

**Financial Agreement**

**By and Between**

**Borough of Roseland**

**and**

**85 Livingston Urban Renewal, L.LC.**

THIS FINANCIAL AGREEMENT (hereinafter “**Agreement**” or “**Financial Agreement**”), made this ~~3rd~~ day of May, 2018, by and between 85 Livingston 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 at 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 30.1, Lots 14 (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 30.1, Lot 14 also known as 85 Livingston Avenue, 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 on August 15, 2017, the Borough Council adopted an ordinance adopting the Redevelopment Plan; and

**WHEREAS**, the Redeveloper submitted to the Borough a proposal to undertake the construction of mixed use property consisting of construction of a four (4)-story residential apartment building with up to 140 units, with one hundred twelve (112) market rate units consisting of eight (8) studio units, thirty four (34) one (1) bedroom units and seventy (70) two (2) bedroom units, twenty eight (28) units would be affordable to low and moderate income households, together with surface and structured parking for the residential uses providing approximately 274 parking spaces (the “**Project**”); and

**WHEREAS**, on April 17, 2018, the Borough adopted Resolution No. 149-2018, 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 four (4) 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 120 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. 06-2018 (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**  
**Application**  
**Borough**  
**Borough Council**  
**Exemption Law**  
**Financial Agreement**  
**Ordinance**  
**Parties**  
**Planning Board**

**Project**  
**Property**  
**Redeveloper**  
**Redevelopment Agreement**  
**Redevelopment Area**  
**Redevelopment Law**  
**Redevelopment Plan**  
**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 30.1, Lot 14 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 construction of a four (4)-story residential apartment building with up to 140 units, with one hundred twelve (112) market rate units consisting of eight (8) studio units, thirty four (34) one (1) bedroom units and seventy (70) two (2) bedroom units, twenty eight (28) units would be affordable to low and moderate income households, together with surface and structured parking for the residential uses providing approximately 274 parking spaces 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.

Redeveloper shall not allow the Hotel to be used for short or long term, government subsidized housing.

## **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, 2<sup>nd</sup> Floor  
Roseland, New Jersey 07068  
Fax: (973) 712-1431

**If to the Urban Renewal Entity:**

Ivan M. Baron, Esq.  
85 Livingston 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

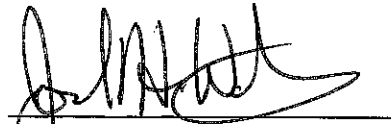
**Exhibit 4** – The Financial Plan for the Undertaking of the Project

**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.

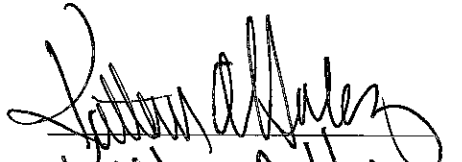
ATTEST:

  
Jock Watkins  
Borough Clerk

BOROUGH OF ROSELAND

By:   
Hon. John Duthie, Mayor

ATTEST:

  
Kathleen A. Halasz

85 LIVINGSTON 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

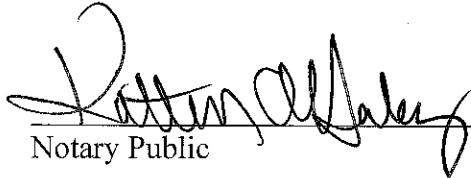
By:   
Gary T. Wagner  
General Counsel

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 85 Livingston Urban Renewal, L.L.C.; and
- (c) executed the instrument as the act of 85 Livingston Urban Renewal, L.L.C.

  
Notary Public

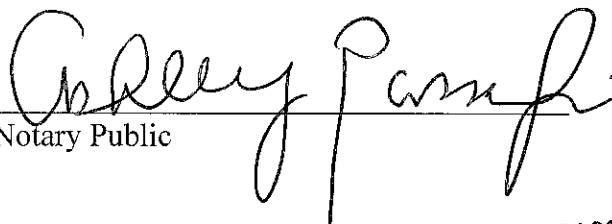
KATHLEEN A. HALASZ  
NOTARY PUBLIC OF NEW JERSEY  
ID# 2333125  
MY COMMISSION EXPIRES 8/23/2020

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 PASSAFIUME  
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 a point in the Northwestern line of Livingston Avenue (variable width right of way) said point being the Southwesterly terminus of a line connecting the Southwesterly line of Choctaw Way (variable width right of way) with the said Northwestern line of Livingston Avenue, said point also being distant 54.05 feet from the point of intersection of the Southeasterly prolongation of the said Southwesterly line of Choctaw Way with the Northeasterly prolongation of the said Northwestern line of Livingston Avenue and running; thence

(1) South 55 degrees 49 minutes 04 seconds West, 323.35 feet to along the aforesaid Northwestern line of Livingston Avenue to an angle point in the same; thence

(2) South 59 degrees 44 minutes 50 seconds West, 330.15 feet still along the same to the point; thence

(3) North 27 degrees 39 minutes 01 second West, 541.97 feet along the Easterly line of Lot 2, Block 30-1 to a point in the Southeasterly line of ADP Boulevard (50 foot right of way); thence

(4) Northeastwardly on an arc having a radius of 50.00 feet and curving to the left, 140.09 feet along the aforesaid Southeasterly line of ADP Boulevard to a point of reverse curvature; thence

(5) Northeastwardly on an arc having a radius of 25.00 feet and curving to the right, 30.77 feet still along the same to a point of tangency; thence

(6) North 62 degrees 20 minutes 59 seconds East, 384.98 feet still along the same to a point of curvature; thence

(7) Northeastwardly on an arc having a radius of 350.00 feet and curving to the left, 12.45 feet still along the same to a point of reverse curvature, said point being the Northwestwardly terminus of a line connecting the aforesaid Southeastwardly line of ADP Boulevard with the aforesaid Southwesterly line of Choctaw Way; thence

(8) Southeastwardly on an arc having a radius of 50.00 feet and curving to the right, 65.55 feet along the aforesaid connecting line to the point of tangency, said point being the Southeasterly terminus of the aforesaid connecting line; thence

(9) South 44 degrees 37 minutes 31 seconds East, 415.29 feet along the aforesaid Southwesterly line of Choctaw Way to a point of curvature, said point being the Northwestern terminus of the line connecting the aforesaid Southwesterly line of Choctaw Way with the aforesaid Northwestern line of Livingston Avenue; thence

(10) Southwestwardly on an arc having a radius of 45.00 feet and curving to the right, 78.88 feet along the aforesaid connecting line to the point and place of beginning.

Also being known and designated as Lot 14 in Block 30-1 as shown on a certain map entitled, "Amended Final Map, Bellemead Development Corporation, Borough of Roseland, Essex County, New Jersey", filed on May 19, 1981 in the Essex County Register's Office as File Map No. 3463.

## **EXHIBIT 2**

Application with Exhibits

**Application for**  
**Long Term Tax Exemption**

85 Livingston Urban Renewal, L.L.C.  
Name of Applicant

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

85 Livingston Ave., 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):** 85 Livingston 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:**

#36-48845895

**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:

85 Livingston Ave., 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):

A portion of Block 30.1, Lot 14. The property is subject to further subdivision to be applied for. An updated meets and bounds description and survey will be provided at that time.

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 15  
Number of units for moderate income households 13  
Number of market rate units 112  
Total number of residential units 140

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 125,000sf 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 30.1 / Lot 14	\$6,229,800	\$9,395,200	\$352,031.25

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 have been paid current through 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)**

- ☒ **X** 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

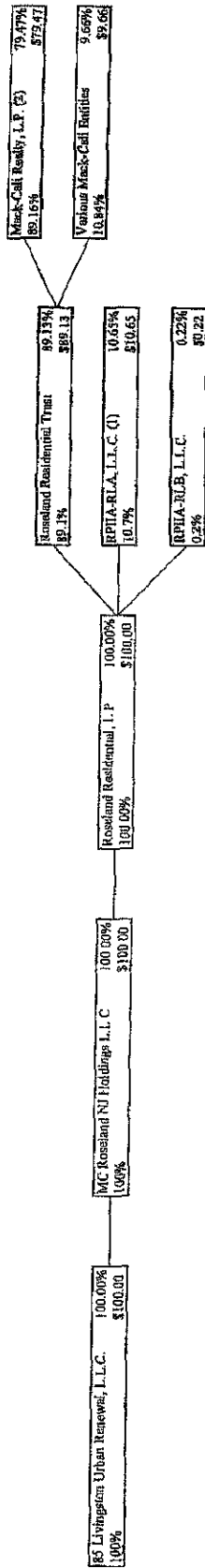
Instructions:

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.

# 85 Livingston Urban Renewal, L.L.C.



(1) No individual or entity that has ownership in RP1-RLA, L.L.C. has more than a 10% interest in 85 Livingston Urban Renewal, L.L.C.

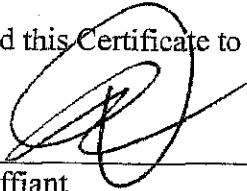
(2) Mack-Cali Realty, L.P. is owned by Mack-Cali Realty Corporation and various individuals and entities. Mack-Cali Realty Corporation is a publicly traded company and no individual owns ten (10%) or more.

EXHIBIT 1-B

DISCLOSURE OF OWNERSHIP

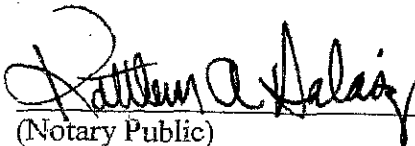
<u>Name</u>	<u>Home Address</u>	<u>% of Owners</u>
1. See Flow Chart attached as Exhibit 1-A		
2.		
3.		
4.		
5.		

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 26<sup>th</sup> 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 14:49

1234

11:37:59 a.m. 12-08-2017

3/8

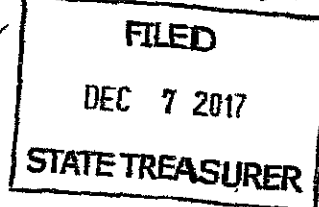
To: #32316099846851

Page: 3/4

Homeowner Protection 6092922839 &gt;&gt; 1234

P 5/10

LLC



**CERTIFICATE OF FORMATION  
OF**

**85 LIVINGSTON 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:

0600446780

**85 LIVINGSTON 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

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5166349

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Homeowner Protection 6092922839 &gt;&gt; 1234

To: #32316099846851

Page: 4/4

P 6/10

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 (o) 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

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11:38:37 a.m. 12-08-2017

To: #32316299846851

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Page: 2/4

P 4/10

**State of New Jersey**

DEPARTMENT OF COMMUNITY AFFAIRS

101 SOUTH BROAD STREET

PO BOX 505

TRENTON, NJ 08646-0505

CHRIS CHRISTIE  
GovernorKIM GUADAGNO  
Lt. GovernorCHARLES A. RICHMAN  
Commissioner

## DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer  
RE: 85 LIVINGSTON URBAN RENEWAL, L.L.C.  
File # 2171  
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 7<sup>th</sup> day of December 2017 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 85 Livingston Urban Renewal, L.L.C. ("Owner") and is the owner of the property known as 85 Livingston Avenue, 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 a point in the Northwestern line of Livingston Avenue (variable width right of way) said point being the Southwesterly terminus of a line connecting the Southwesterly line of Choctaw Way (variable width right of way) with the said Northwestern line of Livingston Avenue, said point also being distant 54.05 feet from the point of intersection of the Southeasterly prolongation of the said Southwesterly line of Choctaw Way with the Northeasterly prolongation of the said Northwestern line of Livingston Avenue and running; thence

(1) South 55 degrees 49 minutes 04 seconds West, 323.35 feet to along the aforesaid Northwestern line of Livingston Avenue to an angle point in the same; thence

(2) South 59 degrees 44 minutes 50 seconds West, 330.15 feet still along the same to the point; thence

(3) North 27 degrees 39 minutes 01 second West, 541.97 feet along the Easterly line of Lot 2, Block 30-1 to a point in the Southeasterly line of ADP Boulevard (50 foot right of way); thence

(4) Northeastwardly on an arc having a radius of 50.00 feet and curving to the left, 140.09 feet along the aforesaid Southeasterly line of ADP Boulevard to a point of reverse curvature; thence

(5) Northeastwardly on an arc having a radius of 25.00 feet and curving to the right, 30.77 feet still along the same to a point of tangency; thence

(6) North 62 degrees 20 minutes 59 seconds East, 384.98 feet still along the same to a point of curvature; thence

(7) Northeastwardly on an arc having a radius of 350.00 feet and curving to the left, 12.45 feet still along the same to a point of reverse curvature, said point being the Northwestwardly terminus of a line connecting the aforesaid Southeastwardly line of ADP Boulevard with the aforesaid Southwesterly line of Choctaw Way; thence

(8) Southeastwardly on an arc having a radius of 50.00 feet and curving to the right, 65.55 feet along the aforesaid connecting line to the point of tangency, said point being the Southeasterly terminus of the aforesaid connecting line; thence

(9) South 44 degrees 37 minutes 31 seconds East, 415.29 feet along the aforesaid Southwesterly line of Choctaw Way to a point of curvature, said point being the Northwestern terminus of the line connecting the aforesaid Southwesterly line of Choctaw Way with the aforesaid Northwestern line of Livingston Avenue; thence

(10) Southwestwardly on an arc having a radius of 45.00 feet and curving to the right, 78.88 feet along the aforesaid connecting line to the point and place of beginning.

Also being known and designated as Lot 14 in Block 30-1 as shown on a certain map entitled, "Amended Final Map, Bellemead Development Corporation, Borough of Roseland, Essex County, New Jersey", filed on May 19, 1981 in the Essex County Register's Office as File Map No. 3463.

EXHIBIT 6

SURVEY

See Attachment

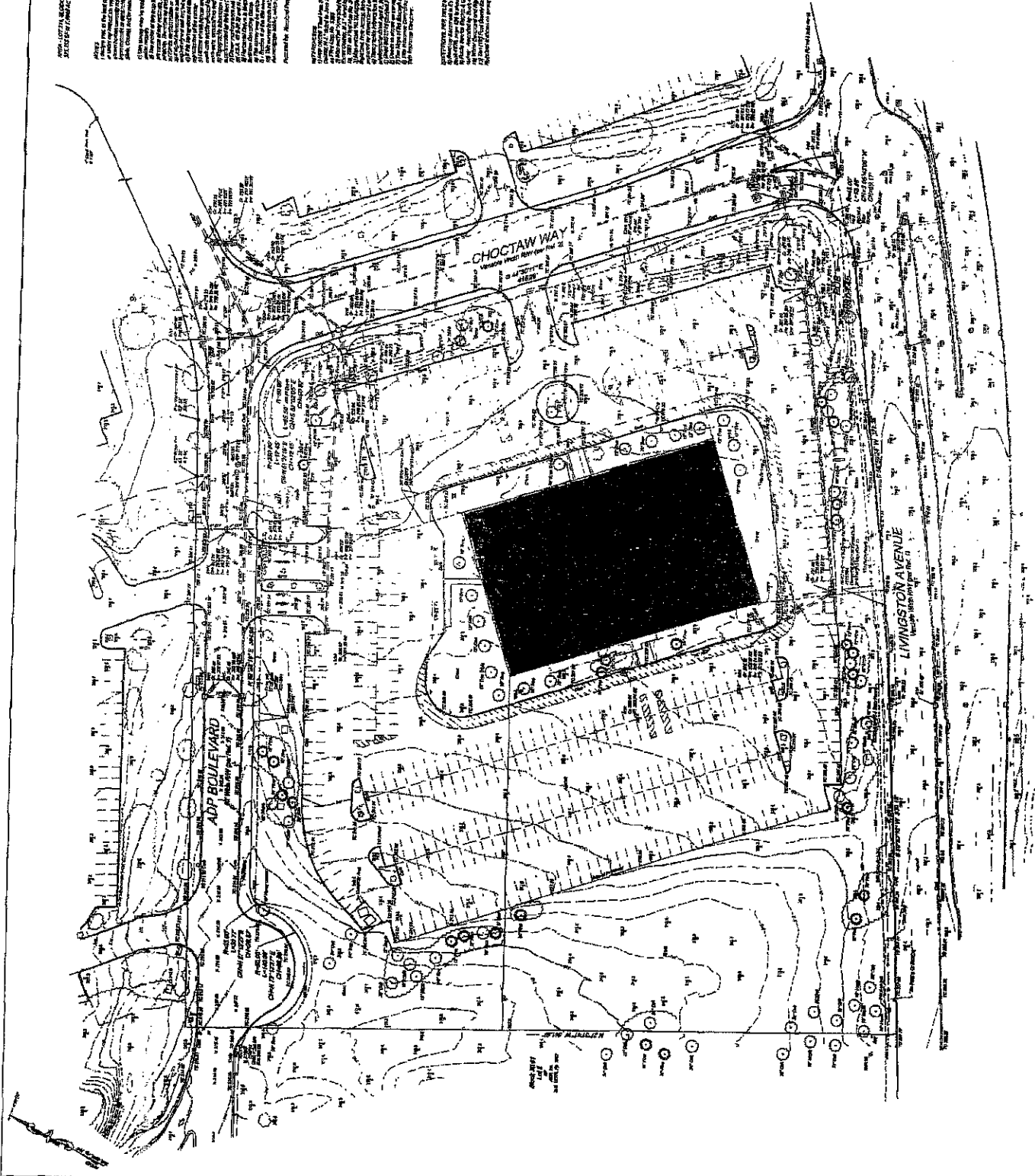


EXHIBIT 7

COPY OF DEED OR LEASE AGREEMENT

See Attachment



## Essex County Register Document Summary Sheet

ESSEX COUNTY REGISTER OF DEEDS &amp; MORTGAGES

HALL OF RECORDS - ROOM 130

465 DR. MARTIN LUTHER KING BLVD

NEWARK, NJ 07102

Transaction Identification Number

3238763

2678323

## Recorded Document to be Returned by Submitter to:

FIRST AMERICAN TITLE NCS - PRINCETON

104 CARNEGIE CENTER, SUITE 101

PRINCETON, NJ 08540

## Official Use Only

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

\$148,882.10

Total Amount

\$148,988.10

Document Type

DEED/NO EXEMPTION FROM REALTY TRANSFER FEE

Electronic Recordation Level

12 - Level 2 (With Images)

Municipal Codes

ESSEX COUNTY

99

Bar Code(s)



22 22 46

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

DOCUMENT TYPE  
1  
INSTRUMENT NUMBER  
2017108943  
RECORDED ON  
Dec 14, 2017  
3:30:10 PM  
Total Pages: 9

COUNTY REALTY TAX \$6,851.00  
COUNTY REALTY TAX - \$3,425.50  
PHEFA  
NJ PRESERVATION ACCOUNT \$45.00  
REGISTER RECORDING FEE \$55.00  
BILLING CONVENIENCE FEES \$3.00  
STATE REALTY TAX \$17,127.50  
STATE REALTY TAX - \$15,357.30  
EAA  
STATE REALTY TAX - \$27,559.30  
GENERAL PURPOSE  
STATE REALTY TAX - \$68,510.00  
GRANTEE  
EJANTEF \$10,051.50  
HOMELESSNESS TRUST FUND \$3.00  
TOTAL PAID \$148,988.10  
INV: 176100 USER: KMG

## 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	\$6,851,000.00				
	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	
		85 LIVINGSTON SPE LLC			C/O MACK-CALI REALTY CORPORATION, JERSEY CITY, NJ 07311	
	GRANTEE	Name			Address	
		85 LIVINGSTON URBAN RENEWAL LLC			C/O ROSELAND RESIDENTIAL TRUST, JERSEY CITY, NJ 07311	
	Parcel Info					
Property Type	Tax Dist.	Block	Lot	Qualifier	Municipality	
	99	30.1	14		99	

\* DO NOT REMOVE THIS PAGE.

COVER SHEET (DOCUMENT SUMMARY FORM) IS PART OF ESSEX COUNTY REGISTER FILING RECORD.  
RETAIN THIS PAGE FOR FUTURE REFERENCE.

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

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

Megan Vallerie, Esq.

When Recorded Return To:  
First American Title Insurance Company  
National Commercial Services  
104 Carnegie Center, Suite 101  
Princeton, NJ 08540  
File No: NCS 848933A

This Deed is made on December 11, 2017,

## **BETWEEN**

**85 LIVINGSTON 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**

**85 LIVINGSTON 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 EIGHT HUNDRED FIFTY-ONE THOUSAND and 00/100 DOLLARS (\$6,851,000.00).

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. 30.1 Lot No. 14 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 85 Livingston Avenue, 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 PW/MS OP SUB I, LLC, a Delaware limited liability company dated July 30, 2004 and recorded on August 18, 2004, in Deed Book 6097, Page 745 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.

**85 LIVINGSTON 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 )

)SS:

COUNTY OF HUDSON )

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 a point in the Northwestern line of Livingston Avenue (variable width right of way) said point being the Southwesterly terminus of a line connecting the Southwesterly line of Choctaw Way (variable width right of way) with the said Northwestern line of Livingston Avenue, said point also being distant 54.05 feet from the point of intersection of the Southeasterly prolongation of the said Southwesterly line of Choctaw Way with the Northeasterly prolongation of the said Northwestern line of Livingston Avenue and running; thence

(1) South 55 degrees 49 minutes 04 seconds West, 323.35 feet to along the aforesaid Northwestern line of Livingston Avenue to an angle point in the same; thence

(2) South 59 degrees 44 minutes 50 seconds West, 330.15 feet still along the same to the point; thence

(3) North 27 degrees 39 minutes 01 second West, 541.97 feet along the Easterly line of Lot 2, Block 30-1 to a point in the Southeasterly line of ADP Boulevard (50 foot right of way); thence

(4) Northeastwardly on an arc having a radius of 50.00 feet and curving to the left, 140.09 feet along the aforesaid Southeasterly line of ADP Boulevard to a point of reverse curvature; thence

(5) Northeastwardly on an arc having a radius of 25.00 feet and curving to the right, 30.77 feet still along the same to a point of tangency; thence

(6) North 62 degrees 20 minutes 59 seconds East, 384.98 feet still along the same to a point of curvature; thence

(7) Northeastwardly on an arc having a radius of 350.00 feet and curving to the left, 12.45 feet still along the same to a point of reverse curvature, said point being the Northwestwardly terminus of a line connecting the aforesaid Southeastwardly line of ADP Boulevard with the aforesaid Southwesterly line of Choctaw Way; thence

(8) Southeastwardly on an arc having a radius of 50.00 feet and curving to the right, 65.55 feet along the aforesaid connecting line to the point of tangency, said point being the Southeasterly terminus of the aforesaid connecting line; thence

(9) South 44 degrees 37 minutes 31 seconds East, 415.29 feet along the aforesaid Southwesterly line of Choctaw Way to a point of curvature, said point being the Northwestern terminus of the line connecting the aforesaid Southwesterly line of Choctaw Way with the aforesaid Northwestern line of Livingston Avenue; thence

(10) Southwestwardly on an arc having a radius of 45.00 feet and curving to the right, 78.88 feet along the aforesaid connecting line to the point and place of beginning.

Also being known and designated as Lot 14 in Block 30-1 as shown on a certain map entitled, "Amended Final Map, Bellemont Development Corporation, Borough of Roseland, Essex County, New Jersey", filed on May 19, 1981 in the Essex County Register's Office as File Map No. 3463.



State of New Jersey  
**SELLER'S RESIDENCY CERTIFICATION/EXEMPTION**

GIT/REF-3  
 (9-2015)

(Please Print or Type)

**SELLER'S INFORMATION**

Name(s)

85 Livingston SPE LLC

Current Street Address

c/o Mack-Cali 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)

30.1

Lot(s)

14

Qualifier

Street Address

85 Livingston Ave

City, Town, Post Office Box

Roseland

State

NJ

Zip Code

07068

Seller's Percentage of Ownership

100%

Total Consideration

\$6,851,000

Owner's Share of Consideration

100% - 6,851,000.00

Closing Date

12/1/2015

**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.

*W. P. W. W.*

Date

*W. P. W. W.*

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. 01-2006)  
MUST BE SENT IN DUPLICATE

STATE OF NEW JERSEY  
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER  
(Chapter 49, P.L. 1986, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)  
BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.  
STATE OF NEW JERSEY

COUNTY Hudson } SS. County Municipal Code  
0718

MUNICIPALITY OF PROPERTY LOCATION Roseland Boro

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

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

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

Deponent, Gary 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 12/15/17 transferring  
(Attorney, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)  
real property identified as Block number 30.1 Lot number 14 located at  
85 Livingston Ave., Roseland  
(Street Address, Town) and annexed thereto.

(2) CONSIDERATION \$ 6,851,000.00 (Instructions #1 and #5 on reverse side) ☐ No prior mortgages 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

\$ 15,625,000.00 + 92.98 % = \$ 15,603,733.00

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. 1986, 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. 176, P.L. 1975, C. 113, P.L. 2004, and C. 68, 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;  
C. 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, PARTNER IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

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

- ☐ Affordable according to H.U.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 contribution 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. 1986, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me  
this 15 day of Dec, 2017

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

Gary T. Wagner  
Signature of Deponent  
c/o Mack-Cali Realty Corp.  
Hudsonside 3-210 Hudson St.  
Suite 400  
Jersey City, NJ 07311

Deponent Address

000000- 318

Last three digits in Grantor's Social Security Number

85 Livingston 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	Book	Page
Deed Number		Date Recorded	

County recording officers shall forward one copy of each RTF-1 from which Section 3A is completed to:

STATE OF NEW JERSEY  
PO BOX 251  
TRENTON, NJ 08646-0251

ATTENTION: REALTY TRANSFER FEE UNIT

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

RTF-105 (Rev. 12/06)

MUST SUBMIT IN DUPLICATE

STATE OF NEW JERSEY

## AFFIDAVIT OF CONSIDERATION FOR USE BY BUYER

(Chapter 48, P.L. 1966, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 48:15-8 et seq.)

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

STATE OF NEW JERSEY

## FOR RECORDER'S USE ONLY

COUNTY HudsonSS. County Municipal Code  
0718Consideration  
RTF paid by buyer  
Date

By

MUNICIPALITY OF PROPERTY LOCATION Roseland Boro

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

XXX-XX-X 2 8 3

Deponent, Gary T. Wagner

being duly sworn according to law upon his/her oath,

deposes and says that he/she is the legal representative of the grantee in a deed dated 12/11/2021 transferring

(Grantor, Legal Representative, Corporate Officer, Officer at Title Company, Lending Institution, etc.)

real property identified as Block number 30.1 Lot number 14 located at65 Livingston Ave., Roseland

(Street Address, Town)

and annexed therein.

(2) CONSIDERATION \$6,851,000

(See Instructions #1, #5, and #11 on reverse side)

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

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

(A) Grantee required to remit the 1% fee, complete (A) by checking off appropriate box or boxes below.

☐ Class 2 - Residential☒ Class 4A - Commercial properties☐ 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)  
☐ Cooperative unit (four families or less) (See C. 48:2D-3.)  
Cooperative units see 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.

☐ Property class. Circle applicable class or classes: 1 3B 4B 4C 15

Property classes: 1-Vacant Land; 2-Farm property (Qualified); 4B-Industrial properties; 4C-Apartments; 15-Public Property, etc. (N.J.A.C. 17:27-2.2 et seq.)

☐ Exempt organization determined by federal Internal Revenue Service/Internal Revenue Code of 1986, 26 U.S.C. s. 501.☐ Incidental to corporate merger or acquisition; equalized assessed valuation less than 20% of total value of all assets exchanged in merger or acquisition. If checked, calculation in (E) required and MUST ATTACH COMPLETED RTF-4.

(C) When grantee transfers properties involving block(s) and lot(s) of two or more classes to one deed, one or more subject to the 1% fee (A), with one or more fees not subject to the 1% fee (B), pursuant to N.J.S.A. 48:15-7.2, complete (C) by checking off appropriate box or boxes and (D).

☐ Property class. Circle applicable class or classes: 1 2 3B 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 \$ 15,525,000 + 92.98 % = \$ 16,805,765

Property Class \_\_\_\_\_ \$ \_\_\_\_\_ + \_\_\_\_\_ % = \$ \_\_\_\_\_

Property Class \_\_\_\_\_ \$ \_\_\_\_\_ + \_\_\_\_\_ % = \$ \_\_\_\_\_

Property Class \_\_\_\_\_ \$ \_\_\_\_\_ + \_\_\_\_\_ % = \$ \_\_\_\_\_

(E) REQUIRED EQUALIZED VALUE CALCULATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS: (See Instructions #5 and #7 on reverse side)

Total Assessed Valuation + Director's Ratio = Equalized Value

\$ 15,525,000 + 92.98 % = \$ 16,805,765

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). Make reference to exemption symbol is insufficient. Explain in detail.

(4) Deponent makes Affidavit of Consideration for Use by Buyer to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith pursuant to the provisions of Chapter 48, P.L. 1966, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me

this 19 day of Dec., 2021

Signature of Deponent

AS Livingston Urban Renewal, LLC

Grantee Name

Residence: 12000 Avenue C, Suite 100, Jersey City, NJ 07310

Deponent's Address

Residence: 12000 Avenue C, Suite 100, Jersey City, NJ 07310

Grantee's Address at Time of Sale

SUSAN M. EPSTEIN

NOTARY PUBLIC OF NEW JERSEY

My Commission Expires Oct. 8, 2022

Fid. American Title Insurance Company

Name/Company of Solicitor/Officer

County recording officers forward one copy of each RTF-105 to:

STATE OF NJ - DIVISION OF TAXATION

PO BOX 251

TRENTON, NJ 08646-0251

ATTENTION: REALTY TRANSFER FEE UNIT

## FOR OFFICIAL USE ONLY

Instrument Number \_\_\_\_\_ County \_\_\_\_\_  
Deed Number \_\_\_\_\_ Book \_\_\_\_\_ Page \_\_\_\_\_  
Deed Dated \_\_\_\_\_ Date Recorded \_\_\_\_\_The 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 forms, visit [www.state.nj.us/treasury/taxation/affidavit.htm](http://www.state.nj.us/treasury/taxation/affidavit.htm).

## EXHIBIT 8

### NARRATIVE DESCRIPTION OF PROJECT

The project includes construction of a four (4)-story residential apartment building with up to 140 units, with one hundred twelve (112) market rate units consisting of eight (8) studio units, thirty four (34) one (1) bedroom units and seventy (70) two (2) bedroom units, twenty eight (28) units would be affordable to low and moderate income households, together with surface and structured parking providing approximately 274 parking spaces including approximately 150 spaces in a pre-cast garage. The gross square footage of the residential building is approximately 171,500 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 after the 1 year anniversary 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**

**85 LIVINGSTON AVENUE**

ROSELAND, NJ

FILED OCT. 02, 2017

**Lessard**

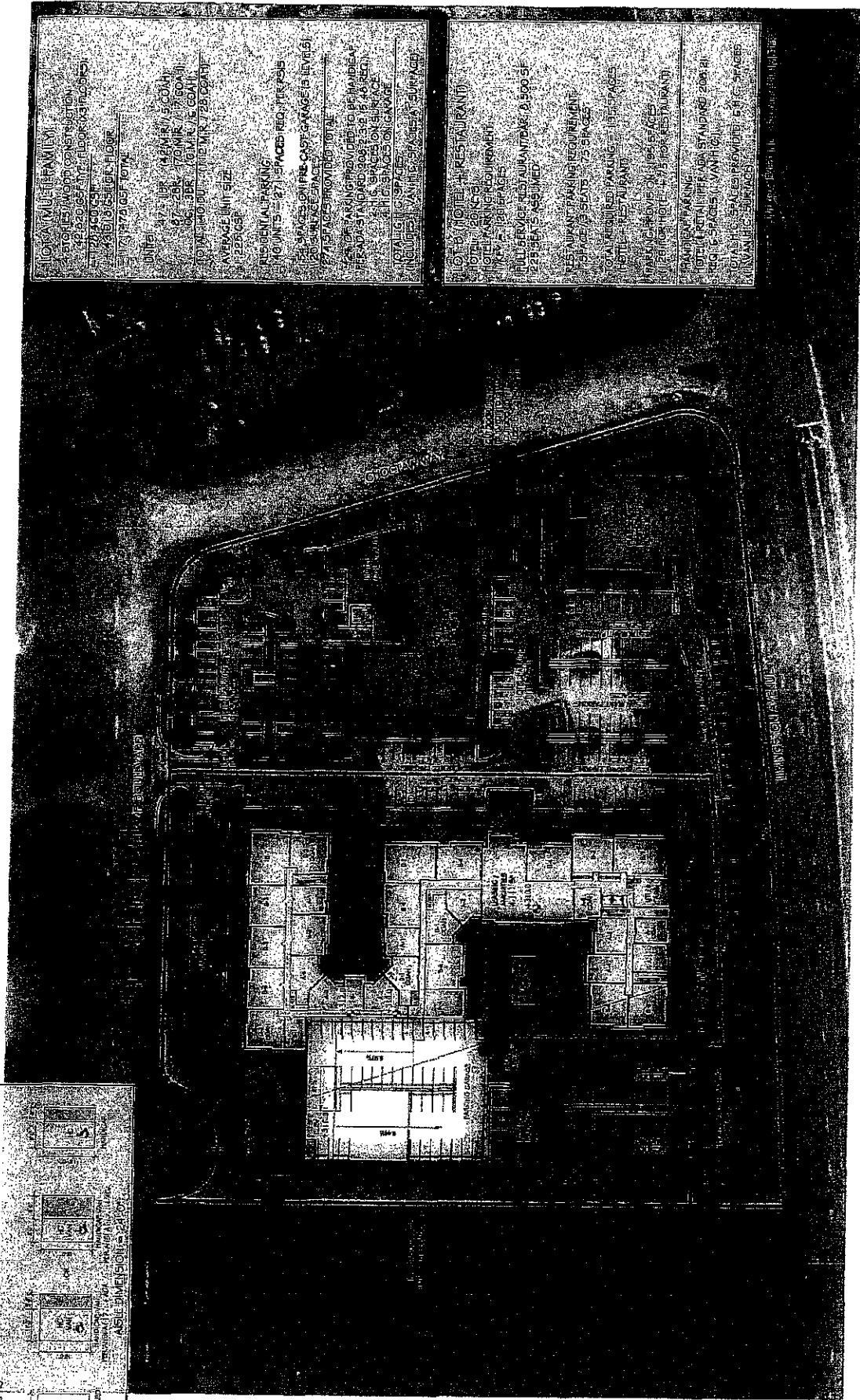
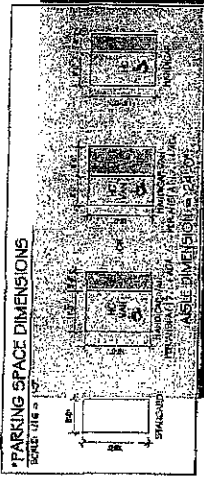
HOUSING UNIT NO. 101

**COMPASSIONATE LEADERSHIP**

**THE NEW YORK PUBLIC LIBRARY**  
**ASTEN LENOX TILDEN FOUNDATION**  
**455 FIFTH AVENUE, NEW YORK, N.Y. 10017**

SCALE  
0-20000

88



**TOTAL MULTIFAMILY**

500 UNIT HOUSING CONSTRUCTION  
42,820 SQ. FT. FLOOR AREA  
172,100 CU. YD.  
14,810 SQ. YD. FLOOR  
172,100 CU. YD. TOTAL

Unit: 47' x 11' (4 BR/1.5 BATH)  
67' x 26' (701R/1.5 BATH)  
65' x 36' (3 BR/1.5 BATH)  
10' x 14' (10 BATH/1.5 BATH)  
AVERAGE UNIT SIZE: 1,225 SQ. FT.

RESIDENTIAL PARKING  
10 UNITS = 271 SPACES REQUIRED  
125 SPACES ON PRE-CAST GARAGE IS IN PLAN  
125 SPACES ON SURFACE  
271 SPACES TOTAL

FOR PARKING PROVIDED TO BE IN IDEAL  
PERADA STANDARD 3005.5.2 IS 44.5 FT.  
11.6 SPACES ON SURFACE  
11.6 SPACES ON GARAGE

\*TOTAL 11.6 SPACES  
\*INCLUDES VAN SPACES SURFACE

**10' x 14' HOTEL RESTAURANT**

HOTEL 2000  
HOTEL PARKING REQUIREMENT  
1700 x 1200 SPACES  
HOTEL SERVICE RESTAURANT 2,500 SF  
225 SEATS ASSIGNED

RESTAURANT PARKING REQUIREMENT  
15 SPACES 15 SEATS  
15 SPACES 15 SEATS

HOTEL RESTAURANT  
15 SPACES 15 SEATS  
HOTEL SERVICE RESTAURANT 2,500 SF  
225 SEATS ASSIGNED

HOTEL RESTAURANT  
15 SPACES 15 SEATS  
HOTEL SERVICE RESTAURANT 2,500 SF  
225 SEATS ASSIGNED

**ROSELAND**  
— A MACK-CALI COMPANY —

**ILLUSTRATIVE SITE PLAN**

100% SCHEMATIC DESIGN

85 LIVINGSTON AVENUE  
ROSELAND, NJ

**lessard**  
DESIGN

100% SCHEMATIC DESIGN  
100% SCHEMATIC DESIGN  
100% SCHEMATIC DESIGN

DATE: 10/12/2017  
SCALE: 1/8" = 1'-0"

**A.03**

EXHIBIT 10

SITE PLAN APPROVAL RESOLUTION

The application for site plan approval is anticipated to be submitted within 120 days after the 1 year anniversary 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**

3/20/2018

85 Livingston Ave, Roseland NJ

**Job Cost Summary**

<b>Units</b>	140	
<b>Gross SF</b>	171,630	<i>Res. GSF</i>
	49,000	<i>Parking</i>
	220,630	<i>GSF</i>

<u>CSI Code</u>	<u>Description</u>
-----------------	--------------------

<u>Total</u>	<u>Per</u>	<u>Per</u>
<u>Budget</u>	<u>Unit</u>	<u>Gross SF</u>

**90 - LAND COST**

90-100-88-01	Land Basis - Multi (\$25,500 / Market Rate Unit)
90-100-88-01	Land Basis - Hotel
90-100-88-01	Land Basis - Retail Pad
	Less: Hotel Sale
90-100-88-05	Title Insurance
90-202-99-01	Municipal Fees
90-203-99-01	County Fees
90-204-99-01	State Fees
<b>TOTAL - 90 LAND COST</b>	

\$2,856,000	\$20,400	\$12.94
2,995,000	21,393	13.57
1,000,000	7,143	4.53
(2,995,000)	(21,393)	(13.57)
170,507	1,218	0.77
15,000	107	0.07
20,000	143	0.09
10,000	71	0.05
<b>\$4,071,507</b>	<b>\$29,082</b>	<b>\$18.45</b>

**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	2.75%
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	

\$90,000	\$643	\$0.41
138,300	988	0.63
158,100	1,129	0.72
144,000	1,029	0.65
12,000	86	0.05
16,000	114	0.07
12,000	86	0.05
100,000	714	0.45
75,000	536	0.34
8,000	57	0.04
6,000	43	0.03
168,000	1,200	0.76
123,000	879	0.56
10,000	71	0.05
20,000	143	0.09
130,000	929	0.59
17,000	121	0.08
20,000	143	0.09
25,000	179	0.11
40,000	286	0.18
20,000	143	0.09
125,000	893	0.57
200,000	1,429	0.91
50,000	357	0.23
276,977	1,978	1.26
475,000	3,393	2.15
40,000	286	0.18
1,163,339	8,310	5.27
210,000	1,500	0.95
480,000	3,429	2.18
480,000	3,429	2.18
1,603,505	11,454	7.27
217,682	1,555	0.99
15,000	107	0.07
75,000	536	0.34
100,000	714	0.45

**Roseland, A Mack-Cali Company**

3/20/2018

85 Livingston Ave, Roseland NJ

**Job Cost Summary**

Units	140	
Gross SF	171,630	Res. GSF
	49,000	Parking
	220,630	GSF

CSI Code	Description	
80-502-99-05	Construction Loan Fees	0.75%
80-601-99-01	Leasing / Marketing	
80-999-99-01	Soft Cost Contingency	3.00%
<b>TOTAL - 80 SOFT COST</b>		

Total Budget	Per Unit	Per Gross SF
213,512	1,525	0.97
250,000	1,786	1.13
219,222	1,566	0.99
<b>\$7,526,637</b>	<b>\$53,762</b>	<b>\$34.11</b>

**01- GENERAL REQUIREMENTS**

01-210-99-03	Constr. Contingency-Hard Cost	2.00%
01-260-99-01	Insurance - Umbrella	
01-265-99-01	OCIP-Liberty WC/GL-CompOPs	
01-265-99-03	OCIP-Premium Admin.	
01-265-99-04	OCIP-Premium Max Losses	
01-265-99-06	OCIP-Est. Assessment	
01-265-99-08	OCIP-TRIA-Terrism	
01-265-99-09	OCIP-Loss Control	
01-265-99-10	OCIP-Est. Claims Handling	
01-310-99-05	Project Manager Salaries	
12-400-07-01	FF&E	
01-510-99-01	Temporary Utilities	
01-560-99-01	Security Measures	
<b>TOTAL - 01 GENERAL REQUIREMENTS</b>		

\$612,660	\$4,376	\$2.78
322,000	2,300	1.46
309,612	2,212	1.40
143,778	1,027	0.65
245,973	1,757	1.11
23,354	167	0.11
4,093	29	0.02
10,660	76	0.05
10,646	76	0.05
200,000	1,429	0.91
600,000	4,286	2.72
25,000	179	0.11
75,000	536	0.34
<b>\$2,582,775</b>	<b>\$18,448</b>	<b>\$11.71</b>

**Construction Costs**

Demo	
Site Work	
Garage Construction	\$22,000 / space
Residential Construction	\$140.00 /GSF
<b>Total Building Hard Costs</b>	

637,035	4,550	2.89
2,887,752	20,627	13.09
3,080,000	22,000	13.96
24,028,200	171,630	108.91
<b>\$30,632,987</b>	<b>\$218,807</b>	<b>\$138.84</b>

01-265-99-02	OCIP-Insurance Credit
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(1,016,609)	(7,261)	(4.61)
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<b>Total Project Costs</b>	<b>\$43,797,297</b>	<b>\$312,838</b>	<b>\$198.51</b>
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\*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

85 Livingston Ave, Roseland NJ

30 Year Forecast

3/23/2018



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Operating Activity</b>										
<b>Revenue</b>										
Rental Revenue - Market	\$ 2,671,357	\$3,601,200	\$ 3,673,224	\$ 3,746,688	\$ 3,821,622	\$ 3,898,055	\$ 3,976,016	\$ 4,055,536	\$ 4,136,647	\$ 4,219,380
Rental Revenue - Affordable	201,113	271,116	276,538	282,069	287,710	293,465	299,334	305,321	311,427	317,656
Amenity Fees	39,879	53,760	54,835	55,932	57,051	58,192	59,355	60,542	61,753	62,988
Garage Parking Fees	124,622	168,000	171,360	174,787	178,283	181,849	185,486	189,195	192,979	196,839
Restaurant Ground Lease	-	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Other Revenue	44,864	60,480	61,690	62,923	64,182	65,465	66,775	68,110	69,473	70,862
Revenue Reductions	(181,824)	(245,114)	(250,016)	(255,016)	(260,116)	(265,319)	(270,623)	(276,039)	(281,558)	(287,190)
<b>Total Revenue</b>	<b>\$ 3,011,280</b>	<b>\$ 4,059,442</b>	<b>\$ 4,137,631</b>	<b>\$ 4,217,384</b>	<b>\$ 4,298,732</b>	<b>\$ 4,381,706</b>	<b>\$ 4,466,340</b>	<b>\$ 4,552,667</b>	<b>\$ 4,640,721</b>	<b>\$ 4,730,535</b>
<b>Expenses</b>										
Payroll	\$ 303,400	\$303,400	\$ 309,468	\$ 315,657	\$ 321,971	\$ 328,410	\$ 334,978	\$ 341,678	\$ 348,511	\$ 355,481
Leasing & Marketing	75,000	75,000	76,500	78,030	79,591	81,182	82,806	84,462	86,151	87,874
Repairs & Maintenance	83,333	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,869	117,166
Grounds & Landscaping	71,875	75,000	76,500	78,030	79,591	81,182	82,806	84,462	86,151	87,874
Make Ready @	80,000	63,000	64,260	65,545	66,856	68,193	69,557	70,948	72,367	73,815
Office Operations & Administrative	45,000	45,000	45,900	46,818	47,754	48,709	49,684	50,677	51,691	52,725
Utilities	95,833	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,869	117,166
Security	9,750	16,500	16,830	17,167	17,510	17,860	18,217	18,582	18,953	19,332
Real Estate Taxes	316,798	390,944	398,763	406,738	414,873	423,171	431,634	440,267	449,072	458,053
Insurance	39,570	59,570	60,762	61,977	63,216	64,481	65,770	67,086	68,427	69,796
Professional Fees	6,250	7,500	7,650	7,803	7,959	8,118	8,281	8,446	8,615	8,787
Management Fee @	95,996	101,486	103,441	105,435	107,468	109,543	111,659	113,817	116,018	118,263
<b>Total Expenses</b>	<b>\$ 1,242,806</b>	<b>\$ 1,337,400</b>	<b>\$ 1,364,073</b>	<b>\$ 1,391,280</b>	<b>\$ 1,419,030</b>	<b>\$ 1,447,336</b>	<b>\$ 1,476,208</b>	<b>\$ 1,505,657</b>	<b>\$ 1,535,695</b>	<b>\$ 1,566,334</b>
<b>Net Operating Income</b>	<b>\$ 1,768,474</b>	<b>\$ 2,722,042</b>	<b>\$ 2,773,558</b>	<b>\$ 2,826,104</b>	<b>\$ 2,879,701</b>	<b>\$ 2,934,370</b>	<b>\$ 2,990,133</b>	<b>\$ 3,047,010</b>	<b>\$ 3,105,025</b>	<b>\$ 3,164,201</b>



**Operating Activity**

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
<b>Revenue</b>										
Rental Revenue - Market	\$ 4,303,767	\$ 4,389,843	\$ 4,477,640	\$ 4,567,192	\$ 4,658,536	\$ 4,751,707	\$ 4,846,741	\$ 4,943,676	\$ 5,042,549	\$ 5,143,400
Rental Revenue - Affordable	324,009	330,489	337,099	343,841	350,717	357,732	364,886	372,184	379,628	387,220
Amenity Fees	64,248	65,533	66,844	68,181	69,544	70,935	72,354	73,801	75,277	76,783
Garage Parking Fees	200,776	204,791	208,887	213,065	217,326	221,672	226,106	230,628	235,241	239,945
Restaurant Ground Lease	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Other Revenue	72,279	73,725	75,199	76,703	78,237	79,802	81,398	83,026	84,687	86,380
Revenue Reductions	(292,933)	(298,792)	(304,768)	(310,863)	(317,080)	(323,422)	(329,891)	(336,488)	(343,218)	(350,082)
<b>Total Revenue</b>	<b>\$ 4,822,146</b>	<b>\$ 4,915,589</b>	<b>\$ 5,010,900</b>	<b>\$ 5,108,118</b>	<b>\$ 5,207,281</b>	<b>\$ 5,308,426</b>	<b>\$ 5,411,495</b>	<b>\$ 5,516,827</b>	<b>\$ 5,624,163</b>	<b>\$ 5,733,647</b>
<b>Expenses</b>										
Payroll	\$ 362,591	\$ 369,843	\$ 377,240	\$ 384,785	\$ 392,480	\$ 400,330	\$ 408,336	\$ 416,503	\$ 424,833	\$ 433,330
Leasing & Marketing	89,632	91,425	93,253	95,118	97,020	98,961	100,940	102,959	105,018	107,118
Repairs & Maintenance	119,509	121,899	124,337	126,824	129,361	131,948	134,587	137,279	140,024	142,825
Grounds & Landscaping	89,632	91,425	93,253	95,118	97,020	98,961	100,940	102,959	105,018	107,118
Make Ready @	75,291	76,797	78,333	79,899	81,497	83,127	84,790	86,485	88,215	89,980
Office Operations & Administrative	53,779	54,855	55,952	57,071	58,212	59,377	60,564	61,775	63,011	64,271
Utilities	119,509	121,899	124,337	126,824	129,361	131,948	134,587	137,279	140,024	142,825
Security	19,719	20,113	20,516	20,926	21,345	21,771	22,207	22,651	23,104	23,566
Real Estate Taxes	513,936	524,215	534,699	545,393	556,301	567,427	578,775	590,351	602,158	614,201
Insurance	71,192	72,616	74,068	75,549	77,060	78,601	80,174	81,777	83,413	85,081
Professional Fees	8,963	9,342	9,725	10,112	10,502	10,896	11,294	11,696	12,102	12,512
Management Fee @	120,554	122,890	125,273	127,703	130,182	132,711	135,290	137,921	140,604	143,341
<b>Total Expenses</b>	<b>\$ 1,644,307</b>	<b>\$ 1,677,118</b>	<b>\$ 1,710,586</b>	<b>\$ 1,744,722</b>	<b>\$ 1,779,542</b>	<b>\$ 1,815,058</b>	<b>\$ 1,851,284</b>	<b>\$ 1,888,234</b>	<b>\$ 1,925,924</b>	<b>\$ 1,964,368</b>
<b>Net Operating Income</b>	<b>\$ 3,177,839</b>	<b>\$ 3,238,470</b>	<b>\$ 3,300,315</b>	<b>\$ 3,363,396</b>	<b>\$ 3,427,739</b>	<b>\$ 3,493,369</b>	<b>\$ 3,560,311</b>	<b>\$ 3,628,592</b>	<b>\$ 3,698,239</b>	<b>\$ 3,769,279</b>



Operating Activity

	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
	21	22	23	24	25	26	27	28	29	30			
<b>Revenue</b>													
Rental Revenue - Market	\$ 5,246,268	\$ 5,351,194	\$ 5,458,218	\$ 5,567,382	\$ 5,678,730	\$ 5,792,304	\$ 5,908,150	\$ 6,026,313	\$ 6,146,840	\$ 6,269,776			
Rental Revenue - Affordable	394,965	402,864	410,921	419,140	427,523	436,073	444,795	453,690	462,764	472,020			
Amenity Fees	78,318	79,885	81,482	83,112	84,774	86,473	88,199	89,963	91,762	93,597			
Garage Parking Fees	244,744	249,639	254,632	259,725	264,919	270,217	275,622	281,134	286,757	292,492			
Restaurant Ground Lease	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000			
Other Revenue	88,108	89,870	91,668	93,501	95,371	97,278	99,224	101,208	103,232	105,297			
Revenue Reductions	(357,084)	(364,226)	(371,510)	(378,941)	(386,519)	(394,250)	(402,135)	(410,177)	(418,381)	(426,749)			
<b>Total Revenue</b>	<b>\$ 5,845,319</b>	<b>\$ 5,959,226</b>	<b>\$ 6,075,410</b>	<b>\$ 6,193,919</b>	<b>\$ 6,314,797</b>	<b>\$ 6,438,093</b>	<b>\$ 6,563,855</b>	<b>\$ 6,692,132</b>	<b>\$ 6,822,975</b>	<b>\$ 6,956,434</b>			
<b>Expenses</b>													
Payroll	\$ 441,997	\$ 450,836	\$ 459,853	\$ 469,050	\$ 478,431	\$ 488,000	\$ 497,760	\$ 507,715	\$ 517,869	\$ 528,227			
Licensing & Marketing	109,261	111,446	113,675	115,948	118,267	120,633	123,045	125,506	128,016	130,577			
Repairs & Maintenance	145,681	148,595	151,567	154,598	157,690	160,844	164,061	167,342	170,689	174,102			
Grounds & Landscaping	109,261	111,446	113,675	115,948	118,267	120,633	123,045	125,506	128,016	130,577			
Make Ready @	91,779	93,615	95,487	97,397	99,345	101,332	103,358	105,425	107,534	109,685			
Office Operations & Administrative	65,557	66,868	68,205	69,569	70,960	72,380	73,827	75,304	76,810	78,346			
Utilities	145,681	148,595	151,567	154,598	157,690	160,844	164,061	167,342	170,689	174,102			
Security	24,037	24,518	25,008	25,509	26,019	26,539	27,070	27,611	28,164	28,727			
Real Estate Taxes	683,438	697,107	711,049	725,270	739,776	754,571	769,663	785,056	800,757	816,772			
Insurance	86,782	88,518	90,288	92,094	93,936	95,815	97,731	99,686	101,679	103,713			
Professional Fees	10,926	11,145	11,367	11,595	11,827	12,063	12,305	12,551	12,802	13,058			
Management Fee @	146,133	148,981	151,885	154,848	157,870	160,952	164,096	167,303	170,574	173,911			
<b>Total Expenses</b>	<b>\$ 2,060,533</b>	<b>\$ 2,101,669</b>	<b>\$ 2,143,627</b>	<b>\$ 2,186,425</b>	<b>\$ 2,230,878</b>	<b>\$ 2,274,605</b>	<b>\$ 2,320,022</b>	<b>\$ 2,366,347</b>	<b>\$ 2,413,599</b>	<b>\$ 2,461,796</b>			
<b>Net Operating Income</b>	<b>\$ 3,784,786</b>	<b>\$ 3,857,557</b>	<b>\$ 3,931,783</b>	<b>\$ 4,007,494</b>	<b>\$ 4,084,719</b>	<b>\$ 4,163,488</b>	<b>\$ 4,243,833</b>	<b>\$ 4,325,784</b>	<b>\$ 4,409,375</b>	<b>\$ 4,494,638</b>			

EXHIBIT 14

PROJECT FINANCING PLAN

The project is expected to cost approximately \$43,800,000 to construct. Capital for the project is expected to be in the form of \$15,325,000 (35%) of equity from the owner and \$28,475,000 (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*	August 2020
Preliminary and Final Site Plan Approval	October 2020
All other prerequisite Governmental Approvals	February 2021
Building Permit Application Submission	February 2021
Commencement of Construction**	March 2021
First Certificate of Occupancy	January 2023
Construction Completion***	March 2023

\*As per Redevelopment Agreement, Within 120 Days after the 1 Year Anniversary of the Effective Date the Site Plan Application must be Submitted.

\*\* As per Redevelopment Agreement, in no event shall Commencement of Construction begin later than 30 months from the Effective Date

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

## EXHIBIT 18

### SUMMARY OF PROJECT BENEFITS

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

- 1) 85 Livingston Avenue Multifamily - Approximately 120 Construction Jobs and 4 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**

**85 Livingston Urban Renewal, L.L.C.**

**THIS FINANCIAL AGREEMENT** (hereinafter "**Agreement**" or "**Financial Agreement**"), made this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by and between 85 Livingston 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 at 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 30.1, Lots 14 (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 30.1, Lot 14 also known as 85 Livingston Avenue, 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 on August 15, 2017, the Borough Council adopted an ordinance adopting the Redevelopment Plan; and

**WHEREAS**, the Redeveloper submitted to the Borough a proposal to undertake the construction of mixed use property consisting of construction of a four (4)-story residential apartment building with up to 140 units, with one hundred twelve (112) market rate units consisting of eight (8) studio units, thirty four (34) one (1) bedroom units and seventy (70) two (2) bedroom units, twenty eight (28) units would be affordable to low and moderate income households, together with surface and structured parking for the residential uses providing approximately 274 parking spaces (the "**Project**"); and

**WHEREAS**, on May 27, 2018, 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 four (4) 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 120 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:

<b>Agreement</b>	<b>Project</b>
<b>Application</b>	<b>Property</b>
<b>Borough</b>	<b>Redeveloper</b>
<b>Borough Council</b>	<b>Redevelopment Agreement</b>
<b>Exemption Law</b>	<b>Redevelopment Area</b>
<b>Financial Agreement</b>	<b>Redevelopment Law</b>
<b>Ordinance</b>	<b>Redevelopment Plan</b>
<b>Parties</b>	<b>Urban Renewal Entity</b>
<b>Planning Board</b>	

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 30.1, Lot 14 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 construction of a four (4)-story residential apartment building with up to 140 units, with one hundred twelve (112) market rate units consisting of eight (8) studio units, thirty four (34) one (1) bedroom units and seventy (70) two (2) bedroom units, twenty eight (28) units would be affordable to low and moderate income households, together with surface and structured parking for the residential uses providing approximately 274 parking spaces 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 thirty (30) years from the Annual Service Charge Start Date, but in no event longer than thirty-five (35) years from the date of execution hereof. 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.
- (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.

Redeveloper shall not allow the Hotel to be used for short or long term, government subsidized housing.

## **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, 2<sup>nd</sup> 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**

**85 Livingston 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 85 Livingston Urban Renewal, L.L.C.; and
- (c) executed the instrument as the act of 85 Livingston Urban Renewal, L.L.C.

\_\_\_\_\_  
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

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To: #32316099846851

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Homeowner Protection 6092922839 &gt;&gt; 1234

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LLC

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DEC 7 2017

STATE TREASURER

CERTIFICATE OF FORMATION  
OF

## 85 LIVINGSTON 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:

0600446780

85 LIVINGSTON 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

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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

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To: #32316099846851

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Homeowner Protection 6092922839 &gt;&gt; 1234

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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  
Governor

KIM GUADAGNO  
Lt. Governor

CHARLES A. RICHMAN  
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS


TO: State Treasurer  
RE: 85 LIVINGSTON URBAN RENEWAL, L.L.C.  
File # 2171  
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 7<sup>th</sup> day of December 2017 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 \$43,800,000 to construct. Capital for the project is expected to be in the form of \$15,325,000 (35%) of equity from the owner and \$28,475,000 (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**

**Roseland, A Mack-Cali Company**

3/23/2018

85 Livingston Ave, Roseland NJ

**Unit Data**

<u>Unit Type</u>	<u>Description</u>	<u>No. Units</u>	<u>Mix</u>	<u>Unit SF</u>	<u>Total Net SF</u>	<u>Monthly Unit Rents</u>	<u>Rent/SF</u>	<u>Total Monthly Rent</u>	<u>Total Annual Rent</u>
<b>Market Units</b>									
S1	STUDIO	8	5.71%	526	4,208	1,900	3.61	15,200	182,400
A1	1BR/1BA	6	4.29%	768	4,608	2,300	2.99	13,800	165,600
A2	1BR/1BA	12	8.57%	766	9,192	2,300	3.00	27,600	331,200
A3	1BR/1BA	7	5.00%	878	6,146	2,350	2.68	16,450	197,400
A4	1BR/1BA	8	5.71%	873	6,984	2,350	2.69	18,800	225,600
A8	1BR/1BA + Den	1	0.71%	915	915	2,500	2.73	2,500	30,000
B1	2BR / 2 BA	2	1.43%	1,124	2,248	2,800	2.49	5,600	67,200
B2	2BR / 2 BA	29	20.71%	1,127	32,683	2,800	2.48	81,200	974,400
B4	2BR / 2 BA	19	13.57%	1,224	23,256	2,850	2.33	54,150	649,800
B5	2BR / 2 BA	8	5.71%	1,234	9,872	2,850	2.31	22,800	273,600
B6	2BR / 2 BA + Den	12	8.57%	1,557	18,684	3,500	2.25	42,000	504,000
<b>Totals</b>		<b>112</b>	<b>80.0%</b>		<b>118,796</b>			<b>\$300,100</b>	<b>\$3,601,200</b>
<b>Averages</b>				<b>1,061</b>		<b>\$2,679</b>	<b>\$2.53</b>		

\$30.31

**Affordable Units**

A1 - Low T1	1BR/1BA	1	0.71%	644	644	309	0.48	309	3,708
A1 - Low T2	1BR/1BA	2	1.43%	644	1,288	649	1.01	1,298	15,576
A1 - Mod T1	1BR/1BA	1	0.71%	644	644	733	1.14	733	8,796
A1 - Mod T2	1BR/1BA	1	0.71%	644	644	818	1.27	818	9,816
B1 - Low T1	2BR/2BA	1	0.71%	905	905	364	0.40	364	4,368
B1 - Low T2	2BR/2BA	7	5.00%	905	6,334	771	0.85	5,397	64,764
B1 - Mod T1	2BR/2BA	3	2.14%	905	2,715	873	0.96	2,619	31,428
B2 - Mod T2	2BR/2BA	6	4.29%	905	5,429	975	1.08	5,850	70,200
C1 - Low T1	3BR/1BA	1	0.71%	1,121	1,121	416	0.37	416	4,992
C2 - Low T2	3BR/1BA	3	2.14%	1,121	3,363	887	0.79	2,661	31,932
C2 - Mod T1	3BR/1BA	1	0.71%	1,121	1,121	1,005	0.90	1,005	12,060
C3 - Mod T2	3BR/1BA	1	0.71%	1,121	1,121	1,123	1.00	1,123	13,476
<b>Totals</b>		<b>28</b>	<b>20.0%</b>		<b>25,329</b>			<b>\$22,593</b>	<b>\$271,116</b>
<b>Averages</b>				<b>905</b>		<b>\$807</b>	<b>\$0.89</b>		

\$10.70

<b>Totals</b>		<b>140</b>	<b>100.0%</b>		<b>144,125</b>			<b>\$322,693</b>	<b>\$3,872,316</b>
<b>Averages</b>				<b>1,029</b>		<b>\$2,305</b>	<b>\$2.24</b>		

\$26.87

## EXHIBIT 6

### Certification of Estimated Construction Costs

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

A.	Land	\$4,121,100
B.	Architects, engineers and attorneys fees paid or payable in connection with the planning, construction and financing of the project	\$1,625,000
C.	Surveying and testing	\$82,000
D.	Construction cost (to be certified by the architect)	\$33,586,000
E.	Insurance, interest and finance costs during construction	\$2,322,000
F.	Cost of obtaining initial permanent financing	\$0
G.	Commissions and other expenses payable in connection with initial leasing/sale	\$681,000
H.	Real estate taxes and assessments during the construction period	\$277,000
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. 40A:20-3h</u> ) (for projects over \$10,000,000 - 5%)	\$2,134,700
Total		\$44,828,700