Certification. The Borough Clerk shall certify to the Tax Assessor, pursuant to *N.J.S.A. 40A:20-12*, that a Financial Agreement with the Urban Renewal Entity, for the development of the Land, has been entered into and is in effect as required by *N.J.S.A. 40A:20-1, et seq.* Delivery by the Borough Clerk to the Tax Assessor of a certified copy of the Ordinance shall constitute the required certification. Upon certification as required hereunder and upon the Annual Service Charge Start Date the Tax Assessor shall implement the exemption and continue to enforce that exemption without further certification by the Borough Clerk.

In accordance with P.L. 2015, c. 247, within ten (10) calendar days following the later of the effective date of the Ordinance or the execution of this Financial Agreement by the Urban Renewal Entity, the Borough Clerk also shall transmit a certified copy of the Ordinance and this Financial Agreement to the chief financial officer of Essex County and to the Essex County Counsel for informational purposes.

Section 14.13 Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held to be illegal or invalid in a final proceeding, then any such covenants, agreements or provisions shall be null and void, and this Agreement shall be reformed to reflect the respective expectations of the Parties at the time of the execution hereof.

EXHIBITS AND SCHEDULES

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

Exhibit 1 – Metes and Bounds Description of the Property

Exhibit 2 – The Application

Exhibit 3 – Certificate of Formation for Urban Renewal Entity

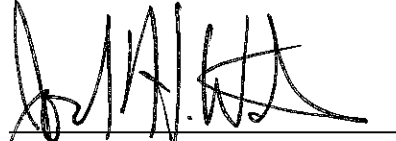
Exhibit 4 – The Financial Plan for the Undertaking of the Project

Exhibit 5 – Initial Estimated Rental Schedules


Exhibit 6 – Certification of Estimated Construction Costs

IN WITNESS WHEREOF, the Parties have caused this Financial Agreement to be executed as of the day and year first above written.

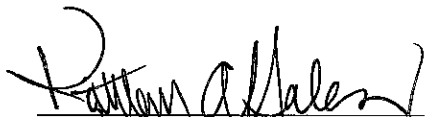
ATTEST:


Jock Watkins
Borough Clerk

BOROUGH OF ROSELAND

By: 
Hon. John Duthie, Mayor

ATTEST:

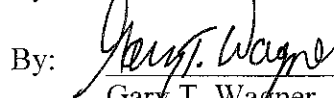

Kathleen A. Halasz

6 BECKER URBAN RENEWAL, L.L.C.

By: MC Roseland NJ Holdings L.L.C., sole member

By: Roseland Residential, L.P., sole member

By: Roseland Residential Trust, general partner

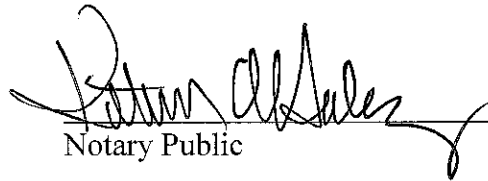
By: 
Gary T. Wagner
General Counsel

STATE OF NEW JERSEY,
COUNTY OF HUDSON

SS:

I CERTIFY that on April 23, 2018, Gary T. Wagner personally came before me and stated to my satisfaction that this person (or if more than one, each person):

- (a) was the maker of the attached instrument;
- (b) was authorized and did execute this instrument as authorized officer of 6 Becker Urban Renewal, L.L.C.; and
- (c) executed the instrument as the act of _____ 6 Becker Urban Renewal, LLC.


Notary Public

KATHLEEN A. HALASZ
NOTARY PUBLIC OF NEW JERSEY
ID# 2333125
MY COMMISSION EXPIRES 8/23/2020

STATE OF NEW JERSEY,
COUNTY OF ESSEX

SS:

I CERTIFY that on MAY 3, 2018, JOHN DUTHIE personally came before me and stated to my satisfaction that this person (or if more than one, each person):

- (a) was the maker of the attached instrument;
- (b) was authorized and did execute this instrument as the Mayor of the Borough of Roseland;
and
- (c) executed the instrument as the act of the Borough of Roseland.


Notary Public

ASHLEY PASSANITI
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES 12/22/2020

EXHIBIT 1

Metes and Bounds Description of the Property

LEGAL DESCRIPTION

Real property in the Borough of Roseland, County of Essex, State of New Jersey, described as follows:

Beginning at point in the Northerly sideline of Becker Farm Road, said point being distant 588.98 feet Northwesterly from the intersection of the said Northerly sideline Becker Farm Road with the Easterly sideline of Livingston Avenue and from said point running;

1. along same on a curve to the left having a radius of 961.23 feet, an arc length of 6.44 feet to a point of tangency;
2. continuing along same North 65 degrees 32 minutes 11 seconds West a distance of 412.44 feet to a point; thence
3. North 26 degrees 23 minutes 49 seconds East a distance of 235.39 feet to an angle point; thence
4. on a new line North 34 degrees 54 minutes 09 seconds East a distance of 320.00 feet to an angle point; thence
5. on another new line North 40 degrees 15 minutes 29 seconds East a distance of 350.00 feet to a point; thence
6. South 55 degrees 35 minutes 14 seconds East a distance of 528.74 feet to a point; thence
7. South 34 degrees 24 minutes 46 seconds West a distance of 87.25 feet to a point; thence
8. South 43 degrees 43 minutes 59 seconds West a distance of 751.59 feet to the point of beginning.

Being a part of Lot 2 in Block 30 as shown on a certain map entitled "Amended Final Map - Bellemead Development Corporation" dated February 25, 1981 and filed in the Essex County Register's Office on May 19, 1981 as Map No. 3463; also being new lot 2 in Block 3 as described in a minor subdivision deed between Bellemead Development Corporation and Bellemead Development Corporation dated July 26, 1982 and recorded August 10, 1982 in the Essex County Register's Office in Deed Book 4758, Page 554.

NOTE: FOR INFORMATION ONLY: Being Lot(s) 2, Block(s) 30; Tax Map of the Borough of Roseland, County of Essex, State of New Jersey.

EXHIBIT 2

Application with Exhibits

Application for
Long Term Tax Exemption

6 Becker Urban Renewal, L.L.C.
Name of Applicant

Harborside 3, 210 Hudson Street, Suite 400
Jersey City, NJ 07311
Address of Applicant

6 Becker Farm Road, Roseland, NJ 07068
Address of Project Site

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 exemption 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 exemption authorization process and/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 a long term exemption 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 the Applicant is seeking an exemption.

Completed applications should be submitted to:

**Mayor John Duthie
Township of Roseland
140 Eagle Rock Avenue
Roseland, New Jersey 07068**

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

**Jock H. Watkins, Municipal Clerk
Township of Roseland
140 Eagle Rock Avenue
Roseland, New Jersey 07068**

II. Applicant Identification:

A. Name of Applicant (urban renewal entity): 6 Becker Urban Renewal, L.L.C.

B. Principal Address: Harborside 3, 210 Hudson Street, Suite 400
Jersey City, NJ 07311

C. Type of Entity (check one)

☐ Corporation ☒ LLC ☐ LLP ☐ Partnership ☐ Other (please specify)

D. Applicant Contact Information

1.) Name of Primary Contact: Ivan M. Baron

2.) Contact Numbers:

a. Phone: 973-218-2335

b. Fax: 732-590-1009

c. Email: Baron@roselandres.com

E. Name and Address of Statutory Agent of Applicant:

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

c/o Corporation Service Company
Princeton South Corporate Center, Suite 160
100 Charles Ewing Blvd., Ewing NJ 08628

F. Federal Tax Identification Number of Applicant:

#35-2612304

G. Disclosure of Ownership:

New Jersey law (*N.J.S.A. 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 Applicant 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 detail the ownership structure of the Applicant, including the percentage held by each owner, in the form of a certificate and attach as **Exhibit 1**.

H. Certificates of Incorporation and Approval:

Please provide a copy of the Applicant's certificate of incorporation or formation as approved by and filed with the State of New Jersey. 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 ☐ Other (specify)

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

☒ Residential; ☐ Retail; ☐ Office; ☐ Manufacturing; ☐ Distribution Facility;

☐ Hotel; ☐ Mixed Use; ☐ Other (specify):

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

☐ 100 % Residential; ☐ % Retail; ☐ % Office; ☐ % Manufacturing; ☐ % Distribution Facility; ☐ % Hotel; ☐ % Other (specify)

C. Marketing Expectation:

☐ For Sale ☒ For Lease ☐ For Sale and Lease

D. Project Location:

1. Provide the street address(es) by which the project site is currently known:

6 Becker Farm Road, Roseland NJ 07068

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 30, Lot 2

3. Metes and Bounds Description:

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

4. Survey:

Please attach a survey of the project site as **Exhibit 6** to the application. If a survey has not yet been completed, a plotting on the official tax map may be provided at this time. A copy of 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 project site as **Exhibit 7** confirming that the project site 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 30
Number of units for moderate income households 30
Number of market rate units 239
Total number of residential units 299

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

G. Narrative Description of Project:

Provide a narrative description of the 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. Indicate the number and type of each unit to be constructed as part of the Project and whether the Project will be restricted to any group or groups on the basis of age or income. Please describe the terms of all anticipated leases for the Project and/or the sell-out of units, as well as the likely occupants of the improvements. Include maps, renderings, floor plans and other graphic materials if available. Attach this description as **Exhibit 8** to the application.

H. 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.

The site is currently occupied by a vacant 130,000sf office building which will be demolished prior to construction of the new residential community.

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

Block / Lot	Land Assessment	Improvements Assessment	Real Estate Taxes
Block 30 /Lot 2	\$6,439,300	\$8,937,900	\$354,568.13

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

Block / Lot	Municipal Fee and/or Charge (specify type)	Current Status
-------------	--	----------------

All municipal fees are current as of 1Q 2018.

I. 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** and the Planning Board resolution as **Exhibit 10** to the application.

J. Project Cost Estimates

1. Provide a detailed cost breakdown for the total cost of 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, with the required certification, as **Exhibit 11** to the 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, with the required certification, as **Exhibit 12** to the application.

K. 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 exemption 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.

L. 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** to the application.

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

M. Explanation of the Need for Tax Exemption:

Provide an explanation as to why the long term tax exemption is necessary to make the Project economically feasible. Attach the explanation as **Exhibit 16** to the application.

N. 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** to the application.

O. Statement of Project Benefits:

Provide a detailed description of the public benefits that would result from the project as **Exhibit 18**.

1. Employment: (i) provide a projection of the number and type of construction jobs to be created; (ii) provide a projection of the number and type of permanent jobs to be created, including an estimated pay scale; (iii) describe the steps that the applicant will take to make temporary and permanent job opportunities available to municipal residents, including but not limited to hiring fairs, advertisements, and participation in programs sponsored by governmental or non-profit entities; and (iv) estimate the number of positions that are expected to be filled with municipal residents.

2. Environmental: please describe any environmental remediation that will occur at the property.
3. Municipal revenue: provide a projection 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.
4. Other: please describe any other public benefits that would result from the project.

IV. Exemption Information:

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

- ☒ An amount not less than 10% of Annual Gross Revenue (Non-condominium)
☐ An amount not greater than 15% of Annual Gross Revenue (Non-condominium/low and moderate income housing project)
☐ An amount not less than 2% of Total Project Cost
☐ An amount not greater than 2% of Total Project Cost (low and moderate income housing project)
☐ Imputed debt service (Condominium)
☐ A negotiated amount pursuant to the Redevelopment Area Bond Financing Law, *N.J.S.A. 40A:12A-64 et seq.*

B. Term Requested:

30 Years

C. Proposed Rates and Phases:

Years 1 – 10: 10% of annual gross revenue

Years 11 – 20: 11% of annual gross revenue

Years 21 – 30: 12% of annual gross revenue

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:

The Applicant certifies that all of the information contained in the application for a tax exemption, including, but not limited to the information contained in the Exhibits attached hereto, is true and accurate, 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 exemption application. Any work done on the assumption of receipt of a tax exemption 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 exemption be granted for a project that has already reached substantial completion.**
- E. 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 long term tax exemption application on behalf of the Developer. I certify that all of the information contained herein, including, but not limited to the information contained in the Exhibits attached hereto, 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:



Name: Ivan M. Baron
Title: Chief Legal Counsel

3/26/18
Date

Please notarize here or
provide attestation and
seal of corporate secretary

EXHIBITS

The following is a checklist of Exhibits that must be attached to the application:

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

EXHIBIT 1-A

DISCLOSURE OF OWNERSHIP

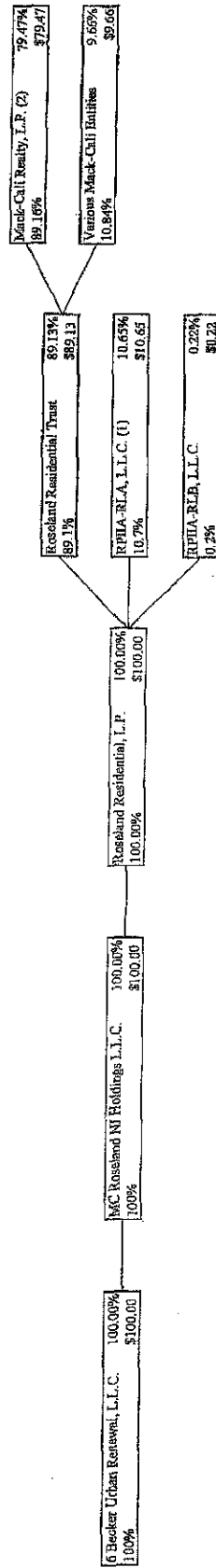
Instructions:

New Jersey law (*N.J.S.A. 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 with more than a 10% interest is disclosed.

This information must be provided on the forms following these instructions entitled "Disclosure of Ownership." Separate forms should be used for each corporation or partnership included in the chain of ownership. Each form must be signed by an officer of the corporation and be attested to by the secretary (if a corporation) or by all partners (if a partnership). Partnership forms must be notarized as well.

Failure to properly complete this disclosure statement or to submit it as part of the application will be grounds for the application to be rejected.

6 Becker Urban Renewal, L.L.C.



(1) No individual or entity that has ownership in RPIA-RLA, L.L.C. has more than a 10% interest in 6 Becker Urban Renewal, L.L.C.

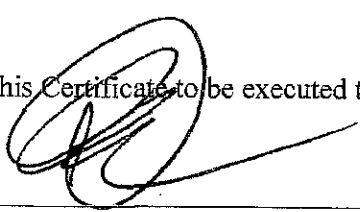
(2) Mack-Cali Realty, L.P. is owned by Mack-Cali Realty Corporation and various individuals and entities. Mack-Cali Realty Corporation is a publicly traded company and no individual owns ten (10%) or more.

EXHIBIT 1-B

DISCLOSURE OF OWNERSHIP

<u>Name</u>	<u>Home Address</u>	<u>% of Owners</u>
1. See Flow Chart attached as Exhibit 1-A		
2.		
3.		
4.		
5.		

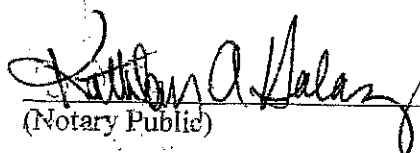
IN WITNESS WHEREOF, the undersigned has caused this Certificate to be executed this 26
day of 20 18.



Affiant
(Authorized Agent of Corporation)

Sworn and Subscribed before
me this 26th day of MARCH, 20 18

Ivan M. Baron, Chief Legal Counsel____
Print name and title of Affiant



(Notary Public)

KATHLEEN A. HALASZ
NOTARY PUBLIC OF NEW JERSEY
ID# 2333125
MY COMMISSION EXPIRES 8/23/2020

EXHIBIT 2

CERTIFICATE OF INCORPORATION

See Attachment

2017-12-07 14:50

1234

11:38:47 a.m. 12-08-2017

6/8

To: #00516099846851

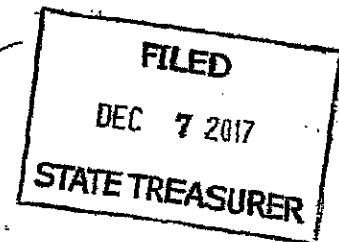
Page: 3/4

P 9/10

Homeowner Protection 6092922839 >> 1234

LLC

**CERTIFICATE OF FORMATION
OF
6 BECKER URBAN RENEWAL, L.L.C.**



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

1. The name of the limited liability company is:

0600446783
6 BECKER URBAN RENEWAL, L.L.C.

(referred to below as the "Company").

2. The address of the Company's initial registered office in New Jersey is c/o Corporation Service Company, Princeton South Corporate Center, Suite 160, 100 Charles Ewing Blvd., Ewing, New Jersey 08628. The Company's initial registered agent at that address is Corporation Service Company.

3. The term of the Company shall be perpetual.

4. 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 Borough of Roseland (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.).

5. 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.

6. 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.).

7. 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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 Formation this 20 day of November, 2017.


Devin A. Cohen, Authorized Person

EXHIBIT 3

Certificate of Approval of Urban Renewal Entity from the New Jersey Department of
Community Affairs (DCA)

See Attachment

DEC-07-2017 03:21PM From: XEROX

1234

To: #00516099846851

Page: 2/4

2017-12-07 14:50

Homeowner Protection 6092922839 >> 1234

P 8/10



State of New Jersey

DEPARTMENT OF COMMUNITY AFFAIRS

101 SOUTH BROAD STREET

PO Box 605

TRENTON, NJ 08646-0605

CHRIS CHRISTIE
GovernorKIM GUADAGNO
Lt. GovernorCHARLES A. RICHMAN
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: 8 BECKER URBAN RENEWAL, L.L.C.
File #2172
An Urban Renewal Entity

This is to certify that the attached 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 7th day of December 20 17 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY


Edward M. Smith, Director
Division of Codes and Standards

EXHIBIT 4

AUTHORIZATION TO SUBMIT APPLICATION

See Attachment

**CERTIFICATE OF THE CHIEF EXECUTIVE OFFICER
OF
ROSELAND RESIDENTIAL TRUST**

WHEREAS, pursuant to the actions taken by Unanimous Written Consent dated January 4, 2016 and reaffirmed at its meeting on June 9, 2017, the Board of Trustees (the "Board") of Roseland Residential Trust (the "Trust") authorized and empowered the Chief Executive Officer of the Trust, to approve and cause to be consummated, for and on behalf of the Trust, in its individual capacity, in its capacity as general partner of Roseland Residential, L.P., a Delaware limited partnership ("Operating Partnership") on behalf of the Operating Partnership and in its capacity as a stockholder, partner or member of any other corporation, general or limited partnership or limited liability company (collectively the "Other Entities" and individually an "Other Entity") on behalf of such Other Entities, any transaction directly or indirectly involving the acquisition, disposition, transfer, conveyance, development, financing, refinancing or management of any real property or other assets, any interest therein, or any other business related thereto, including, without limitation, the incurring on behalf of the Trust, the Operating Partnership and/or any such Other Entity, of any secured or unsecured indebtedness, the proceeds of which are to be used for asset acquisitions or other corporate purposes, the granting of liens or security interests in the assets of the Trust, the Operating Partnership or any such Other Entity, the entry by the Trust, the Operating Partnership and any such Other Entity into any joint venture, partnership or similar arrangement, or the transfer by the Trust, the Operating Partnership or any such Other Entity of any of its assets to any affiliated entity (each a "Transaction"), so that the Chief Executive Officer may at any time, and from time to time, act to authorize and approve, and cause the Trust, the Operating Partnership and/or any such Other Entity to enter into and to perform its obligations in respect of any Transaction without submission to, or further action or approval by the Board, provided that the aggregate consideration involved in any single Transaction or series of related Transactions not otherwise approved by the Board including consideration to be paid or given, and obligations to be assumed or incurred, directly or indirectly by the Trust or the Operating Partnership in connection with any acquisition, development, financing, refinancing or management of any real property or other assets, and the consideration to be received, directly or indirectly, by the Trust or the Operating Partnership in connection with any disposition, transfer or conveyance of any real property or other assets, shall not exceed the sum of Seventy-Five Million Dollars (\$75,000,000.00) and further provided that in the case of any Transaction involving the acquisition of any real property or other assets and the financing of all or any portion of the acquisition price of such real property or other assets, the foregoing limitation shall apply only to the consideration to be paid or given, directly or indirectly, by the Trust, the Operating Partnership or any Other Entity in connection with the acquisition of such real property or other assets and shall not apply to the financing of the acquisition price of such real property or other assets so long as the amount so financed does not exceed the acquisition price of such real property or other assets (the "Transaction Authority");

WHEREAS, the Operating Partnership is the sole member of MC Roseland NJ Holdings L.L.C., which is the sole member of 6 Becker Urban Renewal, L.L.C. ("Owner") and is the owner of the property known as 6 Becker Farm Road, Roseland, New Jersey (the "Property"); and

WHEREAS, the Owner desires to construct on the Property a four (4)-story residential apartment building with 299 units, consisting of two hundred forty (239) market rate family rental residential units (consisting of thirteen (13) studio, seventy-seven (77) one bedroom and one hundred forty-nine (149) two bedroom apartments) and 60 units which would be affordable to low and moderate income households, as well as approximately 590 parking spaces inclusive of approximately 280 pre-cast garage parking spaces (the "Project") and is requesting a tax exemption for the Project from the Borough of Roseland (the "Borough").

NOW, THEREFORE, IT IS RESOLVED that pursuant to the authority vested in him by the Board of Trustees, the Chief Executive Officer of the Trust hereby finds that it is appropriate and desirable that the Trust and each of Michael J. DeMarco, the Chief Executive Officer, Gary T. Wagner, the General Counsel and Secretary, and Ivan Baron, the Chief Legal Officer, of the Trust (each, an "Authorized Officer") is authorized individually to execute an Application of Long Term Tax Exemption (the "Application") and any and all documents necessary for the Owner to submit the Application to the Borough for its review and approval; and further;

RESOLVED, that such Authorized Officers be, and each of them hereby is, individually authorized, empowered and directed, in the name and behalf of the Trust, as general partner of the Operating Partnership, to prepare, execute, deliver, ratify, confirm, perform and approve and to file with the Borough the Application, take any and all actions, execute any and all documents, pay any and all fees and to do or cause to be done all such further acts or things as such officer or officers shall deem necessary, appropriate or desirable to carry out in furtherance of the foregoing resolutions; and further

RESOLVED, that all actions taken by any of the Authorized Officers of the Trust individually in contemplation of the foregoing resolutions are hereby in all respects ratified, confirmed and approved.

Dated: March 26, 2018

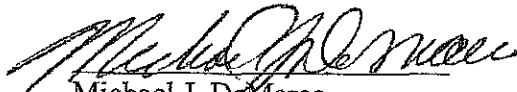

Michael J. DeMarco
Chief Executive Officer

EXHIBIT 5

METES AND BOUNDS DESCRIPTION

See Attachment

LEGAL DESCRIPTION

Real property in the Borough of Roseland, County of Essex, State of New Jersey, described as follows:

Beginning at point in the Northerly sideline of Becker Farm Road, said point being distant 588.98 feet Northwestarily from the intersection of the said Northerly sideline Becker Farm Road with the Easterly sideline of Livingston Avenue and from said point running:

1. along same on a curve to the left having a radius of 961.23 feet, an arc length of 6.44 feet to a point of tangency;
2. continuing along same North 65 degrees 32 minutes 11 seconds West a distance of 412.44 feet to a point; thence
3. North 26 degrees 23 minutes 49 seconds East a distance of 235.39 feet to an angle point; thence
4. on a new line North 34 degrees 54 minutes 09 seconds East a distance of 320.00 feet to an angle point; thence
5. on another new line North 40 degrees 15 minutes 29 seconds East a distance of 350.00 feet to a point; thence
6. South 55 degrees 35 minutes 14 seconds East a distance of 528.74 feet to a point; thence
7. South 34 degrees 24 minutes 46 seconds West a distance of 87.25 feet to a point; thence
8. South 43 degrees 43 minutes 59 seconds West a distance of 751.59 feet to the point of beginning.

Being a part of Lot 2 in Block 30 as shown on a certain map entitled "Amended Final Map - Bellemead Development Corporation" dated February 25, 1981 and filed in the Essex County Register's Office on May 19, 1981 as Map No. 3463; also being new lot 2 in Block 3 as described in a minor subdivision deed between Bellemead Development Corporation and Bellemead Development Corporation dated July 25, 1982 and recorded August 10, 1982 in the Essex County Register's Office in Deed Book 4758, Page 554.

NOTE: FOR INFORMATION ONLY: Being Lot(s) 2, Block(s) 30; Tax Map of the Borough of Roseland, County of Essex, State of New Jersey.

EXHIBIT 6

SURVEY

See Attachment

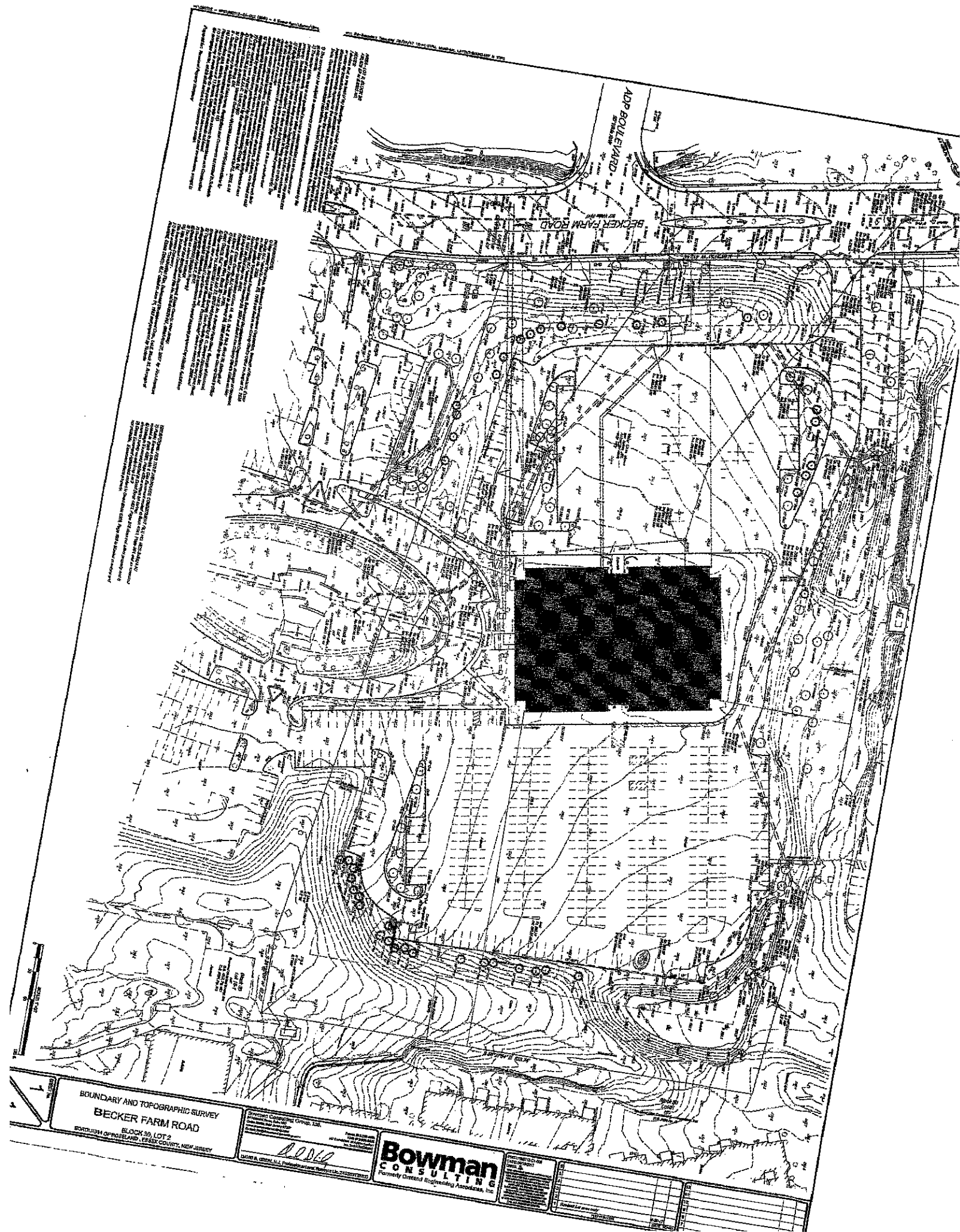


EXHIBIT 7

COPY OF DEED OR LEASE AGREEMENT

See Attachment



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

3238756

2678313

Recorded Document to be Returned by Submitter to:

FIRST AMERICAN TITLE NCS - PRINCETON

104 CARNEGIE CENTER, SUITE 101

PRINCETON, NJ 08540

Official Use Only

 DANA RONE
 REG. OF DEEDS & MORTGAGES
 ESSEX COUNTY
 New Jersey

 DOCUMENT TYPE
 1
 INSTRUMENT NUMBER
 2017108900
 RECORDED ON
 Dec 14, 2017
 2:51:45 PM
 Total Pages: 9

 COUNTY REALTY TAX \$6,120.00
 COUNTY REALTY TAX - \$3,060.00
 PRPEA
 NJ PRESERVATION ACCOUNT \$60.00
 REGISTERED RECORDING FEE \$58.00
 ERILING CONVENIENCE FEES \$3.00
 STATE REALTY TAX \$15,300.00
 STATE REALTY TAX - \$13,676.00
 EAA
 STATE REALTY TAX - \$24,416.00
 GENERAL PURPOSE
 STATE REALTY TAX - \$61,200.00
 GRANTEE
 GRANTOR \$8,955.00
 HOMELESSNESS TRUST FUND \$3.00
 TOTAL PAID \$132,851.00
 INV: 176073 USER: KWC

Submission Date (mm/dd/yyyy)

12/12/2017

No. of Pages (excluding Summary Sheet)

7

Recording Fee (excluding transfer tax)

\$106.00

(Convenience Charge of \$3.00 included)

Realty Transfer Tax

\$132,727.00

Total Amount

\$132,833.00

Document Type

DEED/NO EXEMPTION FROM REALTY TRANSFER FEE

Electronic Recordation Level

L2 - Level 2 (With Images)

Municipal Codes

ESSEX COUNTY

99

Bar Code(s)



22 22 39

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 EXEMPTION FROM REALTY TRANSFER FEE	Type	DEED/NO EXEMPTION FROM REALTY TRANSFER FEE				
	Consideration	\$6,120,000.00				
	Submitted By	SIMPLIFILE, LLC. (SIMPLIFILE)				
	Document Date	12/11/2017				
	Reference Info					
	Book ID	Book	Beginning Page	Instrument No.	Recorded/File Date	
	GRANTOR	Name			Address	
		6 BECKER SPE LLC			C/O MACK-CAL REALTY CORPORATION, JERSEY CITY, NJ 07311	
	GRANTEE	Name			Address	
		6 BECKER URBAN RENEWAL LLC			C/O ROSELAND RESIDENTIAL TRUST, JERSEY CITY, NJ 07311	
	Parcel Info					
	Property Type	Tax Dist.	Block	Lot	Qualifier	Municipality
		99	30	2		99
<p align="center">* DO NOT REMOVE THIS PAGE. COVER SHEET (DOCUMENT SUMMARY FORM) IS PART OF ESSEX COUNTY REGISTER FILING RECORD. RETAIN THIS PAGE FOR FUTURE REFERENCE.</p>						

NJ Deed-Corporation (Bargain and Sale, Covenant as to Grantor's Acts) 1

Prepared by: (Print signer's name below signature)

When Recorded Return to:
First American Title Insurance Company
National Commercial Services
104 Carnegie Center, Suite 101
Princeton, NJ 08540
File No: NCS 848924A

Megan Valerie, Esq.

This Deed is made on December 11, 2017,

BETWEEN

6 BECKER SPE LLC

a limited liability company of the state of Delaware

having its principal office at t/c/o Mack-Cali Realty Corporation, Harborside 3 - 210 Hudson Street, Suite 400, Jersey City, New Jersey 07311, referred to as the Grantor,

AND

6 BECKER URBAN RENEWAL, L.L.C.

a limited liability company of the state of New Jersey

having an office located at c/o Roseland Residential Trust, Harborside 3 - 210 Hudson Street, Suite 400, Jersey City, New Jersey 07311, referred to as the Grantee.

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

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property (called the "Property") described below to the Grantee. This transfer is made for the sum of SIX MILLION ONE HUNDRED TWENTY THOUSAND and 00/100 DOLLARS (\$6,120,000.00).

The Grantor acknowledges receipt of this money.

Tax map Reference. (N.J.S.A. 46:15-1.1) Borough of Roseland, County of Essex, New Jersey

Block No. 30 Lot No. 2 Qualifier No. _____ Account No. _____

☐ No property tax identification number is available on the date of this Deed. (Check box if applicable.)

Property. The Property consists of the land and all the buildings and structures on the land commonly known as 6 Becker Farm Road, situate, lying and being in the Borough of Roseland in the County of Essex and State of New Jersey as further described on the legal description attached hereto.

BEING the same premises described in the deed to Grantor by deed from PWMS OP SUB I, LLC, a Delaware limited liability company dated July 30, 2004 and recorded on August 20, 2004, in Deed Book 6098, Page 590 in the official records of Essex County, New Jersey.

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor). This conveyance is made as part of the winding up of Grantor's corporate affairs.

[Signature Page Follows]

Signatures. The Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. Its corporate seal is affixed.

6 BECKER SPE LLC

By: Gale SLG NJ Mezz LLC, sole member

By: Gale SLG NJ Operating Partnership, L.P., sole member

By: Gale SLG NJ GP LLC, general partner

By: Mack-Green-Gale LLC, sole member

By: Mack-Cali Realty, L.P., sole member

By: Mack-Cali Realty Corporation, general partner

By: 

Name: Gary T. Wagner

Title: General Counsel and Secretary

STATE OF NEW JERSEY)

COUNTY OF HUDSON)

)SS:

I CERTIFY that on December 12, 2017, Gary T. Wagner personally came before me and acknowledged under oath, to my satisfaction, that this person: (a) is named in and personally signed the attached document as General Counsel and Secretary of Mack-Cali Realty Corporation, a Maryland Corporation; and (b) signed and delivered this document as his or her act and deed on behalf of said Corporation.



Notary Public

SUSAN M. EPSTEIN

NOTARY PUBLIC OF NEW JERSEY

My Commission Expires Oct. 8, 2022

RECORD AND RETURN TO:

Seyfarth Shaw LLP

620 Eighth Avenue

New York, New York 10018

ATTN: Miles M. Borden

[Signature Page to Bargain and Sale Deed With Covenants]

LEGAL DESCRIPTION

Real property in the Borough of Roseland, County of Essex, State of New Jersey, described as follows:

Beginning at point in the Northerly sideline of Becker Farm Road, said point being distant 588.98 feet Northwesterly from the intersection of the said Northerly sideline Becker Farm Road with the Easterly sideline of Livingston Avenue and from said point running;

1. along same on a curve to the left having a radius of 961.23 feet, an arc length of 6.44 feet to a point of tangency;
2. continuing along same North 65 degrees 32 minutes 11 seconds West a distance of 412.44 feet to a point; thence
3. North 26 degrees 23 minutes 49 seconds East a distance of 235.39 feet to an angle point; thence
4. on a new line North 34 degrees 54 minutes 09 seconds East a distance of 320.08 feet to an angle point; thence
5. on another new line North 40 degrees 15 minutes 29 seconds East a distance of 350.00 feet to a point; thence
6. South 55 degrees 35 minutes 14 seconds East a distance of 528.74 feet to a point; thence
7. South 34 degrees 24 minutes 46 seconds West a distance of 87.25 feet to a point; thence
8. South 43 degrees 43 minutes 59 seconds West a distance of 751.59 feet to the point of beginning.

Being a part of Lot 2 in Block 30 as shown on a certain map entitled "Amended Final Map - Bellemead Development Corporation" dated February 25, 1981 and filed in the Essex County Register's Office on May 19, 1981 as Map No. 3463; also being new lot 2 in Block 3 as described in a minor subdivision deed between Bellemead Development Corporation and Bellemead Development Corporation dated July 26, 1982 and recorded August 10, 1982 in the Essex County Register's Office in Deed Book 4758, Page 554.

NOTE: FOR INFORMATION ONLY: Being Lot(s) 2, Block(s) 30; Tax Map of the Borough of Roseland, County of Essex, State of New Jersey.



State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

GIT/REP-3
 (9-2015)

(Please Print or Type)

SELLER'S INFORMATION

Name(s)

6 Becker SPE LLC

Current Street Address

c/o Mack Call Realty Corporation, Harborside 3-210 Hudson Street, Suite 400

City, Town, Post Office Box

Jersey City

State

NJ

Zip Code

07311

PROPERTY INFORMATION

Block(s)

30

Lot(s)

2

Qualifier

Street Address

6 Becker Farm Road

City, Town, Post Office Box

Roseland

State

NJ

Zip Code

07068

Seller's Percentage of Ownership

100%

Total Consideration

\$6,120,000

Owner's Share of Consideration

100% (\$6,120,000.00)

Closing Date

12/11/17

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 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.
☐ Seller did not receive non-like kind property.
8. ☐ 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.
9. ☐ 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.
10. ☐ The deed is dated prior to August 1, 2004, and was not previously recorded.
11. ☐ 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.
12. ☐ 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.
13. ☐ The property transferred is a cemetery plot.
14. ☐ 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.

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.

12/11/17

 Date

[Signature]

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

 Date

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

RTF-1 (Rev. 7/14/10)
MUST SUBMIT IN DUPLICATESTATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L. 1968, 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

Hudson

SS. County Municipal Code
0718

FOR RECORDER'S USE ONLY

Consideration \$
RTF paid by seller \$
Date By

MUNICIPALITY OF PROPERTY LOCATION Roseland Boro

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

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

Deponent, Dary T. Wagner being duly sworn according to law upon his/her oath,
(Name)
deposes and says that he/she is the legal representative of grantor in a deed dated 12-11-2017 transferring
(Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)real property identified as Block number 3D Lot number 2 located at6 Becker Farm Road, Roseland
(Street Address, Town) and annexed thereto.(2) CONSIDERATION \$ 6,120,000.00 (Instructions #1 and #6 on reverse side) ☐ 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

\$ 15,737,500.00 ÷ 92.88 % = \$ 16,925,780.00

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

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

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

(5) PARTIAL EXEMPTION FROM FEE (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. 178, P.L. 1975, C. 115, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

- A. SENIOR CITIZEN Grantor(s) ☐ 62 years of age or over. * (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 GRANTEE NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING (Instruction #10 on reverse side)

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

(6) NEW CONSTRUCTION (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 assumed or to which property is subject at time of sale.
- ☐ No contributions to capital by either grantor or grantee legal entity.
- ☐ No stock or money 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. 1968, as amended through Chapter 33, P.L. 2008.

Subscribed and sworn to before me

this 6 day of Dec, 2017

SUSAN M. EPSTEIN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Oct. 8, 2022

Signature of Deponent

c/o Mack Cali Realty Corp.
Hudsonside 3-210 Hudson St.
Suite 400
Jersey City, NJ 07311

Deponent Address

XXX-XXX-316

6 Becker SPE LLC

Grantor Name

c/o Mack Cali Realty Corp.
Hudsonside 3-210 Hudson St.
Suite 400
Jersey City, NJ 07311

Grantor Address at Time of Sale

First American Title Insurance Co.

Name/Company of Settlement Officer

FOR OFFICIAL USE ONLY

Instrument Number _____ County _____

Deed Number _____ Book _____ Page _____

Deed Dated _____ Date Recorded _____

County recording officers shall forward one copy of each RTF-2 form when Section 3A is completed to:

STATE OF NEW JERSEY
PO BOX 151

TRENTON, NJ 08646-0151

ATTENTION: REALTY TRANSFER FEE UNIT

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

RTF-1EE (Rev. 12/03)

MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY BUYER

(Chapter 49, P.L. 1966, 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

Consideration	\$	
RTF paid by buyer	\$	
Date	By	

COUNTY HudsonSS. County Municipal Code
0718MUNICIPALITY OF PROPERTY LOCATION Roseland Boro

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

XXX-XX-X 2 8 3
Last three digits in grantee's Social Security NumberDeponent, Gary T. Wagner, being duly sworn according to law upon his/her oath,deposes and says that he/she is the legal representative to grantee in a deed dated 12/1/2017 transferring
(Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)real property identified as Block number 30 Lot number 2 located at8 Becker Farm Road, Roseland and annexed thereto.

(Street Address, Town)

(2) CONSIDERATION \$5,120,000 (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.

- | | |
|---|---|
| <input type="checkbox"/> Class 2 - Residential | <input type="checkbox"/> Class 4A - Commercial properties |
| <input type="checkbox"/> Class 3A - Farm property (Regular) and any other real property transferred to same grantee in conjunction with transfer of Class 3A property | (If checked, calculation in (E) required below) |
| | <input type="checkbox"/> Cooperative unit (four families or less) (See C, 46:15-3.) |
| | Cooperative units are Class 4C. |

(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.

- | |
|--|
| <input type="checkbox"/> Property class. Circle applicable class or classes: 1 2B 4B 4C 15 |
| Property classes: 1-Vacant Land; 2B-Farm property (Qualified); 4B-Industrial properties; 4C-Apartments; 15-Public Property, etc. (N.J.A.C. 17:27-2.2 et seq.) |
| <input type="checkbox"/> Exempt organization determined by federal Internal Revenue Service/Internal Revenue Code of 1986, 26 U.S.C. § 501. |
| <input type="checkbox"/> 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. 46:15-7.2, complete (C) by checking off appropriate box or boxes and (D).

☐ Property class. Circle applicable class or classes: 1 2 2B 4A 4B 4C 15

(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

Property Class 4A \$ 15,737,600 + 82.98 % = \$ 16,925,790

Property Class _____ \$ _____ + _____ % = \$ _____

Property Class _____ \$ _____ + _____ % = \$ _____

Property Class _____ \$ _____ + _____ % = \$ _____

(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

\$ 15,737,600 + 82.98 % = \$ 16,925,790

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. 1966, as amended through Chapter 33, P.L. 2006, for the following reason(s). More reference to exemption symbol(s) 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. 1966, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me
this 6 day of Dec, 2017

Signature of Deponent

8 Becker Urban Renewal, LLC

Grantee Name

Notarized 12/1/2017 at Roseland, NJ, before me, Susan M. Epstein

Notarized 12/1/2017 at Roseland, NJ, before me, Susan M. Epstein

Deponent Address

Grantee Address at Time of Sale

Not a Notary Public in New Jersey

Name/Company of Settlement Officer

SUSAN M. EPSTEIN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Oct. 8, 2022

County Recording officer: 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
Deed Date	Date Recorded

The Director, Division of Taxation, Department of the Treasury has prescribed this form, as required by law. It may not be altered or amended without prior approval of the Director. For further information on the Realty Transfer Fee or to print a copy of this Affidavit or any other relevant form, visit: www.state.nj.us/treasury/taxation/pd/010101tax.htm

EXHIBIT 8

NARRATIVE DESCRIPTION OF PROJECT

The project includes construction of a four (4)-story residential apartment building with 299 units, consisting of two hundred forty (239) market rate family rental residential units (consisting of thirteen (13) studio, seventy-seven (77) one bedroom and one hundred forty-nine (149) two bedroom apartments) and 60 units would be affordable to low and moderate income households, as well as approximately 590 parking spaces inclusive of approximately 280 pre-cast garage parking spaces. The gross square footage of the residential building is approximately 368,000 square feet.

While the parking garage will be constructed with precast panels, the residential structure will be wood frame construction clad in a mix of materials including brick, fiber cement siding and metal panels.

All apartment homes will be constructed with finishes to exceed the quality in the immediate submarket and include stainless steel appliances, granite or stone kitchen counter tops, wood-plank style flooring and each apartment home will have its own washer and dryer.

On site amenities are expected to include an outdoor swimming pool, gym with the latest in exercise equipment, and landscaped grounds including areas for outdoor dining with bar-b-ques.

The anticipated resident profile is a mix of young professionals and empty nesters who wish to remain in the area after selling their homes.

The terms of the residential leases generally commensurate with others for Class A institutional quality and managed apartment communities. Additional fees are incurred for parking, pets and short term leases. Generally an amenity fee is also incurred for use of the public amenities. Rent premiums are charged for shorter term leases.

EXHIBIT 9

SITE PLAN APPROVAL BY PLANNING BOARD

The application for site plan approval is anticipated to be submitted within 120 days of adoption of the Redevelopment Agreement. Attached are draft architectural drawings and a draft site plan.

See Attachment



ROSELAND
— A MACK-CALI COMPANY —

COVER

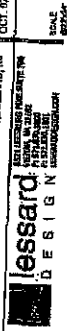
100% SCHEMATIC DESIGN

6 BECKER FARM ROAD

ROSELAND, NJ

RELJ0412
OCT. 02, 2017

CS



SCALE
AS SHOWN

A MACK-CALI COMPANY

100% SCHEMATIC DESIGN

ROSELAND, N.J.

THE UNIVERSITY OF CHICAGO

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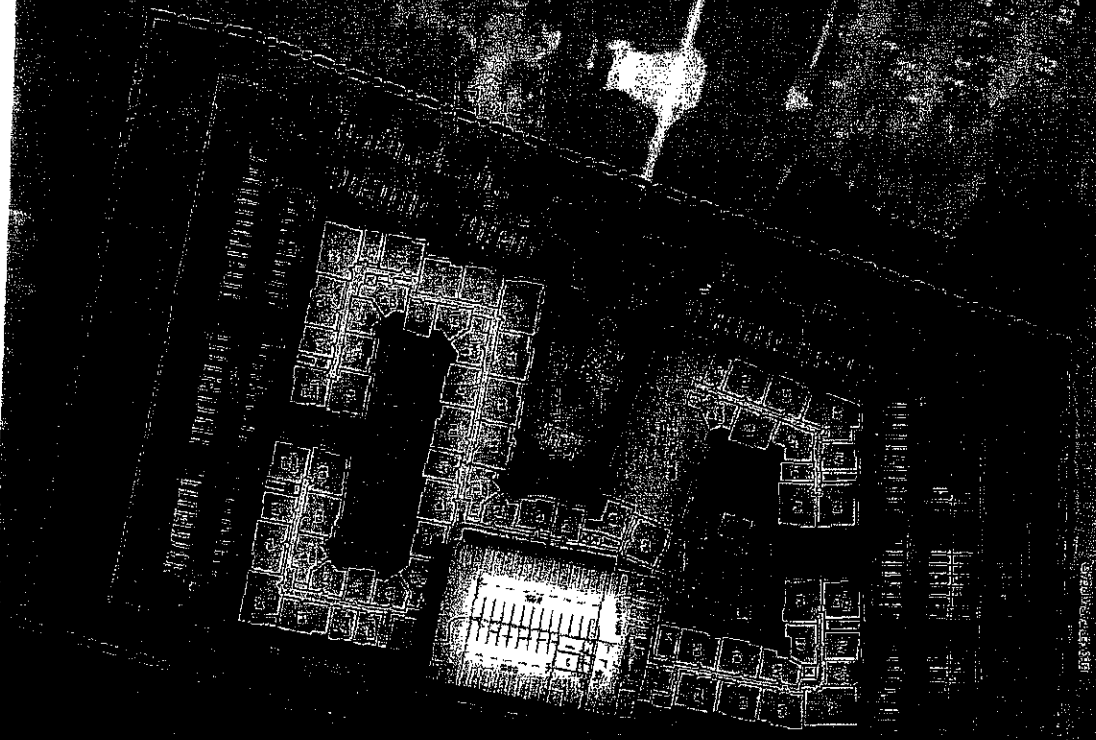


EXHIBIT 10

SITE PLAN APPROVAL RESOLUTION

The application for site plan approval is anticipated to be submitted within 120 days of adoption of the Redevelopment Agreement. Attached as Exhibit 9 are draft architectural drawings and a draft site plan

EXHIBIT 11

TOTAL PROJECT COST ESTIMATE

See Attachment

Roseland, A Mack-Cali Company
6 Beckerfarm Road, Roseland NJ
Job Cost Summary

3/20/2018

Units	299	
Gross SF	368,315	Res. GSF
	93,800	Parking
	462,115	GSF

CSI Code Description

90 - LAND COST

90-100-88-01	Land Acquisition
90-100-88-05	Title Insurance
90-202-99-01	Municipal Fees
90-203-99-01	County Fees
90-204-99-01	State Fees
TOTAL - 90 LAND COST	

Total Per Per
Budget Unit Gross SF

\$6,120,000	\$20,468	\$13.24
344,195	1,151	0.74
15,000	50	0.03
20,000	67	0.04
10,000	33	0.02
\$6,509,195	\$21,770	\$14.09

80 - SOFT COST

80-101-99-01	Arch. - Conceptual/Schematic	
80-101-99-02	Arch. - Design Development	
80-101-99-03	Arch. - Construction Documents	
80-101-99-05	Arch. - Construction Admin.	
80-101-99-06	Arch. - Reprographics	
80-101-99-07	Arch. - Fees	
80-101-99-08	Arch. - Reimbursable Fees	
80-102-99-01	Landscape Design	
80-103-99-01	Interior Design	
80-103-99-03	Acoustical Consultant	
80-300-99-03	Land Planner	
80-105-99-01	Mechanical Design	
80-201-99-01	Civil Engineering	
80-201-99-02	Traffic Consultant	
80-201-99-05	Land Survey	
80-201-99-08	Structural Engineering	
80-201-99-11	Geotechnical	
80-202-99-01	Soil Testing	
80-202-99-02	Concrete Testing	
80-202-99-05	Township Eng. Escrow	
80-202-99-05	Environmental Consulting	
80-300-99-05	Other Consulting Fees	
80-401-99-01	Legal	
80-402-99-01	Administrative	
80-404-99-01	Real Estate Taxes (Land Only)	
80-405-99-01	Insurance - Builder's Risk	
80-405-99-03	Environmental Insurance	
80-406-99-02	Developer Fees	3.00%
80-407-99-01	Building Permits	
80-407-99-02	Sewer Hook Up Fees	
80-407-99-03	Water Hook Up Fees	
80-501-99-03	Construction Loan Interest Reserve	5.00%
80-603-99-02	Lease-up Deficits	
80-502-99-02	Appraisal Fees	
80-502-99-03	Bank Inspection Fees	
80-502-99-04	Construction Loan Legal Fees	
80-502-99-05	Construction Loan Fees	0.75%
80-601-99-01	Leasing / Marketing	
80-999-99-01	Soft Cost Contingency	3.00%
TOTAL - 80 SOFT COST		

\$185,000	\$619	\$0.40
255,000	853	0.55
350,000	1,171	0.76
198,000	662	0.43
25,000	84	0.05
33,000	110	0.07
20,000	67	0.04
125,000	418	0.27
150,000	502	0.32
8,000	27	0.02
6,000	20	0.01
250,000	836	0.54
175,000	585	0.38
10,000	33	0.02
20,000	67	0.04
215,000	719	0.47
40,000	134	0.09
20,000	67	0.04
50,000	167	0.11
40,000	134	0.09
20,000	67	0.04
125,000	1	0.27
200,000	669	0.43
50,000	167	0.11
357,864	1,197	0.77
975,000	3,261	2.11
65,000	217	0.14
2,338,045	7,820	5.06
450,000	1,505	0.97
1,025,000	3,428	2.22
1,025,000	3,428	2.22
2,834,648	9,480	6.13
443,958	1,485	0.96
15,000	50	0.03
75,000	251	0.16
100,000	334	0.22
421,165	1,409	0.91
400,000	1,338	0.87
392,870	1,314	0.85
\$13,488,550	\$44,695	\$29.19

Roseland, A Mack-Cali Company
3/20/2018
6 Beckerfarm Road, Roseland NJ
Job Cost Summary

Units	299	
Gross SF	368,315	Res. GSF
	93,800	Parking
	462,115	GSF

<u>CSI Code</u>	<u>Description</u>		<u>Total Budget</u>	<u>Per Unit</u>	<u>Per Gross SF</u>
01- GENERAL REQUIREMENTS					
01-210-99-03	Constr. Contingency-Hard Cost	2.00%	\$1,267,750	\$4,240	\$2.74
01-260-99-01	Insurance - Umbrella		700,000	2,341	1.51
01-265-99-01	OCIP-Liberty WC/GL-CompOPs		661,242	2,212	1.43
01-265-99-03	OCIP-Premium Admin.		307,068	1,027	0.66
01-265-99-04	OCIP-Premium Max Losses		525,328	1,757	1.14
01-265-99-06	OCIP-Est. Assessment		49,877	167	0.11
01-265-99-08	OCIP-TRIA-Terrism		8,742	29	0.02
01-265-99-09	OCIP-Loss Control		22,766	76	0.05
01-265-99-10	OCIP-Est. Claims Handling		22,736	76	0.05
01-310-99-05	Project Manager Salaries		300,000	1,003	0.65
12-400-07-01	FF&E		1,200,000	4,013	2.60
01-510-99-01	Temporary Utilities		25,000	84	0.05
01-560-99-01	Security Measures		100,000	334	0.22
TOTAL - 01 GENERAL REQUIREMENTS			\$5,190,510	\$17,360	\$11.23
Construction Costs					
	Demo		988,228	3,305	2.14
	Site Work		4,939,164	16,519	10.69
	Garage Construction	\$22,000 / space	5,896,000	19,719	12.76
	Residential Construction	\$140.00 /GSF	51,564,100	172,455	111.58
Total Building Hard Costs			\$63,387,492	\$211,998	\$137.17
01-265-99-02	OCIP-Insurance Credit		(2,182,872)	(7,301)	(4.72)
Total Project Costs			\$86,392,875	\$288,523	\$186.95

*Certification to be provided prior to construction commencement.

EXHIBIT 12

COST ESTIMATE FOR EACH UNIT TYPE

See Exhibit 11

EXHIBIT 13

PROJECT PRO FORMA

See Attachment

Roseland, A Mack-Cali Company

6 Beckerfarm Road, Roseland NJ

30 Year Forecast

3/20/2018



Operating Activity	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
	1	2	3	4	5	6	7	8	9	10
Lease-Up		Stabilized								
Revenue										
Rental Revenue - Market	\$ 4,298,502	\$ 7,696,800	\$ 7,850,736	\$ 8,007,751	\$ 8,167,906	\$ 8,331,264	\$ 8,497,889	\$ 8,667,847	\$ 8,841,204	\$ 9,018,028
Rental Revenue - Affordable	325,920	583,584	595,256	607,161	619,304	631,690	644,324	657,210	670,355	683,762
Amenity Fees	179,607	321,600	328,032	334,593	341,284	348,110	355,072	362,174	369,417	376,806
Garage Parking Fees	64,069	114,720	117,014	119,355	121,742	124,177	126,660	129,193	131,777	134,413
Other Revenue	72,077	129,060	131,641	134,274	136,960	139,699	142,493	145,343	148,249	151,214
Revenue Reductions	(279,215)	(500,851)	(510,868)	(521,086)	(531,507)	(542,137)	(552,980)	(564,040)	(575,320)	(586,827)
Total Revenue	\$ 4,660,460	\$ 8,344,913	\$ 8,511,811	\$ 8,682,047	\$ 8,855,688	\$ 9,032,802	\$ 9,213,458	\$ 9,397,727	\$ 9,585,682	\$ 9,777,395
Expenses										
Payroll	\$ 555,829	\$ 555,829	\$ 566,946	\$ 578,284	\$ 589,850	\$ 601,647	\$ 613,680	\$ 625,954	\$ 638,473	\$ 651,242
Leasing & Marketing	125,000	125,000	127,500	130,050	132,651	135,304	138,010	140,770	143,586	146,457
Repairs & Maintenance	198,750	225,000	229,500	234,090	238,772	243,547	248,418	253,387	258,454	263,623
Grounds & Landscaping	143,750	150,000	153,000	156,060	159,181	162,365	165,612	168,924	172,303	175,749
Make Ready @	80,000	127,075	129,617	132,209	134,853	137,550	140,301	143,107	145,969	148,889
Office Operations & Administrative	90,000	90,000	91,800	93,636	95,509	97,419	99,367	101,355	103,382	105,449
Utilities	201,250	210,000	214,200	218,484	222,854	227,311	231,857	236,494	241,224	246,048
Security	9,750	35,000	35,700	36,414	37,142	37,885	38,643	39,416	40,204	41,008
Real Estate Taxes	485,846	834,491	851,181	868,205	885,569	903,280	921,346	939,773	958,568	977,740
Insurance	93,578	124,771	127,266	129,812	132,408	135,056	137,757	140,512	143,323	146,189
Professional Fees	8,333	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717
Management Fee @	149,628	208,623	212,795	217,051	221,392	225,820	230,336	234,943	239,642	244,435
Total Expenses	\$ 2,141,714	\$ 2,695,789	\$ 2,749,705	\$ 2,804,699	\$ 2,860,793	\$ 2,918,009	\$ 2,976,369	\$ 3,035,896	\$ 3,096,614	\$ 3,158,547
Net Operating Income	\$ 2,518,746	\$ 5,649,124	\$ 5,762,106	\$ 5,877,348	\$ 5,994,895	\$ 6,114,793	\$ 6,237,089	\$ 6,361,831	\$ 6,489,067	\$ 6,618,849

30 Year Forecast

Operating Activity										
Revenue										
Rental Revenue - Marklet	\$ 9,198,388	\$ 9,382,356	\$ 9,570,003	\$ 9,761,403	\$ 9,956,632	\$ 10,155,764	\$ 10,358,879	\$ 10,566,057	\$ 10,777,378	\$ 10,992,956
Rental Revenue - Affordable	697,437	711,386	725,613	740,126	754,928	770,027	785,427	801,136	817,158	833,502
Amenity Fees	384,342	392,029	399,869	407,867	416,024	424,344	432,831	441,488	450,318	459,324
Garage Parking Fees	137,101	139,843	142,640	145,493	148,403	151,371	154,398	157,486	160,636	163,848
Other Revenue	154,239	157,323	160,470	163,679	166,953	170,292	173,698	177,172	180,715	184,329
Revenue Reductions	(598,563)	(610,535)	(622,745)	(635,200)	(647,904)	(660,862)	(674,080)	(687,561)	(701,312)	(715,359)
Total Revenue	\$ 9,972,943	\$ 10,172,402	\$ 10,375,850	\$ 10,583,367	\$ 10,795,035	\$ 11,010,935	\$ 11,231,154	\$ 11,455,777	\$ 11,684,893	\$ 11,918,591
Expenses										
Payroll	\$ 664,267	\$ 677,552	\$ 691,103	\$ 704,926	\$ 719,024	\$ 733,405	\$ 748,073	\$ 763,034	\$ 778,295	\$ 793,861
Leasing & Marketing	149,387	152,374	155,422	158,530	161,701	164,935	168,234	171,598	175,030	178,531
Repairs & Maintenance	268,896	274,274	279,759	285,354	291,061	296,883	302,820	308,877	315,054	321,355
Grounds & Landscaping	179,264	182,849	186,506	190,236	194,041	197,922	201,880	205,918	210,036	214,237
Make Ready @	151,866	154,904	158,002	161,162	164,385	167,673	171,026	174,447	177,936	181,494
Office Operations & Administrative	107,558	109,709	111,904	114,142	116,425	118,753	121,128	123,551	126,022	128,542
Utilities	230,969	255,989	261,109	266,331	271,657	277,091	282,632	288,285	294,051	299,932
Security	41,828	42,665	43,518	44,388	45,276	46,182	47,105	48,047	49,008	49,989
Real Estate Taxes	1,097,024	1,118,964	1,141,344	1,164,170	1,187,454	1,211,203	1,235,427	1,260,135	1,285,338	1,311,045
Insurance	149,113	152,095	155,137	158,240	161,405	164,633	167,925	171,284	174,710	178,204
Professional Fees	11,951	12,190	12,434	12,682	12,936	13,195	13,459	13,728	14,002	14,282
Management Fee @	249,324	254,310	259,396	264,584	269,876	275,273	280,779	286,394	292,122	297,965
Total Expenses	\$ 3,321,447	\$ 3,387,876	\$ 3,455,633	\$ 3,524,746	\$ 3,595,241	\$ 3,667,146	\$ 3,740,489	\$ 3,815,299	\$ 3,891,605	\$ 3,969,437
Net Operating Income	\$ 6,651,496	\$ 6,784,526	\$ 6,920,217	\$ 7,058,621	\$ 7,199,794	\$ 7,343,789	\$ 7,490,665	\$ 7,640,479	\$ 7,793,288	\$ 7,949,154

Roseland, A Mack-Cali Company

6 Beckerfarm Road, Roseland NJ

30 Year Forecast

3/20/2018

Operating Activity										
Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
21	22	23	24	25	26	27	28	29	30	
Revenue										
\$ 11,212,784	\$ 11,437,040	\$ 11,665,781	\$ 11,899,096	\$ 12,137,078	\$ 12,379,820	\$ 12,627,416	\$ 12,879,965	\$ 13,137,564	\$ 13,400,315	
850,172	867,175	884,519	902,209	920,253	938,658	957,431	976,580	996,112	1,016,034	
468,510	477,881	487,438	497,187	507,131	517,273	527,619	538,171	548,935	559,913	
167,125	170,468	173,877	177,355	180,902	184,520	188,210	191,975	195,814	199,730	
188,016	191,776	195,612	199,524	203,515	207,585	211,737	215,971	220,291	224,697	
(729,646)	(744,238)	(759,123)	(774,306)	(789,792)	(805,588)	(821,699)	(838,133)	(854,896)	(871,994)	
\$ 12,156,962	\$ 12,400,102	\$ 12,648,104	\$ 12,901,066	\$ 13,159,087	\$ 13,422,269	\$ 13,690,714	\$ 13,964,528	\$ 14,243,819	\$ 14,528,695	
Expenses										
Payroll										
\$ 809,738	\$ 825,933	\$ 842,451	\$ 859,300	\$ 876,486	\$ 894,016	\$ 911,896	\$ 930,134	\$ 948,737	\$ 967,712	
182,101	185,743	189,458	193,247	197,112	201,055	205,076	209,177	213,361	217,628	
327,783	334,338	341,025	347,845	354,802	361,898	369,136	376,519	384,049	391,730	
218,522	222,892	227,350	231,897	236,535	241,266	246,091	251,013	256,033	261,154	
185,124	188,827	192,603	196,455	200,384	204,392	208,480	212,650	216,903	221,241	
131,113	133,735	136,410	139,138	141,921	144,759	147,655	150,608	153,620	156,692	
305,930	312,049	318,290	324,656	331,149	337,772	344,527	351,418	358,446	365,615	
50,988	52,008	53,048	54,109	55,191	56,295	57,421	58,570	59,741	60,936	
1,438,835	1,488,012	1,517,772	1,548,128	1,579,090	1,610,672	1,642,886	1,675,743	1,709,258	1,743,443	
181,768	185,403	189,111	192,894	196,751	200,686	204,700	208,794	212,970	217,229	
14,568	14,859	15,157	15,460	15,769	16,084	16,406	16,734	17,069	17,410	
303,924	310,003	316,203	322,527	328,977	335,557	342,268	349,113	356,095	363,217	
\$ 4,170,395	\$ 4,253,803	\$ 4,338,879	\$ 4,425,657	\$ 4,514,170	\$ 4,604,453	\$ 4,696,542	\$ 4,790,473	\$ 4,886,282	\$ 4,984,008	
\$ 7,986,567	\$ 8,146,299	\$ 8,309,225	\$ 8,475,409	\$ 8,644,917	\$ 8,817,816	\$ 8,994,172	\$ 9,174,055	\$ 9,357,537	\$ 9,544,687	
Net Operating Income										

EXHIBIT 14

PROJECT FINANCING PLAN

The project is expected to cost approximately \$86,400,000 to construct. Capital for the project is expected to be in the form of \$30,250,000 (35%) of equity from the owner and \$56,150,000 (65%) of conventional construction loan financing provided from one of the various lending institutions the company does business with.

EXHIBIT 15

PRIVATE FINANCING COMMITMENTS

See Exhibit 14. No financing commitments have been secured to date.

EXHIBIT 16

EXPLANATION OF NEED FOR TAX EXEMPTION

The project described herein requires the assistance of the proposed PILOT agreement in order to achieve financial yields necessary for securing construction financing and meeting company investment thresholds while ensuring that 20% of all units be made available for low and moderate income households.

EXHIBIT 17

PROJECT SCHEDULE

Adoption of Redevelopment Agreement	March 2018
Effective Date of Redevelopment Agreement	April 2018
Submit Site Plan Application	July 2018
Preliminary and Final Site Plan Approval	September 2018
All other prerequisite Governmental Approvals	August 2019
Building Permit Application Submission	August 2019
Commencement of Construction*	September 2019
First Certificate of Occupancy	September 2021
Construction Completion**	December 2021

*As per Redevelopment Agreement, in no event shall Commencement of Construction begin later than 18 months from the Effective Date.

** As per Redevelopment Agreement, Construction shall be complete within four years of the Effective Date

EXHIBIT 18

SUMMARY OF PROJECT BENEFITS

The project is expected to generate the following benefits to the Township:

- 1) 6 Becker Farm Multifamily - Approximately 175 Construction Jobs and 6 permanent jobs (consisting of Property Management/Leasing employees and Property Maintenance employees)
- 2) Environmental – There is no known environmental remediation required
- 3) Municipal Revenue – Please see Exhibit 13 for PILOT Revenue projections. Township Revenues generated through sewer/water fees are yet to be determined.
- 4) 20% of all units constructed will be reserved for low and moderate income households.

EXHIBIT 19

FORM OF FINANCIAL AGREEMENT

See Attachment

Financial Agreement

By and Between

Borough of Roseland

and

6 BECKER URBAN RENEWAL, L.L.C.

THIS FINANCIAL AGREEMENT (hereinafter "**Agreement**" or "**Financial Agreement**"), made this _____ day of _____, 2018, by and between 6 Becker Urban Renewal, L.L.C. (the "**Urban Renewal Entity**" or "**Redeveloper**"), a New Jersey limited liability company qualified to do business under the provisions of the *Long Term Tax Exemption Law of 1992*, as amended and supplemented, N.J.S.A. 40A:20-1 *et seq.* (the "**Exemption Law**"), with offices c/o ROSELAND RESIDENTIAL TRUST, A Mack-Cali Company, Harborside 3 – 210 Hudson Street, Suite 400, Jersey City, New Jersey 07311, along with its permitted successors and/or assigns, and the Borough of Roseland, a municipal corporation in the County of Essex and the State of New Jersey (the "**Borough**"; together with the Urban Renewal Entity, the "**Parties**").

WITNESSETH:

WHEREAS, pursuant to the *Local Redevelopment and Housing Law*, N.J.S.A. 40A:12A-1 *et seq.* (the "**Redevelopment Law**"), the municipal council (the "**Borough Council**") of the Borough of Roseland (the "**Borough**") on February 28, 2016, adopted a resolution which designated an area consisting of certain properties identified on the tax map of the Borough as Block 30, Lot 2 (the "**Property**") as an area in need of redevelopment; and

WHEREAS, the Borough Council designated the Borough as the redevelopment entity responsible for implementing and carrying out redevelopment plans pursuant to the Redevelopment Law; and

WHEREAS, Maser Consulting, P.A., has prepared, and the Borough Council has adopted, the redevelopment plan entitled "Redevelopment Plan for Block 30, Lot 2 also known as 6 Becker Farm Road, Borough of Roseland, Essex County, New Jersey" (the "**Redevelopment Plan**"), providing the development standards for the Property; and

WHEREAS, on the Borough Council referred the Redevelopment Plan to the Borough planning board (the "**Planning Board**") for comments and recommendations; and

WHEREAS, the Planning Board held a public hearing and provided findings with respect to the proposed Redevelopment Plan; and

WHEREAS, after reviewing the Planning Board's recommendation, the Borough Council adopted the Redevelopment Plan by Ordinance #11-2017 on August 15, 2017; and

WHEREAS, the Redeveloper submitted to the Borough a proposal to undertake the construction of a four (4)-story residential apartment building with up to 300 units, consisting of two hundred forty (240) market rate family rental residential units (consisting of eleven (11) studio, seventy nine (79) one bedroom and one hundred fifty (150) two bedroom apartments) and 60 units would be affordable to low and moderate income households, as well as approximately 591 parking spaces (inclusive of approximately 330 pre-cast garage parking spaces) (the "**Project**"); and

WHEREAS, on _____, the Borough adopted Resolution _____, designating the Redeveloper as “redeveloper” (as such term is defined in the Redevelopment Law) of the Property and authorizing the execution of a redevelopment agreement; and

WHEREAS, the Borough and the Redeveloper executed a redevelopment agreement, dated _____, 2018 (the “**Redevelopment Agreement**”), that set forth the terms and conditions upon which the Property is to be redeveloped; and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Borough now enters into this Financial Agreement with the Urban Renewal Entity, which Agreement shall govern payments made to the Borough in lieu of real estate taxes on the Project pursuant to the Exemption Law; and

WHEREAS, the Urban Renewal Entity has filed an application (the “**Application**,” as further defined herein), with the Mayor of the Borough for approval of a long term tax exemption for the Improvements (as defined herein) to the extent permitted by the Exemption Law; and

WHEREAS, the Borough has made the following findings with respect to the Project:

A. Relative benefits of the Project:

- i. The Project will provide additional housing in the Borough, along with the renewal and revitalization of the Redevelopment Area.
- ii. The Borough will benefit from the creation of approximately six (6) permanent new jobs.
- iii. Without the tax exemption granted herein, it is highly unlikely that the Urban Renewal Entity would have proceeded with the Project.
- iv. It is anticipated that the general contractor hired to build this Project will employ approximately 175 construction workers which will consist of minorities, women, and the local residents of the Borough.

B. Assessment of the importance of the Tax Exemption in obtaining development of the Project and influencing the locational decisions of probable occupants:

- i. Tax Exemption permits better use of the Land through:
 - a. Revitalizing the neighborhood, re-using lands that have become obsolete, and increasing the quality of life for the residents of the community. It will also offer market rate and affordable housing and retail spaces to generate additional tax revenue for the Borough.

WHEREAS, upon consideration of the Application and the Mayor's recommendations with respect thereto pursuant to N.J.S.A. 40A:20-8, the Borough Council, on _____, adopted Ordinance No. _____ (the “**Ordinance**”), authorizing the execution of this Agreement and granting a tax exemption in accordance with the terms hereof; and

WHEREAS, in order to satisfy requirements of the Exemption Law and to set forth the terms and conditions under which the Parties shall carry out their respective obligations with respect to the Annual Service Charge (as such term is defined herein), the Parties have determined to execute 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 1.01 Governing Law – THIS FINANCIAL AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THIS STATE, INCLUDING THE PROVISIONS OF THE EXEMPTION LAW, THE REDEVELOPMENT LAW AND ALL OTHER APPLICABLE LAWS. IT IS HEREBY EXPRESSLY ACKNOWLEDGED, UNDERSTOOD AND AGREED THAT EACH AND EVERY PARCEL OF LAND, AND ANY IMPROVEMENT RELATED THERETO, INCLUDING WITHOUT LIMITATION, ANY UNIT, AS SUCH TERMS ARE DEFINED HEREIN, SHALL BE SUBJECT TO AND GOVERNED BY THE TERMS OF THIS FINANCIAL AGREEMENT.

Section 1.02 General Definitions. The following terms shall have the meaning assigned to such term in the preambles hereof:

Agreement	Planning Board
Application	Project
Borough	Redeveloper
Borough Council	Redevelopment Agreement
Exemption Law	Redevelopment Area
Financial Agreement	Redevelopment Law
Ordinance	Redevelopment Plan
Parties	Urban Renewal Entity

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

Administrative Fee – shall be as defined in Section 14.08 herein.

Allowable Net Profit – shall mean the amount arrived at by applying the Allowable Profit Rate to the cost of the Project pursuant to the provisions of *N.J.S.A. 40A:20-3(c)*.

Allowable Profit Rate – shall mean the greater of (a) twelve percent (12%) or (b) the percentage per annum arrived at by adding one and one-quarter percent (1¼%) to the annual interest percentage rate payable on the Urban Renewal Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of (i) twelve percent (12%) or (ii) the percentage per annum arrived at by adding one and one-quarter percent (1¼%) per annum to the interest rate per annum that the Borough determines to be the prevailing rate of mortgage financing on comparable improvements in the County. The provisions of *N.J.S.A. 40A:20-3(b)* are incorporated herein by reference.

Annual Gross Revenue or **Gross Revenue** – shall have the meaning applied to such term in, and shall be construed in accordance with, the Exemption Law, specifically *N.J.S.A. 40A:20-3(a)* and Section 6.07 hereof.

Annual Service Charge – shall mean the payment pursuant to Article IV herein.

Annual Service Charge Payment Dates – shall mean February 1, May 1, August 1 and November 1 of each year commencing on the first such date following the Annual Service Charge Start Date and continuing in accordance with the term of this Financial Agreement.

Annual Service Charge Start Date – shall mean, with respect to the Project or any portion thereof, including any Unit, the earlier of Substantial Completion or the date that the Project or any portion thereof, as applicable, including any Unit, receives a Certificate of Occupancy, and shall be the date upon which the Annual Service Charge begins to accrue.

Applicable Law – shall mean all federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, the Ordinance, the Redevelopment Law, the Exemption Law, relevant construction codes including construction codes governing access for people with disabilities, and such zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations thereunder, including all applicable environmental laws, applicable federal and State labor standards and all applicable laws or regulations with respect to the payment of prevailing wages.

Application – shall mean collectively, the applications, as supplemented, filed by the Urban Renewal Entity pursuant to *N.J.S.A. 40A:20-8* with the Mayor of the Borough for a long-term tax exemption for the Project, attached hereto as **Exhibit 2**.

Auditor's Report – shall mean a complete financial statement outlining the financial status of the Project (for a period of time as indicated by context), which shall also include a certification of Total Project Cost and clear computation of Net Profit as provided in *N.J.S.A. 40A:20-3(c)(2)*. The contents of the Auditor's Report shall have been prepared in conformity with Generally Accepted Auditing Standards. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant licensed to practice that profession in the State.

Borough Clerk – shall mean the Clerk of the Borough.

Certificate of Occupancy – shall mean a temporary or permanent Certificate of Occupancy, as such term is defined in the New Jersey Administrative Code, as issued by the Borough authorizing occupancy of a building, in whole or in part, pursuant to *N.J.S.A. 52:27D-133*.

Change in Law – shall mean the enactment, promulgation, modification or repeal of or with respect to Applicable Law, including without limitation, the Exemption Law, the Redevelopment Law or other similar statute with respect to the matters addressed by the terms of this Financial Agreement and/or the transactions contemplated hereby.

Chief Financial Officer – shall mean the Borough's chief financial officer.

Completion, Complete or Completed – shall mean, with respect to the Project, (a) all work related to the Project in its entirety or any other work or actions to which such term is applied has been completed, acquired and/or installed in accordance with the Redevelopment Agreement and in compliance with Applicable Laws so that (i) the Project in its entirety may, in all respects, be used and operated under the applicable provisions of the Redevelopment Agreement, or (ii) with respect to any other work or action to which such term is applied, that the intended purpose of such work or action has been completed; (b) all permits, licenses and approvals that are required can be issued for the Project in its entirety or such other work or action to which such term is applied are in full force and effect; and (c) such “completion” has been evidenced by a written notice provided by the Urban Renewal Entity with respect to the Project, which determination is reasonably acceptable to the Borough.

County – shall mean the County of Essex.

County Share – shall mean five percent (5%) of the Annual Service Charge received by the Borough, which shall be payable to the County as provided herein.

Default – shall mean a breach of or the failure of any Party to perform any obligation imposed upon such Party by the terms of this Agreement, or under Applicable Law, beyond any applicable grace or cure periods.

Disclosure Statement – shall be as defined in Section 6.02(b).

Exhibit(s) – shall mean any exhibit attached hereto, which shall be deemed to be a part of this Financial Agreement, as if set forth in full in the text hereof.

Improvements – shall mean any building, structure or fixtures which are permanently affixed to the Land as part of the Project and become incorporated therein, which improvements are recognized and exempted from taxation under this Agreement.

In Rem Tax Foreclosure – shall mean a summary proceeding by which the Borough 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.*

Land – shall mean the real property, but not the Improvements, known as Block 30, Lot 2 as set forth on the tax maps of the Borough, and more particularly described by the metes and bounds description set forth as **Exhibit 1** to this Agreement.

Land Taxes – shall mean the amount of taxes assessed on the value of the Land upon which the Project is located.

Land Tax Payments – shall mean payments made on the quarterly due dates for Land Taxes as determined by the Tax Assessor and the Tax Collector.

Material Conditions – shall be as defined in Section 4.05 herein.

Minimum Annual Service Charge – shall be the amount of the total taxes levied against the Property in the last full tax year in which the Property was subject to taxation.

Net Profit – shall mean the Gross Revenue of the Urban Renewal Entity pertaining to the Project less all operating and non-operating expenses of the Urban Renewal Entity, all determined in accordance with generally accepted accounting principles and the provisions of *N.J.S.A. 40A:20-3(c)*. Without limiting the foregoing, included in expenses shall be payments of principal and interest made by the Urban Renewal Entity in an amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost over the term of the exemption granted pursuant to this Agreement as well as all other expenses permitted under the provisions of *N.J.S.A. 40A:20-3(c)*.

Project – shall mean that component of the Project consisting of the design, development, financing and construction of approximately 300 residential rental units, required parking, and uses attendant and necessary thereto as required, or otherwise permitted, under the Redevelopment Plan, the Redevelopment Agreement and Applicable Law.

Residential Unit – shall mean one of the residential rental units to be built as a part of the Residential Project.

State – shall mean the State of New Jersey.

Substantial Completion – shall mean the date the work related to the Project, or any portion thereof, including any Unit, is sufficiently complete in accordance with the Redevelopment Plan and the Redevelopment Agreement so that the Project, or any portion thereof, including any Unit, may be occupied or utilized for the use for which it is intended. The issuance of a temporary Certificate of Occupancy shall be conclusive proof that the Project, or any portion thereof, including any Unit, has reached Substantial Completion.

Tax Assessor – shall mean the Borough tax assessor.

Tax Collector – shall mean the Borough tax collector.

Tax Sale Law – *N.J.S.A. 54:5-1 et seq.*, as the same may be amended or supplemented from time to time.

Term – shall be as defined in Section 3.01 of this Agreement.

Termination – shall mean the expiration of the term of this Agreement in accordance with Section 3.01 hereof which by operation of the terms of this Financial Agreement shall cause the relinquishment of the tax exemption applicable to any Improvement, including any Unit.

Total Project Cost – shall have the meaning applied to such term in, and shall be construed in accordance with, the Exemption Law, specifically *N.J.S.A. 40A:20-3(h)*.

Section 1.03 Interpretation and Construction. In this Financial Agreement, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Financial Agreement, refer to this Financial Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Financial Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, as well as natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Financial Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Financial Agreement, nor shall they affect its meaning, construction or effect.

(e) Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any person or party hereunder shall not be unreasonably withheld, conditioned, or delayed.

(f) All notices to be given hereunder and responses thereto shall be given, unless a certain number of days is specified, in writing and within a reasonable time, which shall not be less than fifteen (15) days nor more than thirty (30) days, unless the context dictates otherwise.

(g) This Financial Agreement shall become effective upon its execution and delivery by the parties hereto.

(h) All exhibits referred to in this Financial Agreement and attached hereto are incorporated herein and made part hereof.

ARTICLE II

BASIS OF AGREEMENT

Section 2.01 Covenant of Tax Exemption. The Borough hereby grants its approval for a tax exemption for the Improvements, including, without limitation, any Unit, to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of Applicable Law, which Improvements shall be constructed and/or renovated on the Land. Land Taxes and Land Tax Payments shall continue to be paid on the Land at all times during the term of this Agreement.

Section 2.02 Representations of Urban Renewal Entity. The Urban Renewal Entity represents that its Certificate of Formation, attached hereto as **Exhibit 3**, contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the State Department

of Community Affairs, and has been filed with, as appropriate, the State Department of Treasury, all in accordance with *N.J.S.A. 40A:20-5*.

Section 2.03 Construction of the Project. The Urban Renewal Entity represents that it will construct the Project in accordance with the Redevelopment Agreement, the Redevelopment Plan and Applicable Law, the use of which is more specifically described in the Application attached hereto as **Exhibit 2**.

Section 2.04 Construction Schedule. The Urban Renewal Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the construction schedule set forth in the Redevelopment Agreement, as such schedule may be amended from time to time in accordance with the terms of the Redevelopment Agreement.

Section 2.05 Ownership, Management and Control.

(a) The Urban Renewal Entity hereby represents that it is the fee title owner of the Property.

Section 2.06 Financial Plan. The Urban Renewal Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as **Exhibit 4**. The Plan sets forth estimated Total Project Cost, amortization rate on Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

Section 2.07 Statement of Rental Schedules. The Urban Renewal Entity represents that its good faith projections of the initial rental schedules are set forth in **Exhibit 5** attached hereto.

ARTICLE III
DURATION OF AGREEMENT

Section 3.01 Term. It is understood and agreed by the Parties that this Agreement, including the obligation to pay the Annual Service Charge required under Article IV hereof and the tax exemption granted and referred to in Section 2.01 hereof, shall, with respect to the Project or any portion thereof, including any Unit, remain in full force and effect for ~~twenty~~thirty (~~20~~30) years from the Annual Service Charge Start Date. Upon Termination, the tax exemption for the Project shall expire and the Improvements shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Borough. Upon Termination, all restrictions and limitations upon the Urban Renewal Entity shall terminate upon the Urban Renewal Entity's rendering and the Borough's acceptance of its final accounting, pursuant to *N.J.S.A. 40A:20-13*.

Section 3.02 Date of Termination. Upon any Termination of the tax exemption described in Section 2.01 hereof, the date of such Termination shall be deemed to coincide with the end of the fiscal year of the Urban Renewal Entity.

ARTICLE IV

ANNUAL SERVICE CHARGE

Section 4.01 Payment of Conventional Taxes Prior to Commencement of Annual Service Charge. During the period between execution of this Agreement and the Substantial Completion of the Project, the Urban Renewal Entity shall make payment of conventional real estate taxes with respect to the Land and the improvements currently existing thereon, at the time and to the extent due in accordance with generally applicable law.

Section 4.02 Commencement of Annual Service Charge. The Urban Renewal Entity shall make payment of an annual service charge (the "Annual Service Charge") commencing on the Annual Service Charge Start Date.

Section 4.03 Payment of Annual Service Charge.

(a) The Annual Service Charge shall be due and payable to the Borough on the Annual Service Charge Payment Dates, commencing to accrue as of the Annual Service Charge Start Date. In the event that the Urban Renewal Entity fails to timely pay any installment of the Annual Service Charge, the amount past due shall bear until paid the highest rate of interest permitted under applicable State law then being assessed against other delinquent taxpayers in the case of unpaid taxes or tax liens.

(b) Each installment payment of the Annual Service Charge is to be made to the Borough and shall be clearly identified as "Annual Service Charge Payment for the Project."

Section 4.04 Annual Service Charge. In consideration of the exemption from taxation for the Improvements, including the Units, the Urban Renewal Entity shall pay the Annual Service Charge to the Borough on the Annual Service Charge Payment Dates in the amounts set forth below.

- (a) The Annual Service Charge shall be equal to an amount calculated as follows:
- (i) For each of the first ten (10) years from the Annual Service Charge Start Date, the Annual Service Charge shall be equal to the greater of (A) ten (10%) of the Annual Gross Revenue or (B) the Minimum Annual Service Charge, to the extent applicable; and
 - (ii) For each of the years 11 through 20 from the Annual Service Charge Start Date, the Annual Service Charge shall be equal to the greater of (A) eleven (11%) of the Annual Gross Revenue, (B) the Minimum Annual Service Charge, or (C) a percentage of the real property taxes otherwise due on the value of the Land and the Improvements to the extent applicable as more fully set forth in (b) below; and
 - (iii) For each of the years 21 through 30 from the Annual Service Charge Start Date, the Annual Service Charge shall be equal to the greater of (A) twelve (12%) of the Annual Gross Revenue, (B) the Minimum Annual Service Charge, or (C) a percentage of the real property taxes otherwise due on the value of the Land and the Improvements to the extent applicable as more fully set forth in (b) below.

(b) Notwithstanding the foregoing, in any given year the Annual Service Charge shall be subject to the staged increases required under N.J.S.A. 40A:20-12(b)(2) as described herein, the Annual Service Charge shall be the greater of (a)(i)-(iii) above or:

- (i) For years 1 through 15 zero percent (0%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (ii) For years 16 through 21 twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (iii) For years 22 through 27 forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (iv) For years 28 through 29 sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements; and
- (v) For year 30 eighty percent (80%) of the real property taxes otherwise due on the value of the Land and the Improvements.

(c) In accordance with the Exemption Law, including without limitation, N.J.S.A. 40A:20-12, the Urban Renewal Entity shall be entitled to a credit against the Annual Service Charge equal to the amount, without interest, of the Land Taxes paid by it in the last four preceding quarterly installments.

Section 4.05 Material Conditions. It is expressly agreed and understood that all payments of Land Taxes, Annual Service Charges and any interest payments, penalties or costs of collection due thereon, are material conditions of this Financial Agreement. If any other term, covenant or condition of this Financial Agreement or the Application, as to any person or circumstance shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Financial 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 remaining term, covenant or condition of this Financial Agreement shall be valid and enforced to the fullest extent permitted by Applicable Law.

ARTICLE V

CERTIFICATE OF OCCUPANCY

Section 5.01 Certificate of Occupancy. It is understood and agreed that it shall be the obligation of the Urban Renewal Entity to obtain all Certificates of Occupancy in a timely manner after the Urban Renewal Entity has satisfied all requirements to secure such Certificate of Occupancy.

Section 5.02 Filing of Certificate of Occupancy. It shall be the responsibility of the Urban Renewal Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Notwithstanding the foregoing, the filing of any Certificate of Occupancy shall not be a prerequisite for any action taken by the Borough, including, if appropriate, retroactive billing with interest to collect any charges hereunder to be due.

ARTICLE VI

ACCOUNTING, REPORTS, CALCULATIONS

Section 6.01 Accounting System. The Urban Renewal Entity agrees to calculate its Net Profit pursuant to *N.J.S.A. 40A:20-3(c)*. The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles or in accordance with cash basis accounting principles and as otherwise prescribed by applicable law.

Section 6.02 Periodic Reports.

(a) **Auditor's Report.** Within ninety (90) days after the close of each fiscal or calendar year (depending on the Urban Renewal Entity's accounting basis) that this Agreement shall continue in effect, the Urban Renewal Entity shall submit to the Borough Council, the Tax Collector and the Borough Clerk, who shall advise those municipal officials required to be advised, and the Division of Local Government Services in the State Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The report shall clearly identify and calculate the Net Profit for the Urban Renewal Entity during the previous year. The Urban Renewal Entity assumes all costs associated with preparation of the periodic reports.

(b) **Disclosure Statement.** On each anniversary date of the execution of this Agreement, if there has been a change in ownership or interest in the Project from the prior year's filing, the Urban Renewal Entity shall submit to the Borough Council, the Tax Collector and the Borough Clerk, who shall advise those municipal officials required to be advised, a disclosure statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the Borough may request from time to time (the "**Disclosure Statement**").

Section 6.03 Inspection. The Urban Renewal Entity shall, upon reasonable request and notice, permit inspection of its property, equipment, buildings and other facilities of the Project and also permit examination of audit of its books, contracts, records, documents and papers with respect to the Project, by authorized officers of the Borough, and the Division of Local Government Services in the State Department of Community Affairs pursuant to *N.J.S.A. 40A:20-9(e)*. To the extent reasonably possible, the inspection will not materially interfere with the construction or operation of the Project.

Section 6.04 Limitation on Profits and Reserves. During the period of tax exemption as provided herein, the Urban Renewal Entity shall be subject to a limitation of its profits pursuant to the provisions of *N.J.S.A. 40A:20-15*. Pursuant to *N.J.S.A. 40A:20-3(c)*, this calculation is completed in accordance with generally accepted accounting principles.

The Urban Renewal Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to 10 percent of the Annual Gross Revenues of the Urban Renewal Entity for the last full fiscal year preceding the year and may retain such part of the excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in *N.J.S.A. 40A:20-15*.

Section 6.05 Payment of Dividend and Excess Profit Charge. In the event the Net Profits of the Urban Renewal Entity shall exceed the Allowable Net Profits for such period, then the Urban Renewal Entity, within one hundred and twenty (120) days after the end of the accounting period established by the Exemption Law, shall pay such excess Net Profits to the Borough as an additional service charge; provided, however, that the Urban Renewal Entity may maintain a reserve as determined pursuant to aforementioned Section 6.04. The calculation of Net Profit and Allowable Net Profit shall be made in the manner required pursuant to *N.J.S.A. 40A:20-3(c)* and -15.

Section 6.06 Calculation of Gross Revenue and Net Profit. There is expressly excluded from calculation of Gross Revenue and from Net Profit as set forth in *N.J.S.A. 40A:20-3* for the purpose of determining compliance with *N.J.S.A. 40A:20-15* or -16, any gain realized by the Urban Renewal Entity on the sale of any Unit, whether or not taxable under federal or State law.

ARTICLE VII

ASSIGNMENT AND/OR ASSUMPTION

Section 7.01 Approval to Sale of Project by Urban Renewal Entity Formed and Eligible to Operate Under Law. As permitted by *N.J.S.A. 40A:20-10*, it is understood and agreed that the Borough, on written application by the Urban Renewal Entity, will consent to a sale of the Project (or a portion thereof) and the transfer of this Agreement (as pertaining to a portion of the Project) to another urban renewal entity, provided that (a) the transferee urban renewal entity shall have demonstrated to the reasonable satisfaction of the Borough that it possesses the experience and capitalization necessary to complete and/or operate the Project or relevant portion thereof, which determination shall not be unreasonably withheld; (b) the transferee urban renewal entity does not own any other project subject to long term tax exemption at the time of transfer; (c) the transferee urban renewal entity is formed and eligible to operate under the Exemption Law; (d) the Urban Renewal Entity is not then in Default of this Agreement or in violation of Applicable Law; (e) the Urban Renewal Entity's obligations under this Agreement are fully assumed by the transferee urban renewal entity; and (f) the transferee urban renewal entity abides by all terms and conditions of this Agreement including, without limitation, the filing of an application pursuant to *N.J.S.A. 40A:20-8*. Notwithstanding the foregoing, a transfer pursuant to this Section 7.01 is also subject to the transfer prohibitions and exemptions specified in Article 11 of the Redevelopment Agreement.

Section 7.02 Severability. It is an express condition of the granting of this tax exemption that during its duration, the Urban Renewal Entity shall not, without the prior consent of the Borough Council by ordinance, convey, mortgage or transfer, all or part of the Project so as to sever, disconnect, or divide the Improvements from the Land which is basic to, embraced in, or underlying the exempted Improvements.

Section 7.03 Subordination of Fee Title. It is expressly understood and agreed that the Urban Renewal Entity has the right to encumber and/or assign the fee title to the Land and/or Improvements for the purpose of financing the design, development and construction of the Project and that any such encumbrance or assignment shall not be deemed to be a violation of this Agreement. Notwithstanding the foregoing, a transfer pursuant to this Section 7.03 is also

subject to the transfer prohibitions and exemptions specified in Article 11 of the Redevelopment Agreement.

ARTICLE VIII
RESERVATION OF BOROUGH RIGHTS AND REMEDIES

Section 8.01 Reservation of Rights and Remedies. Except as expressly provided herein, nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the Borough or the Urban Renewal Entity of any rights and remedies provided by Applicable Law. Unless otherwise expressly stated, nothing herein shall be deemed to limit any right of recovery that the Borough or the Urban Renewal Entity has under law, in equity, or under any provision of this Financial Agreement.

ARTICLE IX
NOTICES

Section 9.01 Notice. Formal notices, demands and communications between and among the Borough and the Urban Renewal Entity shall be in writing and deemed given if dispatched to the address set forth below by registered or certified mail, postage prepaid, return receipt requested, or by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available. In that case such notice is deemed effective upon delivery. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by written notice.

Copies of all notices, demands and communications shall be sent as follows:

If to the Borough:

Borough of Roseland
140 Eagle Rock Avenue
Roseland, New Jersey 07068
Attn: Borough Clerk
Fax: () _____

with copies to:

William W. Northgrave, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, New Jersey 07068
Fax: (973) 712-1431

If to the Urban Renewal Entity:

Fax: () _____

with copies to:

Steven R. Tombalakian, Esq.
WEINER LAW GROUP, LLC
629 Parsippany Road, P.O. Box 0438
Parsippany, New Jersey 07054
Fax: (973) 403-0010

ARTICLE X
COMPLIANCE BY ENTITY WITH LAW

Section 10.01 Statutes and Ordinances. The Urban Renewal Entity hereby agrees at all times prior to the expiration or other Termination of this Financial Agreement to remain bound by the provisions of Applicable Law, including, but not limited to, the Exemption Law. The Urban Renewal Entity's failure to comply with such statutes or ordinances shall constitute a violation and breach of the Financial Agreement.

ARTICLE XI
CONSTRUCTION

Section 11.01 Construction. This Financial Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid or any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Urban Renewal Entity and the Borough have combined in their review and approval of same.

ARTICLE XII
INDEMNIFICATION

Section 12.01 Indemnification. It is understood and agreed that in the event the Borough shall be named as party defendant in any action brought against the Borough by allegation of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of Applicable Law, the Urban Renewal Entity shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Urban Renewal Entity and/or by reason of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of Applicable Law, including without limitation, *N.J.S.A. 40A:20-1 et seq.*, except for the willful misconduct by the Borough or its officers, officials, employees or agents and the Urban Renewal Entity shall defend the suit at its own expense. However, the Borough maintains the right to intervene as a party thereto, to which intervention the Urban Renewal Entity hereby consents, the reasonable expense thereof to be borne by the Urban Renewal Entity. To the extent practical and ethically permissible, the Urban Renewal Entity's attorneys shall jointly defend and represent the

interest of the Borough and the Urban Renewal Entity as to all claims indemnified in connection with this Agreement.

ARTICLE XIII **DEFAULT**

Section 13.01 Default. Default shall be the failure of any party to conform to the terms of this Agreement, and/or the failure of any party to perform any obligation imposed upon such party by Applicable Law beyond any applicable notice, cure or grace period.

Section 13.02 Cure Upon Default. Should any party be in Default of any obligation under this Agreement, the other party shall notify the defaulting party and any mortgagee, if applicable, in writing of said Default. If the defaulting party is the Urban Renewal Entity, the Borough, shall provide such notice. Said notice shall set forth with particularity the basis of said Default. Except as otherwise limited by law, the defaulting party shall have sixty (60) days to cure any Default, other than a Default in payment of any installment of the Annual Service Charge, in which case the defaulting party shall have fifteen (15) days to cure.

Section 13.03 Arbitration. In the event of an uncured Default by any party or a dispute arising between any parties in reference to the terms and provisions as set forth herein, then the parties shall submit the dispute to the American Arbitration Association in the State to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Exemption Law. Costs for said arbitration shall be paid by the non-prevailing party.

Section 13.04 Default in the Payment of Annual Service Charge.

(a) Upon any Default by the Urban Renewal Entity in payment of any installment of the Annual Service Charge, the Borough, in addition to its other remedies, reserves the right to proceed against the applicable Land, and any Improvements related thereto, in the manner provided by Applicable Law and shall have the right to proceed to In Rem Tax Foreclosure consistent with the provisions and procedures of the In Rem Tax Foreclosure Law.

(b) Whenever the word "Taxes" appears, or is applied, directly or implied, to mean taxes or municipal liens on Land, such statutory provisions shall be read, as far as it is pertinent to this Agreement, as if the Annual Service Charge were taxes or municipal liens on Land.

Section 13.05 Remedies Upon Default Cumulative; No Waiver. Subject to the provisions of this Article XIII and the other terms and conditions of this Agreement, all of the remedies provided in this Agreement to any party, and all rights and remedies granted by law and equity shall be cumulative and concurrent and no determination of the invalidity of any provision of this Agreement shall deprive the Borough of any of its remedies or actions against the Urban Renewal Entity because of the Urban Renewal Entity's failure to pay Land Taxes, the Annual Service Charge and/or any applicable water and sewer charges and interest payments. This right shall only apply to arrearages that are due and owing at the time, and the bringing of any action for Land Taxes, 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 or

other charges shall not be construed as a waiver of the right to proceed with an In Rem Tax Foreclosure action consistent with the terms and provisions of this Agreement.

Section 13.06 Final Accounting. Within one hundred and twenty (120) days after the date of Termination, the Urban Renewal Entity shall provide a final accounting and pay to the Borough any excess Net Profits. For purposes of rendering a final accounting the Termination of the Agreement shall be deemed to coincide with the end of the fiscal year of the Borough.

Section 13.07 Conventional Taxes. Upon Termination or expiration of this Agreement, the Tax Exemption for the Improvements shall expire and the Land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the Borough.

ARTICLE XIV MISCELLANEOUS

Section 14.01 Financial Agreement Controlling. The Parties agree that in the event of a conflict between (i) the Application and this Financial Agreement or (ii) the Redevelopment Agreement and this Financial Agreement, the provisions of this Financial Agreement shall govern and prevail.

Section 14.02 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 Redevelopment Agreement, the Ordinance and the Application constitute the entire agreement between the Parties with respect to the Project and there shall be no modifications thereto other than by a written instrument executed by the Parties and delivered to each of them.

Section 14.03 Entire Document. All conditions in the Ordinance are incorporated in this Agreement and made a part hereof.

Section 14.04 Good Faith. In their dealings with each other, the Parties agree that they shall act in good faith.

Section 14.05 Recording. Upon the execution and delivery of this Financial Agreement, the entire Financial Agreement and the Ordinance shall be filed and recorded with the Essex County Clerk by the Borough, at the Urban Renewal Entity's expense, such that this Financial Agreement and the Ordinance shall be reflected upon the land records of the County of Essex.

Section 14.06 Municipal Services. The Urban Renewal Entity shall make payments for municipal services, including water and sewer charges and any services, to the extent that such water and sewer charges, and other services, are not otherwise included in the real property taxes generally assessed upon property within the Borough, that create a lien on a parity with or superior to the lien for the Land Taxes and Annual Service Charge, as required by law. These charges are not included in the Annual Service Charge and shall be billed separately. Nothing herein is intended to release any Owner from its obligation to make such payments.

Section 14.07 Portion of Annual Service Charge Paid to County. Pursuant to *N.J.S.A. 40A:20-12*, the Borough shall remit the County Share to the County upon the receipt thereof.

Section 14.08 Administrative Fee. In accordance with *N.J.S.A. 40A:20-9(h)*, the Borough shall collect an administrative fee equal to two percent (2%) of the Annual Service Charge due in any year (the “**Administrative Fee**”), which shall be payable on November 1 of each such year.

Section 14.09 Financing Matters. The financial information required by the final paragraph of *N.J.S.A. 40A:20-9* is set forth in the Application.

Section 14.10 Counterparts. This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.11 Amendments. This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the parties hereto.

Section 14.12 Certification. The Borough Clerk shall certify to the Tax Assessor, pursuant to *N.J.S.A. 40A:20-12*, that a Financial Agreement with the Urban Renewal Entity, for the development of the Land, has been entered into and is in effect as required by *N.J.S.A. 40A:20-1, et seq.* Delivery by the Borough Clerk to the Tax Assessor of a certified copy of the Ordinance shall constitute the required certification. Upon certification as required hereunder and upon the Annual Service Charge Start Date the Tax Assessor shall implement the exemption and continue to enforce that exemption without further certification by the Borough Clerk.

In accordance with P.L. 2015, c. 247, within ten (10) calendar days following the later of the effective date of the Ordinance or the execution of this Financial Agreement by the Urban Renewal Entity, the Borough Clerk also shall transmit a certified copy of the Ordinance and this Financial Agreement to the chief financial officer of Essex County and to the Essex County Counsel for informational purposes.

Section 14.13 Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held to be illegal or invalid in a final proceeding, then any such covenants, agreements or provisions shall be null and void, and this Agreement shall be reformed to reflect the respective expectations of the Parties at the time of the execution hereof.

EXHIBITS AND SCHEDULES

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

Exhibit 1 – Metes and Bounds Description of the Property

Exhibit 2 – The Application

Exhibit 3 – Certificate of Formation for Urban Renewal Entity

Exhibit 4 – The Financial Plan for the Undertaking of the Project

Exhibit 5 – Initial Estimated Rental Schedules

Exhibit 6 – Certification of Estimated Construction Costs

IN WITNESS WHEREOF, the Parties have caused this Financial Agreement to be executed as of the day and year first above written.

ATTEST:

BOROUGH OF ROSELAND

Jock Watkins
Borough Clerk

By: _____
Hon. John Duthie, Mayor

6 Becker Urban Renewal, L.L.C.

By: _____

STATE OF NEW JERSEY,
COUNTY OF ESSEX

SS:

I CERTIFY that on _____, 2018, _____ personally came before me
and stated to my satisfaction that this person (or if more than one, each person):

- (a) was the maker of the attached instrument;
- (b) was authorized and did execute this instrument as authorized officer of 6 Becker Urban
Renewal, L.L.C.; and
- (c) executed the instrument as the act of _____ 6 Becker Urban Renewal, LLC.

Notary Public

STATE OF NEW JERSEY,
COUNTY OF ESSEX

SS:

I CERTIFY that on _____, 2018, _____ personally came before me and stated to my satisfaction that this person (or if more than one, each person):

- (a) was the maker of the attached instrument;
- (b) was authorized and did execute this instrument as the Mayor of the Borough of Roseland;
and
- (c) executed the instrument as the act of the Borough of Roseland.

Notary Public

EXHIBIT 1

Metes and Bounds Description of the Property

EXHIBIT 2

Application with Exhibits

EXHIBIT 3

Certificate of Formation of Urban Renewal Entity

EXHIBIT 4

The Financial Plan for the Undertaking of the Project

EXHIBIT 5
Initial Rental Schedules

EXHIBIT 6

Certification of Estimated Construction Costs

TOTAL PROJECT COST - N.J.S.A. 40A:20-3h

A.	Land	\$
B.	Architects, engineers and attorneys fees paid or payable in connection with the planning, construction and financing of the project	\$
C.	Surveying and testing	\$
D.	Construction cost (to be certified by the architect)	\$
E.	Insurance, interest and finance costs during construction	\$
F.	Cost of obtaining initial permanent financing	\$
G.	Commissions and other expenses payable in connection with initial leasing/sale	\$
H.	Real estate taxes and assessments during the construction period	\$
I.	Developer's overhead based on a percentage of (d) above, to be computed in accordance with percentage given in law (<u>N.J.S.A. 40A:20-3h</u>) (for projects over \$10,000,000 - 5%)	\$
Total		\$

The undersigned hereby certifies that the foregoing is the projected total project cost in regard to the Project referenced in this Financial Agreement.

By: _____

EXHIBIT 3

Certificate of Formation of Urban Renewal Entity

2017-12-07 14:50

1234

11:36:47 a.m. 12-08-2017

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To: #00516099846851

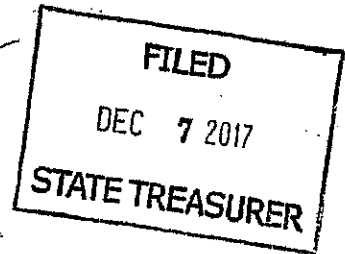
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LLC

**CERTIFICATE OF FORMATION
OF
6 BECKER URBAN RENEWAL, L.L.C.**



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

1. The name of the limited liability company is:

0600446783
6 BECKER URBAN RENEWAL, L.L.C.

(referred to below as the "Company").

2. The address of the Company's initial registered office in New Jersey is c/o Corporation Service Company, Princeton South Corporate Center, Suite 160, 100 Charles Ewing Blvd., Ewing, New Jersey 08628. The Company's initial registered agent at that address is Corporation Service Company.

3. The term of the Company shall be perpetual.

4. 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 Borough of Roseland (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.).

5. 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.

6. 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

2017-12-07 14:50

1234

11:55:05 a.m. 12-08-2017

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To: #00516099846851

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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.).

7. 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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 Formation this 20 day of November, 2017.


Devin A. Cohen, Authorized Person

2017-12-07 14:50

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To: #00516099846851

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State of New Jersey

DEPARTMENT OF COMMUNITY AFFAIRS

101 SOUTH BROAD STREET

PO Box 805

TRENTON, NJ 08625-0805

CHRIS CHRISTIE
GovernorKIM GUADAGNO
Lt. GovernorCHARLES A. RICHMAN
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: 6 BECKER URBAN RENEWAL, L.L.C.
File # 2172
An Urban Renewal Entity

This is to certify that the attached 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 7th day of December 20 17 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY



Edward M. Smith, Director
Division of Codes and Standards

EXHIBIT 4

The Financial Plan for the Undertaking of the Project

The project is expected to cost approximately \$86,400,000 to construct. Capital for the project is expected to be in the form of \$30,250,000 (35%) of equity from the owner and \$56,150,000 (65%) of conventional construction loan financing at prevailing market interest rates provided from one of the various lending institutions the company does business with. Upon maturity of the construction loan we would obtain permanent financing to replace the construction loan at prevailing market rates based on a thirty (30) year amortization schedule.

EXHIBIT 5

Initial Rental Schedules

EXHIBIT 6

Certification of Estimated Construction Costs

TOTAL PROJECT COST - N.J.S.A. 40A:20-3h

A.	Land	\$6,509,000
B.	Architects, engineers and attorneys fees paid or payable in connection with the planning, construction and financing of the project	\$2,440,000
C.	Surveying and testing	\$130,000
D.	Construction cost (to be certified by the architect)	\$68,895,000
E.	Insurance, interest and finance costs during construction	\$4,486,000
F.	Cost of obtaining initial permanent financing	\$0
G.	Commissions and other expenses payable in connection with initial leasing/sale	\$1,237,000
H.	Real estate taxes and assessments during the construction period	\$358,000
I.	Developer's overhead based on a percentage of (d) above, to be computed in accordance with percentage given in law (<u>N.J.S.A.</u> 40A:20-3h) (for projects over \$10,000,000 - 5%)	\$4,202,750
Total		\$88,257,750