

— LAW OFFICES —
DECOTIIS
DeCotiis, FitzPatrick, Cole & Giblin, LLP

NEW YORK
NEW JERSEY

GLENPOINTE CENTRE WEST
500 FRANK W. BURR BOULEVARD, SUITE 31
TEANECK, NEW JERSEY 07666

TELEPHONE: (201) 928-1100
TELEFAX: (201) 928-0588
WWW.DECOTIISLAW.COM

DIRECT
DOUGLAS F. DOYLE, ESQ.
DDOYLE@DECOTIISLAW.COM
201.347.2128

February 13, 2017

VIA HAND DELIVERY & EMAIL

Carleton R. Kempf, Esq.
6 Hampshire Court
Springfield, NJ 07081

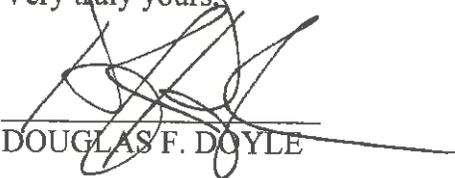
Re: Borough of Emerson – Financial Agreement

Dear Mr. Kempf:

Enclosed please find an executed original of the Financial Agreement between the Borough of Emerson and Emerson Redevelopers Urban Renewal, LLC for your client's file.

Thank you.

Very truly yours,



DOUGLAS F. DOYLE

DFD:ls
Enclosure

cc: Jane Dietsche, Borough Clerk (via e-mail)



2112413

**FINANCIAL AGREEMENT FOR
LONG TERM TAX EXEMPTION**

by and between

BOROUGH OF EMERSON

and

EMERSON REDEVELOPERS URBAN RENEWAL, LLC

THIS FINANCIAL AGREEMENT is made this ____ day of September , 2016 (hereinafter this “Agreement” or “Financial Agreement”) between **EMERSON REDEVELOPERS URBAN RENEWAL, LLC**, a New Jersey limited liability company having its principal office at 80 S. Jefferson Road, Suite 202, Whippany, New Jersey 07981, and its permitted successors and assigns (the “Entity”), and the **BOROUGH OF EMERSON**, a public body corporate with offices located at 146 Linwood Avenue, Emerson, New Jersey 07630 (the “Borough”; and together with the Entity, the “Parties” or “Party”).

WITNESSETH:

WHEREAS, on September 7, 2004, the Borough Governing Body adopted Resolution No. 199-04, the Emerson Borough Council (the “Governing Body”) designated that certain property identified as Block 419, Lots 1, 2, 3, 4, 6.01, 6.02, 8 and 10 on the official Tax Maps of the Borough as “an area in need of redevelopment” (the “Redevelopment Area”) in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the “Redevelopment Law”); and

WHEREAS, on April 3, 2006, the Borough adopted Ordinance No. 1305-06, the Governing Body adopted a redevelopment plan for the Redevelopment Area (the “Redevelopment Plan”); and

WHEREAS, on June 14, 2016, the Borough and the Entity entered into that certain redevelopment agreement, which was approved by the Governing Body on June 14, 2016 pursuant to Resolution 173–16 (the “Redevelopment Agreement”); and

WHEREAS, the Entity is or will be the owner of the Redevelopment Area consisting of Block 419, Lots 1, 2, 3, 4, 6.01, 6.02, 7, 8, 9 and 10, as more particularly described on Exhibit A annexed hereto (the “Property”); and

WHEREAS, the Redevelopment Agreement sets forth the terms and conditions by which the Entity will redevelop the Property with approximately 150 multi-family rental housing units, approximately 302 parking spaces, and other amenities and site improvements (collectively, the “Project”); and

WHEREAS, the Entity applied to the Governing Body for a long term tax exemption pursuant to the Exemption Law pursuant to the application annexed hereto as Exhibit B (the “Application”); and

WHEREAS, by Ordinance dated August 16, 2016 (the “Ordinance”), a copy of which is annexed hereto as Exhibit C, the Governing Body granted the Long Term Tax Exemption (as defined below) requested by the Entity, subject to the terms and conditions of this Financial Agreement; and

WHEREAS, pursuant to this Financial Agreement, the Borough and the Entity desire to set forth in detail their mutual rights and obligations with respect to the Long Term Tax Exemption; and

WHEREAS, the Governing Body has reviewed the Application and has made the following findings:

A. **Benefits of Project v. Costs.**

i. The development and construction of the Project, including infrastructure improvements as set forth in the Redevelopment Agreement and Redevelopment Plan will be beneficial to the overall community; will achieve the goals and objectives of the Redevelopment Plan; will help revitalize the Property; will improve the quality of life for the community; will serve as a catalyst for further private investment in areas surrounding the Property and will enhance the economic development of the Borough.

ii. It is anticipated that the development of the Project will create approximately 300 full-time equivalent construction jobs over the duration of the construction of the Project, as well as approximately 7 full-time permanent jobs in connection with the operation of the Project.

iii. The Project includes the environmental remediation of the Property and its return to productive use.

iv. In 2016, the Property generated approximately \$133,800 in total real estate taxes. The Redeveloper has represented that the estimated Annual Service Charge, as such term is defined herein, is expected to be \$ 358,390.

v. The benefits to the Borough accruing as a result of the Project will substantially outweigh the costs to the Borough resulting from the long term tax exemption granted herein.

B. **Importance of Long Term Tax Exemption.**

The Governing Body's approval of the Long Term Tax Exemption set forth herein is essential to the success of this Project because:

i. The relative stability and predictability of the Annual Service Charge associated with the Project will make it more attractive to financial institutions whose participation is necessary in order to finance the Project.

ii. The relative stability and predictability of the Annual Service Charge will allow the Entity to provide a high level of maintenance for the Property and will have a positive impact on the surrounding area and community.

iii. The financial benefit conferred by the Long Term Tax Exemption assists in the undertaking of environmental remediation as a part of the Project.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the Parties to this Agreement mutually covenant and agree as follows:

ARTICLE I- GENERAL PROVISIONS

Section 1.1 Governing Law

This Financial Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., as amended and supplemented (the "Exemption Law"), the Redevelopment Law, the Ordinance, and all other Applicable Laws, as defined below. It is expressly understood and agreed that the Borough relied upon the facts, data, and representations contained in the Application in its granting of the Long Term Tax Exemption and the Application is hereby incorporated into this Financial Agreement by reference.

Section 1.2 General Definitions and Construction

The recitals and Exhibits to this Agreement are hereby incorporated by reference herein as if set forth at length. Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms and phrases shall have the following respective meanings:

- i. **Agreement or Financial Agreement** – Shall have the meaning specified in the preamble hereof.
- ii. **Allowable Net Profit** (also referred to as "ANP") – The amount arrived at by multiplying the Allowable Profit Rate by the Total Project Cost pursuant to the Exemption Law.
- iii. **Allowable Profit Rate** (also referred to as the "APR") - The greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing for the Project. 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 APR shall be the greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the prevailing per annum interest rate on mortgage financing on comparable residential rental projects within Bergen County.
- iv. **Annual Gross Revenue** (also referred to as the "AGR") – Annual gross revenue for the Project, as determined pursuant to the Exemption Law and the terms of this Financial Agreement. Annual Gross Revenue shall include insurance, operating

and maintenance expenses paid by a tenant if those expenses are ordinarily paid by a landlord.

- v. **Annual Service Charge** (also referred to as the “ASC”) – The annual amount of payments in lieu of taxes due and payable by the Entity to the Borough as calculated in accordance with the terms hereof. The term Annual Service Charge shall have the same meaning, purpose, force and effect, as the term “Annual Service Charge” shall have in accordance with the Exemption Law.
- vi. **Annual Audited Statement** - Shall mean a complete financial statement outlining the financial status of the Project, which shall also include a computation of the Total Project Cost, Net Profit, Allowable Net Profit, and Annual Gross Revenue, prepared annually by the Entity’s certified public accountant. The contents of each Annual Audited Statement shall be prepared in conformity with Generally Accepted Accounting Principles, the Exemption Law, and this Financial Agreement.
- vii. **Applicable Law**: Shall mean any and all federal, state and local laws, rules, regulations, rulings, court orders, statutes and ordinances applicable to the Project, the Redevelopment Area and the Long Term Tax Exemption.
- viii. **Application** – Shall have the meaning specified in the preamble of this Financial Agreement.
- ix. **ASC Commencement Date** – The date of issuance of the first Certificate of Occupancy for the Project.
- x. **Certificate of Occupancy** - A temporary or permanent certificate of occupancy issued by the appropriate Borough official, pursuant to **N.J.S.A. 52:27D-133**, authorizing the occupancy of a building or any portion thereof.
- xi. **Days** - Whenever the word “Days” is used to denote time, it shall mean calendar days.
- xii. **Default** - A breach or failure of the Borough or the Entity to perform any obligation imposed by the terms of this Financial Agreement, or under the Exemption Law, beyond any applicable grace or cure periods set forth in this Financial Agreement.
- xiii. **Effective Date** – The date of this Agreement.
- xiv. **Entity** – Shall mean the entity specified in the preamble of this Financial Agreement, or its permitted successors and assigns.
- xv. **Excess Net Profits** - The amount of Net Profits that exceeds the Allowable Net Profits (ANP) for the applicable accounting period as determined in accordance with the Exemption Law.

- xvi. **Exemption Law** - Shall have the meaning specified in Section 1.1 of this Financial Agreement.
- xvii. **Exemption Term** – The period beginning on the ASC Commencement Date and ending on the Termination Date.
- xviii. **Governing Body**- Shall have the meaning specified in the preamble of this Financial Agreement.
- xix. **Improvements** - Shall mean any building, structure or fixture permanently affixed to the Property to be constructed and exempt under this Agreement.
- xx. **Land Taxes** – Shall mean the amount of real estate taxes levied on the Property, exclusive of any Improvements related thereto.
- xxi. **Long Term Tax Exemption** – The long term tax exemption granted in accordance with the Exemption Law pursuant to this Financial Agreement.
- xxii. **Minimum Annual Service Charge** – The amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation. The Parties acknowledge and agree that the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation is \$133,804.
- xxiii. **Net Profit** - Annual Gross Revenue (AGR) less all operating and non-operating expenses and costs of the Entity, all determined in accordance with Generally Accepted Accounting Principles and the provisions of the Exemption Law, but:
(1) there shall be included in expenses: (a) all annual service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all payments to the municipality of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits, over the term of the abatement as set forth in this Financial Agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of Excess Profits, including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies, and payments into repair or maintenance reserve accounts; (e) all payments of rent including, but not limited to, ground rent by the Entity; (f) all debt service; and (2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of debt service, income taxes, or salaries, bonuses or other compensation paid, directly or

indirectly to directors, officers and stockholders of the Entity, or officers, partners or other persons holding any proprietary ownership interest in the Entity.

- xxiv. **Ordinance** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxv. **Party or Parties** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxvi. **Project** - Shall have the meaning specified in the preamble of this Financial Agreement.
- xxvii. **Redevelopment Area** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxviii. **Redevelopment Agreement**- Shall have the meaning specified in the preamble of this Financial Agreement.
- xxix. **Redevelopment Law** – Shall have the meaning defined in the preamble of this Financial Agreement.
- xxx. **Redevelopment Plan** – Shall have the meaning defined in the preamble of this Financial Agreement.
- xxxi. **Reserve** – Shall have the meaning defined in Section 6.2 of this Financial Agreement.
- xxxii. **Termination Date** – The earlier to occur of (i) the thirty-fifth (35th) anniversary of the Effective Date; (ii) the thirtieth (30th) anniversary date of the ASC Commencement Date; or (iii) such other date as this Financial Agreement may terminate pursuant to the terms hereof or pursuant to Applicable Law.
- xxxiii. **Total Project Cost (also referred to as “TPC”)**- The total cost of developing the Project, as calculated in accordance with Section 3(h) of the Exemption Law.
- xxxiv. **Borough** – Shall have the meaning specified in the preamble of this Financial Agreement.

ARTICLE II- PROJECT AND PROPERTY

Section 2.1 Approval of Agreement and Project

The Borough hereby approves a Long Term Tax Exemption for the Project, which is to be constructed and maintained on the Property in accordance with the terms and conditions set forth herein, the provisions of the Exemption Law, the Redevelopment Agreement, the Redevelopment Plan and other Applicable Law.

Section 2.2 Approval of the Entity

The Borough hereby approves of the Entity in reliance upon the Entity's representation that its Certificate of Formation attached to the Application as Exhibit E contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the Department of Community Affairs, and has been filed with, as appropriate, the Department of Treasury, all in accordance with N.J.S.A. 40A:20-5.

ARTICLE III – OWNERSHIP, MANAGEMENT AND CONTROL

Section 3.1 Entity's Representation

The Entity represents that it shall remain the owner of record of the Property throughout the development and construction of same.

Section 3.2 Estimated Rental Schedule

The Entity sets forth its good faith projections of its Annual Gross Revenues in Exhibit D attached and annexed to this Financial Agreement.

ARTICLE IV- TAX EXEMPTION

Section 4.1 Duration of Tax Exemption

The Improvements proposed for development and construction within the Project shall be exempt from taxation during the Exemption Term.

Section 4.2 Calculation of Annual Service Charge

In consideration of the Borough granting the Entity the exemption set forth in Section 4.1 of this Financial Agreement, during the Exemption Term, the Entity shall pay to the Borough for municipal services supplied to the Project, as provided in the Exemption Law, an Annual Service Charge as follows:

(i) For each of the first fifteen (15) years from the ASC Commencement Date, the Annual Service Charge shall be equal to ten percent (10%) of the Annual Gross Revenue;

(ii) For each of the years sixteen (16) through twenty (20) from the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of (a) ten percent (10%) of the Annual Gross Revenue or (b) twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements.

(iii) For each of the years twenty-one (21) through twenty-five (25) from the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of (a) eleven percent (11%) of the Annual Gross Revenue or (b) forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements;

(iv) For each of the years twenty-six (26) through twenty-nine (29) from the ASC Commencement, the Annual Service Charge shall be equal to the greater of (a) twelve percent (12%) of the Annual Gross Revenue or (b) sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements;

(v) For year thirty (30) from the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of (a) twelve percent (12%) of the Annual Gross Revenue or (b) eighty percent (80%) of the real property taxes otherwise due on the value of the Land and the Improvements.

Section 4.3 Minimum Annual Service Charge

Notwithstanding anything to the contrary in this Financial Agreement, including, without limitation, Section 4.2 hereof, the Annual Service Charge for the Project shall not be less than the Minimum Annual Service Charge.

Section 4.4 Land Tax Credit Against Respective Annual Service Charges

The Entity shall pay the Annual Service Charge or the Minimum Annual Service Charge in accordance with the terms of this Financial Agreement. The Entity shall be entitled to a credit against the Annual Service Charge for the amount, without interest, of the Land Tax payments made in the last four (4) preceding quarterly installments.

Section 4.5 Quarterly Installments

The Annual Service Charge or the Minimum Annual Service Charge, as the case may be, shall be paid in quarterly installments on those dates when ad valorem real estate tax payments on other properties within the Borough are due, subject to adjustment for over payment or underpayment within thirty (30) days after the close of each calendar year.

Section 4.6 Rights and Obligations Related to Long Term Tax Exemption

(a) All Annual Service Charge or Minimum Annual Service Charge payments, as the case may be, made pursuant to this Financial Agreement shall be in lieu of taxes and the Borough shall have the rights and remedies of tax enforcement granted to a municipality by Applicable Law, including those of in rem tax foreclosure pursuant to N.J.S.A. 54:5-1, just as if said payments constituted regular real property tax obligations on other real properties within the Borough.

(b) If the ASC Commencement Date occurs on a date other than the last day of a quarter, the amount of the ASC for such period shall be based on the per diem assessment for such quarter.

Section 4.7 Remittance to County

The Borough shall remit to the County of Bergen five percent (5%) of the Annual Service Charge received each year from the Entity, pursuant to N.J.S.A. 40A:20-12(b)(2)(e).

Section 4.8 Administrative Fee

The Entity shall pay to the Borough no later than December 31st of each year an administrative fee in an amount equal to two percent (2%) of the Annual Service Charge for that year, which is permitted by N.J.S.A. 40A:20-9.

ARTICLE V- DISPUTE RESOLUTION

Section 5.1 Agreement to Arbitrate

If the Borough or the Entity breaches this Financial Agreement, or a dispute arises between the Parties regarding the terms and provisions set forth herein, then the Parties shall submit the dispute to the American Arbitration Association in the State of New Jersey, to be resolved in accordance with its rules and regulations in such fashion as to accomplish the purposes of the Exemption Law and this Financial Agreement. The costs of arbitration shall be borne equally by the Parties involved in the arbitration. The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with Applicable Law in any court having jurisdiction. Notwithstanding anything to the contrary set forth in this Agreement, and in accordance with Section 4.6(a), above, the Borough shall be entitled to collect any overdue payments of Land Taxes or Annual Service Charge in the same manner as it collects overdue payments of generally applicable real estate taxes, and shall not be required to submit such matters to arbitration.

Section 5.2 Covenant to Make Payments

The Entity agrees that the timely payment of the Land Taxes, and the Minimum Annual Service Charge or the Annual Service Charge, to the Borough, as well as continued compliance with the Applicable Laws and the Redevelopment Agreement are material conditions of this Financial Agreement. The failure to make any of the aforesaid payments in timely fashion and/or a default under the Redevelopment Agreement shall constitute both a breach of this Financial Agreement and a tax payment delinquency under Applicable Law, as applicable.

Section 5.3 Notification of Breach Required

Other than with respect to the nonpayment of Land Taxes, Annual Service Charge or Minimum Annual Service Charge (any of the foregoing a "Payment Default"), the Borough shall notify the Entity in writing of any breach relating to the terms of this Financial Agreement. Except as otherwise limited by law, the Entity shall have ninety (90) days to cure any default (other than a default in payment of any installment of the Annual Service Charge in which case there shall be no cure period). In the case of a default which cannot with diligence be remedied or cured, or the remedy or cure of which cannot be commenced, within the time periods set forth herein, the Entity shall have such additional time as reasonably necessary to remedy or cure such default provided that the Entity shall at all times act be acting with diligence, and in good faith, to remedy or cure such default as soon as practicable. Upon such default and cure period, it being hereby expressly acknowledged by the Entity that there shall be no cure period hereunder in the event of a default in payment of the Annual Service Charge, the Borough shall have the right to proceed against the Property, including any Improvements related thereto, pursuant to any and all applicable provisions of law.

Section 5.4 Borough's Remedies Upon Default

The Borough's remedies upon its declaration of default shall be cumulative and concurrent. No determination under this Financial Agreement shall deprive the Borough of its

right to proceed against the Entity for the nonpayment of the applicable Land Taxes, Minimum Annual Service Charge or Annual Service Charge, as the case may be, including any arrearage that would accrue in the absence of such determination.

ARTICLE VI- LIMITATION ON PROFITS

Section 6.1 Entity's Covenant of Limitation on Profits

During the Exemption Term, the Entity's profits shall be limited, according to the provisions of the Exemption Law and the definitions set forth therein. In accordance with Section 15 of the Exemption Law, for any period, taken as one accounting period, commencing on the ASC Commencement Date, and terminating at the end of the last full fiscal year, in which the Entity's Net Profits exceed the Allowable Net Profit, the Excess Net Profits shall be paid to the Borough as an additional Annual Service Charge within One Hundred Twenty (120) Days of the close of the Entity's fiscal year.

Section 6.2 Permitted Reserves

In accordance with Section 15 of the Exemption Law, during the term of this Financial Agreement, the Entity may maintain a separate reserve against vacancies, unpaid rents and other contingencies in an amount not to exceed ten (10%) percent of the Entity's Annual Gross Revenues (AGR) for the last full fiscal year and the Entity may retain such part of the Excess Net Profits as is necessary to eliminate any deficiency in that reserve as provided in the Exemption Law (hereinafter referred to as the "Reserve"). Upon the termination of this Financial Agreement, the amount of the Reserve, if any, shall be paid to the Borough.

ARTICLE VII- TERMINATION OF AGREEMENT AND INSPECTIONS

Section 7.1 Voluntary Termination of the Financial Agreement by Entity

Pursuant to the Exemption Law, the Entity may at any time after the expiration of one (1) year from the ASC Commencement Date, notify the Borough that, as of a certain date designated in the notice, it relinquishes its status as an urban renewal entity under the Exemption Law and that the Entity has obtained the consent of the Commissioner of the Department of Community Affairs, if required by Applicable Law. As of that date, all of the obligations and requirements contained in this Financial Agreement shall terminate. Notwithstanding the foregoing, such relinquishment shall not impact the obligation of the Entity to make payment of any Land Taxes, Annual Service Charge, or Minimum Annual Service Charge that has accrued up to and including the date of Termination, the Reserve, if any, or the obligation of the Entity, to perform the final accounting required by the Exemption Law and Section 7.2 below.

Section 7.2 Termination and Final Accounting

Within Ninety (90) Days after the Termination Date, whether by affirmative action of the Entity or by virtue of the provisions of the Applicable Law or pursuant to the terms of this Financial Agreement, the Entity shall provide a final accounting and pay to the Borough the Reserve, if any, pursuant to N.J.S.A. 40A:20-15, as well as any Excess Net Profits, if any payable as of that date. For purposes of rendering a final accounting, the termination of the Financial Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 7.3 Taxes After Termination Date

After the Termination Date, the Long Term Tax Exemption shall expire, and the relevant portion of the Property and the Improvements constructed thereupon shall thereafter be assessed and conventionally taxed according to Applicable Law as other real property in the Borough.

Section 7.4 Rights of Inspection

Pursuant to the Exemption Law, upon request, the Entity shall permit inspection of property, equipment, buildings and other facilities of the Entity, and also permit examination and audit of its books, contracts, records, documents and papers by authorized representatives of the Borough or the State.

ARTICLE VIII- SALE OR LEASE OF PROJECT

Section 8.1 Conveyance of Project

(a) The Borough and the Entity acknowledge and agree that upon the completion of the Project and provided the Entity is not in default of this Financial Agreement or any other agreement with the Borough, the Entity may sell, transfer, or otherwise convey all of the Property, including any Improvements related thereto, to another urban renewal entity, qualified and organized under the Exemption Law, provided such entity owns no other project subject to the Exemption Law at the time of the transfer, and assumes the Entity's obligations under this Financial Agreement. A transfer under this Section 8.1 shall not include the leasing of any rental units to any third-party.

(b) Prior to any such sale or transfer as may be permitted in accordance with subsection (a) above, the Borough may levy an administrative fee equal to two percent (2%) of the then applicable Annual Service Charge upon such transferee for processing such sale or transfer .

Section 8.2 Obligations of Entity Upon Conveyance

In accordance with the Exemption Law, in the event of any sale or other transfer of fee title ownership, in accordance with Section 8.01 above, the Entity shall no longer be subject to, bound by, or otherwise governed by this Financial Agreement, provided however, that within ninety (90) days after the date of the end of the Entity's fiscal year in which such sale or other transfer of fee title occurred, , the Entity shall pay to the Borough any Reserve maintained by it

pursuant to this Financial Agreement, as well as any Excess Net Profits payable to the Borough pursuant to this Financial Agreement and the Exemption Law.

Section 8.3 Subordination of Fee Title

It is expressly acknowledged, understood and agreed that the Entity has the right, subordinate to the lien, as a matter of law, of the Annual Service Charge, and to the rights of the Borough hereunder, to encumber the fee title to the Property, including any Improvements related thereto, and that any such subordinate encumbrance shall not be deemed to be a violation of this Financial Agreement.

ARTICLE IX- ENTITY'S COVENANTS AND REPRESENTATIONS

Section 9.1 Management and Operation

Subject to Section 8.1 of this Financial Agreement, the Entity represents and covenants that the Entity will manage the Project or will contract with a third party management company. The Entity shall be free to enter into leases for any rental units, without the consent of the Borough.

Section 9.2 Computation of Gross Revenue

The Entity shall calculate the Annual Gross Revenue in accordance with the Exemption Law and this Financial Agreement and the computation of Annual Gross Revenue shall be shown on the Entity's Annual Audit Statement.

Section 9.3 Annual Audit Report

For so long as the Entity owns the Project and within ninety (90) Days after the close of each fiscal or calendar year (depending on the Entity's accounting basis) that this Financial Agreement shall continue in effect, the Entity shall submit to the Mayor of the Borough and the Governing Body. The report shall clearly identify and calculate the Net Profit for the Entity during the previous fiscal year. The Entity assumes all costs associated with preparation of the Annual Audited Statements.

Section 9.4 Total Project Cost Audit

Within ninety (90) days after a final Certificate of Occupancy is issued for the Project, the Entity shall submit to the Mayor and Governing Body, an audit of Total Project Cost, certified as to actual construction costs by the Entity's architect.

Section 9.5 Indemnification

(a) It is hereby expressly acknowledged, understood and agreed that in the event the Borough shall be named as party defendant in any action by reason of any breach, default or a violation of any of the provisions of this Financial Agreement, the Redevelopment Agreement and/or the provisions of Applicable Laws, or any challenge to the validity of this Financial Agreement or the Redevelopment Agreement, the Entity shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Entity and/or by reason of any breach, default or a violation of any of the provisions of this Financial Agreement, the provisions of the Redevelopment Agreement, the provisions of Applicable Law, and/or any challenge to the validity of this Financial Agreement or the Redevelopment Agreement.

(b) In the event the Entity alone is named a party defendant to any action of the type set forth in subsection (a) above, the Borough maintains the right to intervene as a party thereto, to which intervention the Entity hereby expressly consents, and to carry out their own defense, the reasonable cost of which shall be borne by the Entity.

ARTICLE X - MISCELLANEOUS PROVISIONS

Section 10.1 Governing Law

This Financial Agreement shall be governed by the provisions of Applicable Law including but not limited to the Exemption Law.

Section 10.2 Oral Representation

Neither Party hereto has made any oral representation that is not contained in this Financial Agreement. This Financial Agreement and the Application, including all of the Exhibits attached and annexed thereto, constitute the entire Financial Agreement by and between the Parties.

Section 10.3 Modification

There shall be no modification of this Financial Agreement except by virtue of a written instrument executed by and between both Parties.

Section 10.4 Notices

All notices required hereunder shall be sent by certified mail, return receipt requested, or by recognized overnight courier, with proof of delivery, addressed as follows:

a) When sent by the Borough to the Entity:

Emerson Redevelopers Urban Renewal, LLC
80 S. Jefferson Road, Suite 202
Whippany, New Jersey 07981
Attention: Giuseppe Forgione

with a copy to:

Carl Kempf
6 Hampshire CT
Springfield, NJ 07081

b) When sent by the Entity to the Borough:

Robert Hoffmann, Borough Administrator
Municipal Building
146 Linwood Avenue
Emerson, New Jersey 07630

with a copy to:

Douglas F. Doyle
DeCotiis, Fitzpatrick, & Cole, LLP
500 Frank W. Burr Boulevard
Teaneck, New Jersey 07666

Section 10.5 Severability

If any term, covenant or condition of this Financial Agreement shall be judicially declared 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 term, covenant or condition of this Financial Agreement shall be valid and be enforced to the fullest extent permitted by Applicable Law.

Section 10.6 Good Faith

The Entity and the Borough agree to act in good faith in all of their dealings with each other.

Section 10.7 Certification

The Borough Clerk shall certify to the Borough Tax Assessor, pursuant to the Exemption Law, that this Financial Agreement entered into by the Borough and the Entity has been entered into and is in effect pursuant to the Exemption Law. The delivery by the Borough Clerk to the Borough Tax Assessor of a certified copy of the Ordinance shall constitute the required

certification. Upon the delivery of the certification as required hereunder, the Borough Tax Assessor shall implement the Long Term Tax Exemption and continue to enforce the Long Term Tax Exemption without further certification by the Borough Clerk until the Termination Date. Further, within ten (10) calendar days following the later of the effective date of the Ordinance or the execution of this Financial Agreement by the Entity, the Borough Clerk shall transmit a certified copy of the Ordinance and this Financial Agreement to the chief financial officer of Bergen County and to the Bergen County counsel for informational purposes.

Section 10.8 Exhibits

This Financial Agreement in its proposed form appears as an attachment to the Application for Long Term Tax Exemption as **Exhibit B**. This Financial Agreement along with each Exhibit attached and annexed hereto is incorporated into the Application.

Section 10.9 Recording

This Agreement, or a memorandum of this Agreement, may be filed and recorded with the Bergen County Register by the Entity, and same may be discharged by the Entity or the Borough upon the Termination Date.

Section 10.10 Municipal Charges

The Entity hereby expressly acknowledges, understands, and agrees that, in addition to Land Taxes and Annual Service Charges, it shall be responsible for the payment (without any credit whatsoever hereunder) of all other applicable municipal charges that may, from time to time, be lawfully assessed upon the Property, including, without limitation, any and all special benefit assessments, special improvement district assessments, water and sewer charges, and other municipal charges, whether presently existing or hereinafter imposed, and that the Borough may enforce such assessments and charges in any manner (including, but not limited to, foreclosure or tax sale) permitted by applicable law.

Section 10.11 Conflict

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

(b) The parties agree that in the event of a conflict between the Redevelopment Agreement and this Financial Agreement, this Financial Agreement shall govern and prevail.

Section 10.12 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.

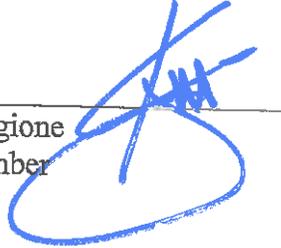
[Signature Page Follows]

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

EMERSON REDEVELOPERS URBAN RENEWA, LLC,
a New Jersey limited liability company

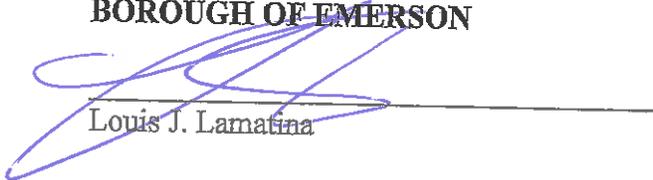
By: _____

Name: Giuseppe Forgione
Title: Managing Member



BOROUGH OF EMERSON

Louis J. Lamatina



ACKNOWLEDGEMENT

STATE OF NEW JERSEY)
)
COUNTY OF *Morris*) SS.:

Be it remembered that on the *16th* day of *September*, 2016, Giuseppe Forgone personally appeared before me, and this person acknowledged under oath, to my satisfaction that:

- (a) he is a Managing Member of Emerson Urban Renewal, LLC, the limited liability company named as Entity in the attached Financial Agreement;
- (b) he is authorized to execute the attached Financial Agreement on behalf of the Entity;
- (c) he executed the attached Financial Agreement on behalf of and as the act of the Entity; and
- (d) the attached Financial Agreement was signed and made by the Entity as its duly authorized and voluntary act.

Luigia Addeo

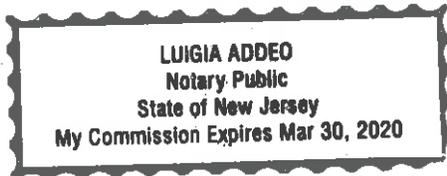


EXHIBIT A – PROPERTY DESCRIPTION

EXHIBIT B – APPLICATION

EXHIBIT C – ORDINANCE

EXHIBIT D- ESTIMATED RENTAL SCHEDULE

EXHIBIT E – CERTIFICATE OF FORMATION

EXHIBIT A
Property Description

<u>Property Owner</u>	<u>Block</u>	<u>Lot</u>	<u>Property Address</u>
Angelo and Jane Giambona	419	1	19 Lincoln Blvd.
214 Kinderkamack, LLC	419	2	15 Lincoln Blvd.
214 Kinderkamack, LLC	419	3	9 Lincoln Blvd.
214 Kinderkamack, LLC	419	4	214 Kinderkamack
Dolores, Della Volpe Trste	419	6.01	190 Kinderkamack
Yaghoob Pousty	419	6.02	184 Kinderkamack
Borough of Emerson	419	7	
182 Emerson, LLC	419	8	182 Kinderkamack
182 Emerson, LLC	419	9	176 Kinderkamack
182 Emerson, LLC	419	10	78 Linwood

EXHIBIT B

APPLICATION FOR LONG-TERM TAX EXEMPTION

OFFICE OF THE
BUSINESS ADMINISTRATOR
BOROUGH HALL
146 LINWOOD AVENUE
EMERSON, NEW JERSEY 07630

Emerson Redevelopers, LLC

Name of Applicant

80 S. Jefferson Rd.
Suite 202
Whippany, NJ 07981

Address of Applicant

Kinderkamack Rd.
Emerson, NJ 07630

Address of Project Site

SECTION A: APPLICANT INFORMATION

1. **Name of Applicant:**
Emerson Redevelopers, LLC

2. **Address of Applicant:**
80 South Jefferson Road, Suite 202, Whippany, NJ 07981

3. **Attach hereto a copy of the Applicant's Certificate of Formation and evidence of the Department of Community Affairs' ("DCA") approval of the Certificate of Formation.** (If DCA approval has not yet been obtained, attach a copy of the proposed Urban Renewal Entity's certificate of formation and evidence that same has been submitted to the DCA for approval. The Applicant must submit evidence of DCA approval after it is obtained by way of a supplement to this application.)

See attached

SECTION B: PROPERTY INFORMATION

4. **Identification of Property:**
 - a. State the street address of the proposed project site (the "Project Site"), according to the currently effective tax map of the Borough (the "Official Map"):

19 Lincoln Blvd.
15 Lincoln Blvd.
9 Lincoln Blvd.
214 Kinderkamack Rd
9 Kenneth Ave
90 Kinderkamack Rd
84 Kinderkamack Rd
182 Kinderkamack Rd
176 Kinderkamack Rd
78 Linwood

b. State the block(s) and lot number(s) corresponding to the Project Site on the Official Map:

Block 419 Lot 1
 Block 419 Lot 2
 Block 419 Lot 3
 Block 419 Lot 4
 Block 419 Lot 7
 Block 419 Lot 6.01
 Block 419 Lot 6.02
 Block 419 Lot 8
 Block 419 Lot 9
 Block 419 Lot 10

c. Provide a metes and bounds description of the Project Site:

Bowman to Provide

5. Current Assessment and Tax Status of the Project Site:

a. Current Assessment

<u>BLOCK</u>	<u>LOT</u>	<u>LAND</u>	<u>IMPROVEMENTS</u>	<u>TOTAL</u>
<u>419</u>	<u>1</u>	<u>\$ 228,900</u>	<u>\$ 197,700</u>	<u>\$ 426,600</u>
	<u>2</u>	<u>\$ 224,900</u>	<u>\$ 0</u>	<u>\$ 224,900</u>
	<u>3</u>	<u>\$ 238,200</u>	<u>\$ 10,600</u>	<u>\$ 248,800</u>
	<u>4</u>	<u>\$ 306,400</u>	<u>\$ 1,257,500</u>	<u>\$1,763,900</u>
	<u>7</u>			
	<u>6.01</u>	<u>\$ 392,300</u>	<u>\$ 482,700</u>	<u>\$875,000</u>

6.02	\$ 304,400	\$ 238,700	\$343,100
8	\$ 303,200	\$ 457,600	\$760,800
9	\$ 333,300	\$ 161,700	\$495,000
10	\$ 244,200	\$ 159,800	\$404,000

b. Current Tax Status

<u>BLOCK</u>	<u>LOT</u>	<u>REAL PROPERTY BALANCE</u>	<u>WATER/SEWER</u>	<u>TOTAL</u>
419	1	\$ 2,834.75	\$ Incl	\$ 2,834.75
	2	\$ 1,494.46	\$ Incl	\$ 1,494.46
	3	\$ 1,653.27	\$ Incl	\$ 1,653.27
	4	\$ 11,721.11	\$ Incl	\$11,721.11
	5			
	6.01	\$ 5,814.37	\$ Incl	\$ 5,814.37
	6.02	\$ 3,608.89	\$ Incl	\$ 3,608.89
	8	\$ 5,055.09	\$ Incl	\$5,055.09
	9	\$	\$	\$
	10	\$ 2,684.58	\$ Incl	\$2,684.58

SECTION C: MUNICIPAL ASSISTANCE REQUESTED

5. What type of Tax Abatement is the Applicant requesting? (Note: if the proposed project incorporates more than one type of use, identify the type of Tax Abatement requested for each use.)

a. Long Term Commercial.

Industrial Project with an annual service charge equal to fixed percent of annual gross revenue (*N.J.S.A.* 40A:20-12).

b. ___ Long Term Commercial.

Industrial Project with an annual service charge equal to 2% of total project cost (*N.J.S.A.* 40A:20-12). (Owner Occupied only).

c. X Long Term Residential Project.

d. __ Long Term Residential Condominium.

Annual service charge based on the formula established pursuant to *N.J.S.A.* 40A:20-12(b)(1).

6. The requested duration of Tax Abatement:

30 Years

SECTION D: PROJECT INFORMATION

7. Describe the purpose of the proposed project. Include a detailed description of the improvements to be made to the Project Site. To the extent that the proposed project shall have a housing component, please provide a detailed description of the type of housing that will be included (number of units, bedroom count, rental or for sale, market rate or affordable/low/moderate income, etc....)

The proposed project is a mixed use development consisting of 147 residential apartment units, 20,360 square feet of retail space, 2,950 square feet of amenity space, a 285 car parking garage, and related site improvements on the Property (the "Project"). The 147 residential units include Eleven Studios, Ninety One 1- bedroom units, Twenty One 1 bedroom den units, and Twenty Four 2 bedroom units. Residential amenities include a lobby, gym/fitness center, club room and garage parking. The Project is more specifically depicted on plans attached hereto as Exhibit B. No leases have been signed for the retail space as of yet. It is anticipated that the types of retail business that will lease space in the project will include restaurants, sale of luxury goods, fitness studios and banks.

8. Provide copies of the plans, drawings and other documents to demonstrate the structure and design of the proposed project.

See attached

9. Provide the currently estimated project schedule, including the anticipated project completion date.

See attached

10. Provide a statement that the proposed project conforms to all applicable ordinances of the Borough and is in accordance with the Borough's Redevelopment Plan governing the Project Site and the Borough's Master Plan.

Proposed project conforms to all applicable ordinances and redevelopment ordinances in accordance with the Borough's redevelopment plan.

11. Provide a certified statement prepared by a licensed architect or engineer of the estimated cost of the proposed project in the detail required pursuant to the Long Term Tax Exemption Law.

See attached

12. Detail the source, method and amount of money to be subscribed through the investment of private capital, setting for the amount of stock or other securities to be issued therefore or the extent of capital invested and the proprietary or ownership interest obtained in consideration therefor. To the extent that any public funds shall be expended for the project, including without limitation, any grants, tax credits, loans or use of bond proceeds, detail the source, method and amount of such public funds.

The proposed development will be undertaken by a single-purpose entity, in the form of a New Jersey Urban Renewal Limited Liability Company formed by JMF Properties Group, LLC. The entity will be capitalized managed and controlled by Joseph M. Forgione, CEO of JMF Properties Group. The financial undertakings by the principals of JMF Properties Group, will be substantial. Based on JMF credit-worthiness and network and experience of its principals in developing similar properties. We have access to a variety of financial sources, including internally generated funds, traditional construction lending, bond financing and significant lines of credit. JMF maintains close relationships with the lending community through a consortium of local and regional banks.

13. Provide a description of the number, classes and type of employees to be employed at the Project Site within two years of completion of the proposed project.

It is estimated that there will be some 300 temporary construction jobs within the project site, and approximately 7-10 full time jobs within the project site at completion.

SECTION E: TAX EXEMPTION

14. Attach a fiscal plan for the proposed project outlining a schedule of annual gross revenue, the estimated expenditures for operation and maintenance, and payments of interest, amortization of debt and reserves.

See attached

15. Provide the annual estimated payments in lieu of taxes during the term of the Long Term Tax Exemption.

Approximately \$358,390 per annum.

16. Provide a description of any lease agreements between the Applicant and proposed users of the proposed project, along with a history and description of the users' business. Attach copies of executed leases with proposed users, if available, or any applicable form or prototype leases.

There are currently no leases in place.

SECTION F: DISCLOSURE

17. Disclosure Statement:

- a. Name of Urban Renewal Entity:
Emerson Redevelopers Urban Renewal, LLC

- b. Principal place of business:
80 S. Jefferson Rd, Suite 202, Whippany, NJ 07981

- c. Name of statutory agent and address, but if applicant is not a corporation the one with related address upon whom legal process may be served is:
Joseph M. Forgione
80 S. Jefferson Rd, Suite 202, Whippany, NJ 07981

- d. Incorporated in the State of New Jersey

The following represents the name and addresses of all stock holders or partners owing a 10% or greater interest in the above urban renewal entity. If one or more of the above named s itself a corporation, partnership, or entity, I have annexed hereto the names and addresses of anyone owing a 10% or greater interest therein.

<u>Name of Owner(s)</u>	<u>Address</u>	<u>Percent Owned</u>
JMF Emerson, LLC	80 South Jefferson Rd Suite 202 Whippany, NJ 07981	50%
Gladstone Emerson, LLC	215 Route 202 South Flemington, NJ 08822	50%

e. Name of Directors

<u>Name of Owner(s)</u>	<u>Address</u>	<u>Title</u>
Giuseppi Forgione	80 South Jefferson Rd. Suite 202 Whippany, NJ 07981	Managing Member

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


Signature

Giuseppe Fongione, Manager
Print Name and Title

August 9, 2016
Date

Enterson

This budget is predicated upon our final approvals, and actual bid cost

	CODE	ORIGINAL ESTIMATE	SUBTOTAL	NOTES
ACQUISITION				
LAND		\$ 6,000,000		
SOFT COST / DEVELOPMENT				
			\$ 6,000,000	
PLANNER/LEGAL/PILOT/REDEV/PB		\$ 350,000		
TWP APPLICATION/ESCROW FEES		\$ 325,000		
SURVEY		\$ 32,500		
ENGINEERING		\$ 285,000		Bowman
STAKEOUT/SURVEY		\$ 90,000		
ARCHITECTURAL with CDS		\$ 750,000		
COUNTY APPROVAL		\$ 15,000		
GEOTECHINCAL		\$ 40,000		
SOIL CONSERVATION		\$ 7,500		
CATV/TELE/GAS/ELECTRIC-UTILITY FEES		\$ 115,000		
BUILDING PERMITS		\$ 294,000		2,000 per unit
BCU FEES/TESTING/APPROVAL		\$ 175,000		
SEWER/WATER CONNECTION		\$ 317,520		\$2160/unit Sewer. Water NJAW
INSURANCE - BUILDER'S RISK		\$ 200,000		
INSURANCE - GENERAL LIABILITY		\$ 200,000		
INSURANCE - WORKER'S COMP		\$ 75,000		
REAL ESTATE TAXES DURING CONSTRUCTION		\$ 286,160		\$133,080 Per Year
ENGINEERING INSPECTION FEES		\$ 125,000		
			\$ 3,662,680	
HARD COSTS / CONSTRUCTION				
LANDSCAPE/SITE WORK		\$ 1,585,000		
BUILDING RESIDENTIAL COSTS		\$ 15,788,250		126,306 gross sq ft
BUILDING RETAIL COSTS		\$ 2,036,000		20,360 gross sq ft
CLUB HOUSE/AMENITIES		\$ 500,000		
GENERAL CONDITIONS		\$ 1,599,622		
PARKING DECK		\$ 4,968,000		276 Parking Spaces
DEMOLITION/ASBESTOS		\$ 400,000		
GC FEE		\$ 1,524,563		
			\$ 26,365,435	
CONTINGENCY				
CONTINGENCY		\$ 850,000		
			\$ 850,000	
FINANCE COSTS				
CONSTRUCTION INTEREST		\$ 1,000,000		
LEGAL, APPRAISAL, ETC.		\$ 75,000		
BANK FEES / POINTS		\$ 200,000		
TITLE INSURANCE		\$ 175,000		
			\$ 1,450,000	
LEASING COSTS				
SALARIES/COMMISSION		\$ 250,000		
BROCHURES/MARKETING		\$ 175,000		
CONCESSIONS		\$ 500,000		
			\$ 925,000	
TOTAL COSTS				
			\$39,253,115	
NET RENTAL OPERATING INCOME			\$ 2,365,374	

INCOME*Items in black are calculated automatically*

	Unit Typ	Bedrms	Bath	Number Units	SF/Unit	\$/SF	Monthly Rent Per Unit	Total Income
Emerson								
Studio		n	1	8			\$ 1,700.00	\$ 163,200.00
1		1	1	72			\$ 1,900.00	\$ 1,641,600.00
1/Den		1	1	32			\$ 2,000.00	\$ 788,000.00
2		1	1	20			\$ 2,100.00	\$ 504,000.00
Affordable		2	2	15			\$ 900.00	\$ 162,000.00
Retail				20,360			\$20.00	\$ 407,200.00
TOTALS				147				\$ 3,646,000.00

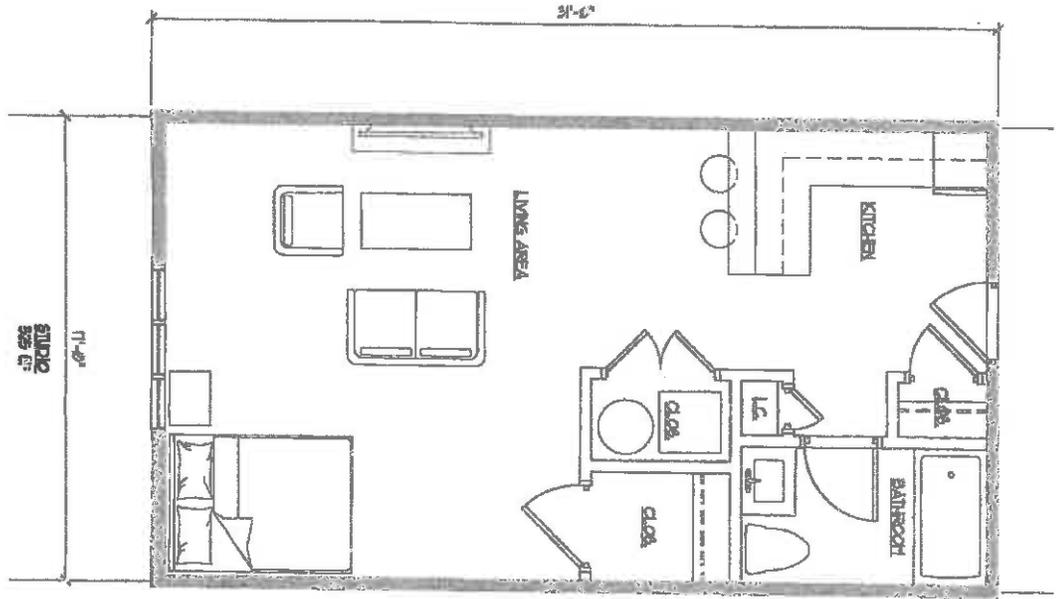
TOTAL RESIDENTIAL INCOME								\$ 3,646,000.00
Amenity Fee				117				\$ 58,500.00
Application Fees (\$100 per unit)				117				\$ 11,700.00
Pet Fees (\$500 non refundable)				100				\$ 50,000.00
POTENTIAL GROSS RENTAL INCOME								\$ 120,200.00
LESS: Vacancy and Collection Loss				5% of market rate				\$ 152,300.00
EFFECTIVE GROSS RENTAL INCOME								\$ 3,583,900.00

EXPENSES

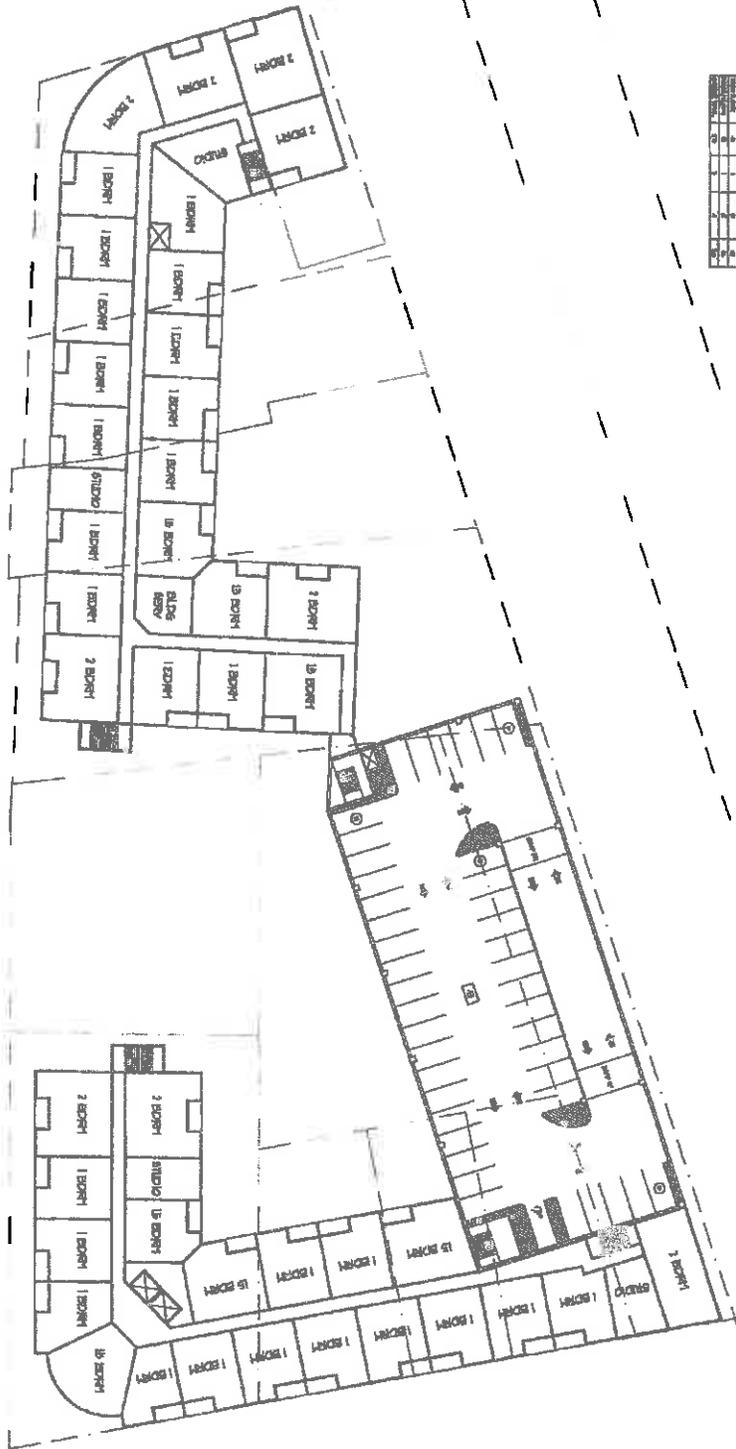
OPERATING EXPENSES		Annually
Advertising	1.0%	\$ 35,839.00
Cleaning	1.4%	\$ 50,174.60
Electric and Gas	2.5%	\$ 89,597.50
Garbage	1.0%	\$ 35,839.00
Insurance	2.5%	\$ 89,597.50
Landscaping	0.3%	\$ 10,751.70
Maintenance and Repairs	3.0%	\$ 107,517.00
Reserves	1.0%	\$ 35,839.00
Payroll Taxes	0.7%	\$ 25,087.30
Pest Control	0.1%	\$ 3,583.90
Snow Removal	0.8%	\$ 28,671.20
Professional Fees	3.7%	\$ 132,604.30
Wages and Salaries	3.0%	\$ 107,517.00
Management Fees	3.0%	\$ 107,517.00
PILOT	10.0%	\$ 358,390.00

TOTAL EXPENSES	34.0%	\$ 1,218,526.00
-----------------------	-------	------------------------

NET RENTAL OPERATING INCOME		\$2,365,374.00
------------------------------------	--	-----------------------



project JMF Properties Kinderkamack Road Emerson, New Jersey	DATE: 07/28/15	REVISION: A	DESCRIPTION: Revised for Client Review	SCALE: 1/8" = 1'-0"			I hereby certify that this is a true and correct copy of the original as shown to me by the architect.
	DATE:	REVISION:	DESCRIPTION:	SCALE:	S&L ARCHITECT & DESIGNER	STATE OF NEW JERSEY ARCHITECT No. 123456789 EXPIRES 12/31/2015	I hereby certify that this is a true and correct copy of the original as shown to me by the architect.



Room	Count	Area	Notes
1 BDRM	1		
2 BDRM	2		
1 BATH	1		
1 KITCHEN	1		
1 LIVING	1		
1 DINING	1		
1 STUDY	1		
1 OFFICE	1		
1 HALL	1		
1 CLO	1		
1 PORCH	1		
1 DECK	1		
1 PATIO	1		
1 TERRACE	1		
1 BALCONY	1		
1 GARAGE	1		
1 DRIVEWAY	1		
1 STAIR	1		
1 ELEVATOR	1		
1 REAR PORCH	1		
1 FRONT PORCH	1		
1 ENTRY	1		
1 BREAK ROOM	1		
1 CONFERENCE ROOM	1		
1 STORAGE	1		
1 MECHANICAL	1		
1 ELECTRICAL	1		
1 PLUMBING	1		
1 ROOF	1		
1 FLOOR	1		
1 CEILING	1		
1 WALL	1		
1 FLOORING	1		
1 PAINTING	1		
1 CARPETING	1		
1 TILING	1		
1 GLASS	1		
1 METAL	1		
1 WOOD	1		
1 CONCRETE	1		
1 BRICK	1		
1 STONE	1		
1 PLASTER	1		
1 GYPSUM	1		

SD-2

16-101

SD-2

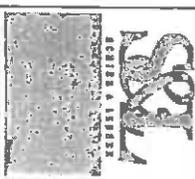
16-101

SD-2

16-101

SD-2

16-101



DATE PROPERTIES

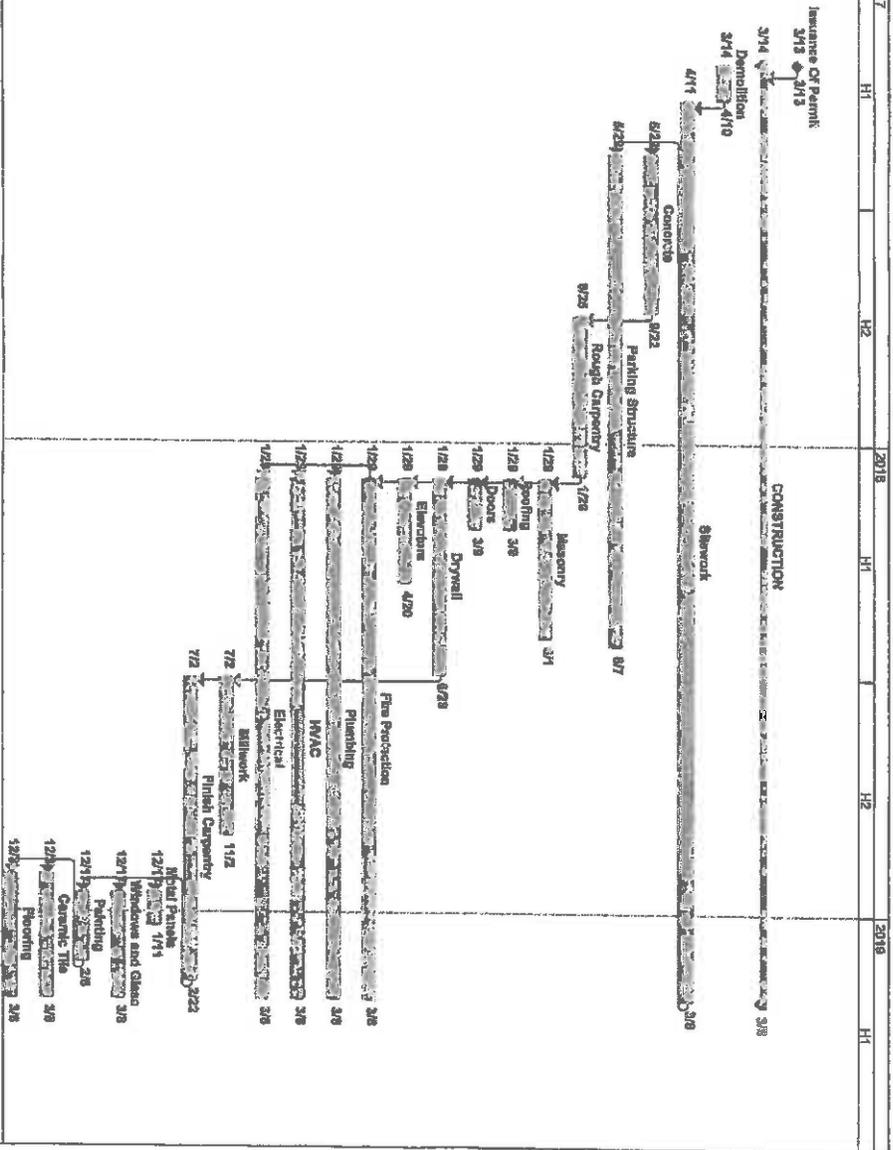
RINDERKAMACK ROAD
EMERSON, NEW JERSEY

SECOND & THIRD
FLOOR PLANS

Room	Count	Area	Notes
1 BDRM	1		
2 BDRM	2		
1 BATH	1		
1 KITCHEN	1		
1 LIVING	1		
1 DINING	1		
1 STUDY	1		
1 OFFICE	1		
1 HALL	1		
1 CLO	1		
1 PORCH	1		
1 DECK	1		
1 PATIO	1		
1 TERRACE	1		
1 BALCONY	1		
1 GARAGE	1		
1 DRIVEWAY	1		
1 STAIR	1		
1 ELEVATOR	1		
1 REAR PORCH	1		
1 FRONT PORCH	1		
1 ENTRY	1		
1 BREAK ROOM	1		
1 CONFERENCE ROOM	1		
1 STORAGE	1		
1 MECHANICAL	1		
1 ELECTRICAL	1		
1 PLUMBING	1		
1 ROOF	1		
1 FLOOR	1		
1 CEILING	1		
1 WALL	1		
1 FLOORING	1		
1 PAINTING	1		
1 CARPETING	1		
1 TILING	1		
1 GLASS	1		
1 METAL	1		
1 WOOD	1		
1 CONCRETE	1		
1 BRICK	1		
1 STONE	1		
1 PLASTER	1		
1 GYPSUM	1		

EMERSON MIXED USED DEVELOPMENT KINDERKAMACK ROAD, EMERSON, NEW JERSEY PRELIMINARY CONSTRUCTION SCHEDULE

ID	Task Name	Duration	Start	Finish	2017	2018	2019
1	Insurance Of Permit	1 day	Mon 8/13/17	Mon 8/13/17			
2	CONSTRUCTION	619 days	Tue 8/14/17	Fri 3/8/19			
3	Demo	20 days	Tue 8/14/17	Mon 8/14/17			
4	Shelwork	498 days	Tue 8/14/17	Fri 3/8/19			
5	Concrete	60 days	Mon 8/22/17	Fri 9/22/17			
6	Parting Structure	214 days	Mon 8/22/17	Thu 8/7/18			
7	Rough Carpentry	90 days	Mon 8/28/17	Fri 1/26/18			
8	Masonry	90 days	Mon 1/29/18	Fri 8/7/18			
9	Roofing	30 days	Mon 1/29/18	Fri 3/8/18			
10	Doors	30 days	Mon 1/29/18	Fri 3/8/18			
11	Drywall	110 days	Mon 1/29/18	Fri 6/28/18			
12	Elevators	60 days	Mon 1/29/18	Fri 4/20/18			
13	Fire Protection	280 days	Mon 1/29/18	Fri 3/8/19			
14	Plumbing	260 days	Mon 1/29/18	Fri 3/8/19			
15	HVAC	260 days	Mon 1/29/18	Fri 3/8/19			
16	Electrical	280 days	Mon 1/29/18	Fri 3/8/19			
17	Millwork	90 days	Mon 1/29/18	Fri 1/27/18			
18	Finish Carpentry	170 days	Mon 7/2/18	Fri 2/22/19			
19	Metal Panels	20 days	Mon 12/17/18	Fri 1/11/19			
20	Windows and Glass	60 days	Mon 12/17/18	Fri 3/8/19			
21	Painting	40 days	Mon 12/17/18	Fri 2/9/19			
22	Ceramic Tile	70 days	Mon 1/28/19	Fri 3/22/19			
23	Flooring	70 days	Mon 1/28/19	Fri 3/22/19			



Project: Emerson Preliminary Schedule
 Date: Thu 8/8/18

Task Split: [Progress Bar]

Program Milestone: [Progress Bar]

Summary: [Progress Bar]

External Tasks: [Progress Bar]

Deadline: [Progress Bar]

Page 1

"FEE REQUIRED" PUBLIC RECORDS FILING FOR NEW BUSINESS ENTITY

Fill out all information below INCLUDING INFORMATION FOR ITEM 11, and sign in the space provided. Please note that once filed, this form constitutes your original certificate of incorporation/formation/registration/authority, and the information contained in the filed form is considered public. Refer to the instructions for delivery/return options, filing fees and field-by-field requirements. Remember to remit the appropriate fee amount. Use attachments if more space is required for any field, or if you wish to add articles for the public record.

1. Business Name: EMERSON REDEVELOPERS URBAN RENEWAL LLC

2. Type of Business Entity: L L C
(See Instructions for Codes, Page 21, Item 2)

3. Business Purpose: Real estate property devt.
(See Instructions, Page 22, Item 3)

4. Stock (Domestic Corporations only; LLCs and Non-Profit leave blank):

5. Duration (If Indefinite or Perpetual, leave blank):

6. State of Formation/Incorporation (Foreign Entities Only):

7. Date of Formation/Incorporation (Foreign Entities Only):

8. Contact Information:

Registered Agent Name: Carleton R. Kempf

Registered Office:
(Must be a New Jersey street address)

Main Business or Principal Business Address:

Street 267 Amboy Avenue, Suite 12

Street 80 South Jefferson Road, #202

City Metuchen Zip 08840

City Whippany State NJ Zip 07981

9. Management (Domestic Corporations and Limited Partnerships Only)

- For-Profit and Professional Corporations list initial Board of Directors, minimum of 1;
- Domestic Non-Profits list Board of Trustees, minimum of 3;
- Limited Partnerships list all General Partners.

Name	Street Address	City	State	Zip

The signatures below certify that the business entity has complied with all applicable filing requirements pursuant to the laws of the State of New Jersey.

10. Incorporators (Domestic Corporations Only, minimum of 1)

Name	Street Address	City	State	Zip

Signature(s) for the Public Record (See Instructions for Information on Signature Requirements)

Signature	Name	Title	Date

11. Additional Entity - Specific Information

A. Domestic Non-Profit Corporations (Title 15A) - For IRS exemption considerations, see instructions.

1a. The corporation shall have members: Yes No
 If yes, qualification shall be:

As set forth in the by-laws or, As set forth herein:

1b. The rights and limitations of the different classes of members shall be:

As set forth in the by-laws or, As set forth herein:

2. The method of electing the trustees shall be:

As set forth in the by-laws or, As set forth herein:

3. The method of distribution of assets shall be:

As set forth in the by-laws or, As set forth herein:

B. Foreign Corporations - Profit, Non-Profit and Foreign Legal Professional (Titles 14A and 15A)

Attach a certificate of good standing/existence from the state of incorporation not greater than 30 days old to this form.

C. Limited Partnerships (Title 42:2A)

1. Set forth the aggregate amount of cash and a description and statement of the agreed value of other property or services contributed (or to be contributed in the future) by all partners:

2. Do the limited partners have the power to grant the right to become a limited partner to an assignee of any part of their partnership Yes No
 If yes, list the terms/conditions of that power:

3. Do the limited partners have the right to receive distributions from a partner which includes a return of all or any part of the partner's contributions? Yes No
 If yes, list the applicable terms:

4. Do the general partners have the right to make distributions to a partner which includes a return of all or any part of the partner's contributions? Yes No
 If yes, list the applicable terms:

5. What are the rights of the remaining general partners to continue the business in the event that a general partner withdraws? List below:

D. Foreign Limited Partnerships (Title 42:2A)

Set forth the aggregate amount of cash and a description and statement of the agreed value of other property or services contributed (or to be contributed in the future) by all partners:

INSTRUCTIONS FOR BUSINESS ENTITY PUBLIC RECORD FILING

GENERAL INSTRUCTIONS AND DELIVERY/RETURN OPTIONS

1. Type or machine print all Public Records Filing forms, and submit with the correct FEE amount. (See FEE schedule on page 22).
2. Choose a delivery/return option:
 - a. **Regular mail** - If you are sending work in via regular mail, use the correct address:

New Jersey Department of the Treasury
Division of Revenue & Enterprise
Services/Corporate Filing Unit PO Box
308
Trenton, NJ 08646-0308

All processed mail-in work will be returned via regular mail. Providing a self-addressed return envelope will speed processing. Otherwise, on a cover letter, indicate the return address if other than the registered office of the business entity.

- b. **Expedited/Over-the-Counter** - If you are expediting a filing (8.5 business hour processing), make sure that you deliver over-the-counter to: 33 W. State Street, 5th Floor, Trenton, NJ 08608-1001, or have a courier/express mail service deliver to this address. Do not use USPS overnight delivery. Be sure to provide instructions as to how the filing is to be sent back to you: regular mail; front desk pick-up at 33 W. State Street; or delivery by courier/express mail. If you use a courier or express mail service for return delivery, be sure to provide a return package and completed air bill showing your name or company name (in the "to" and "from" blocks) and your courier account number.

Notes: Use an acceptable payment method for mail and over-the-counter work:

- Check or money order payable to the Treasurer, State of NJ;
- Credit card - MASTERCARD/MISA or DISCOVER (provide card number, expiration date and name/address of card holder);
- Depository account as assigned by the Treasurer; or
- Cash.

For over-the-counter AND mail-in submissions, remember to provide the required number of copies of the Public Record Filing. Filings for for-profit entities are submitted in duplicate and non-profit filings are done in triplicate.

- c. **Facsimile Filing Service (FFS)** - Transmit your filings to (609) 984-8881. You may request 8.5 business hour processing (EXPEDITED SERVICE), or same business day processing (SAME DAY SERVICE). Processing includes document review, fee accounting and acknowledgment turnaround.

Payment Methods - You may pay for services via credit card (Master Card/Visa, Discover and American Express) or depository account (one payment method per request).

Delivery/Turnaround - *Barring difficulties beyond the Division of Revenue and Enterprise Services control, including those that affect the Division's data communication or data processing systems, all EXPEDITED requests delivered to the FFS workstation between*

8:30 a.m. and 5:00 p.m. on workdays will be processed and returned within 8.5 business hours, while SAME DAY requests delivered by 12:00 noon on work days will be processed by 5:00 p.m. the same day. Requests received during off hours, weekends or holidays will be processed on the next work day, in 8.5 business hours. In the event of down time, upon system recovery, requests will be processed in receipt date/time order.

Cover Sheet - with your transmission, send a cover sheet entitled New Jersey Department of the Treasury
Division of Revenue and Enterprise Services
Facsimile Filing Service Request

The cover sheet must include work request details: Name of firm or individual transmitting the service request; date of submission; depository account number or credit card number with expiration date; description of service requested e.g., "Certificate of

incorporation"; business name associated with the filing (proposed name for a new business entity); desired service level (EXPEDITED or SAME DAY); total number of pages in the request transmission, including cover sheet; and fax back number.

Note: The Division of Revenue and Enterprise Services will accept one filing per FFS. Requests lacking cover sheets or required cover sheet information may be rejected. Requests that do not contain a fax back number will not be processed. Also, if a service level is not specified, the Division of Revenue will assume that the request is for EXPEDITED service.

The Division of Revenue and Enterprise Services will make three attempts to transmit to the fax back number you provide. If the transmissions are unsuccessful, the Division of Revenue will send acknowledgments of completed filings to the registered office of the business entity involved via regular mail; or hold rejections in a pending file for two weeks, and dispose of the material thereafter.

Receiving Processed Work Back - For accepted work, the Division of Revenue and Enterprise Services will enter your Public Records Filing and Consolidated Registration application, and fax back an FFS Customer Transmittal with a copy of the approved Public Records Filing form stamped "FILED". For rejected work, the Division will fax a FFS Customer Transmittal and Rejection Notice. If your submission is rejected, correct all defects and resubmit your filing as a new FFS request.

PAGE 23 INSTRUCTIONS

LINE BY LINE REQUIREMENTS FOR Public Records FILING

Item 1 Business Name - Enter a name followed by an acceptable designator indicating the type of business entity—for example: Inc., Corp., Corporation, Ltd., Co., or Company for a corporation; LTD Liability Co., LTD Liability Company, Limited Liability Co., Limited Liability Company or L.L.C. for a Limited Liability Company; Limited Partnership or L.P. for a Limited Partnership; Limited Liability Partnership or L.L.P. for a Limited Liability Partnership.

Note: The Division will add an appropriate designator if none is provided.

Remember that the name must be distinguishable from other names on the State's data base. The Division of Revenue and Enterprise Services will check the proposed name for availability as part of the filing review process. If desired, you can reserve/register a name prior to submitting your filing by obtaining a reservation/registration. For information on name availability and reservation/registration services and fees, visit the Division's Web site at <http://www.state.nj.us/njogs> or call (609) 292-9292 Monday - Friday, 8:30 a.m. - 4:30 p.m.

Item 2 Type of Business Entity - Enter the two or three letter codes that corresponds with the type of business you are forming/registering:

<u>Statutory Authority</u>	<u>Entity Type</u>	<u>Type Code</u>
Title 14A	Domestic Profit	DP
For-Profit Corp.	Domestic Professional	PA
	Foreign Profit	FR
	(Incl. Foreign Professional Corp.) Foreign Profit "Doing Business As"	DBA
Title 15A	Domestic Non-Profit	NP
Non-Profit Corp.	Foreign Non-Profit	NF
Title 42:2C Limited Liability Co.	Domestic LLC	LLC
	Foreign LLC	FLC
Title 42:2A Limited Partnership	Domestic LP	LP
	Foreign LP	LF
Title 42 Limited Liability Partnership	Domestic LLP	LLP
	Foreign LLP	FLP

- Item 3 Business Purpose** - Provide a brief description of the business purpose for the public record. If the business is a domestic for-profit corporation, you may leave this field blank and thereby rely on the general purpose clause provided in N.J.S.A. 14A: "The purpose for which this corporation is organized is(are) to engage in any activity within the purposes for which corporations may be organized under N.J.S.A. 14A:1-1 et seq."
- Item 4 Stock** - Domestic for-profit corporations only, list total shares.
- Item 5 Duration** - List the duration of the entity. If the duration is indefinite or perpetual, leave the field blank.
- Item 6 State of Formation/Incorporation** - Foreign entities only, list home state.
- Item 7 Date of Formation/Incorporation** - Foreign entities only, list the date of incorporation/formation in home state.
- Item 8 Contact Information** - Provide the following information:
- Registered Agent** - Enter one agent only. The agent may be an individual or a corporation duly registered, and in good standing with the State Treasurer.
 - Registered Office** - Provide a New Jersey street address. A PO Box may be used only if the street address is listed as well.
 - Main Business Address** - List the main business address.

- Item 9 Management** - For profit and professional corporations list initial Board of Directors, minimum of 1; domestic non-profits list Board of Trustees, minimum of 3; limited partnerships list all General Partners.
- Item 10 Incorporators** - Domestic profit, professional and non-profit corporations only, list incorporators, minimum of 1.

Signature Requirements for Public Records Filing:
The Incorporator(s) and only the Incorporator(s) may sign domestic profit, professional and non-profit corporate filings. Only the president, VP or Chief Executive Officer may sign foreign corporate filings. ALL general partners must sign limited partnership filings. ANY authorized representative may sign domestic or foreign limited liability company filings, while any authorized partner may sign domestic or foreign limited liability partnership filings.

PAGE 24 INSTRUCTIONS

- Item 11** Provide additional "Entity-Specific" information as applicable.
Nonprofit corporations wanting Federal IRC section 501(c)(3) status are advised to consult the IRS concerning IRS required wording. The IRS telephone number is 1-877-829-5500, and the website is at www.irs.gov.

CHECKLIST FOR PUBLIC RECORDS FILING

- Completed and signed Public Records Filing (pages 23 and 24) (Note: Use appropriate envelope supplied - P.O. Box 308)
- Completed and signed Business Registration Application (pages 17-19) (NOTE: Use appropriate envelope supplied-PO Box 252).
- Filing fee using an acceptable payment method.
- Transmittal letter or service request sheet with instruction for returning completed work (mail and over-the-counter requests)
- Completed and signed CBT-2553 (S Corporation Election) if applicable
- Cover sheet listing work request details (FAX Filing Requests)

CHECKLIST FOR BUSINESS REGISTRATION APPLICATIONS

- Completed and signed Registration Application (pages 17-19)
- Completed and signed NJ-REG-L (Cigarette and Motor Fuel Wholesalers/Distributors/Manufacturers only) or CM-100 (Cigarette and Motor Fuel Retailers only, if applicable).
- Completed and signed CBT-2553 (S corporation Election) if applicable

Delivery Options for:

Public Records Filings:

Mail: PO Box 308, Trenton, NJ 08646
Over-The-Counter: 33 W. State Street, 5th Floor
Trenton, NJ 08608-1214
Phone: (609) 292-9292

Business Registration Application:

Mail: PO Box 252, Trenton, NJ 08646-0252
Overnight: 33 W. State St, 5th Floor, Trenton, NJ 08611
FAX: (609) 292-4291

FEE SCHEDULE
(Revised 7/1/02)

FFS FEES

- Each EXPEDITED FFS request is subject to a \$15 fee, plus \$1.00 per page fee for all accepted filings that are FAXED back for all Title 14A, Title 15A, and LP transactions.
- For LLCs and LLPs, each EXPEDITED FFS request is subject to a \$25 fee, plus \$1.00 per page fee for all accepted filings that are FAXED back.
- Each SAME DAY FFS request is subject to a \$50 fee, plus a \$1.00 per page fee, for all accepted filings that are FAXED back.
- These fees are in addition to the basic statutory fees associated with the filing itself.
- We also offer a one & two hour expedited service. The fees per filing are \$1,000 and \$500 respectively

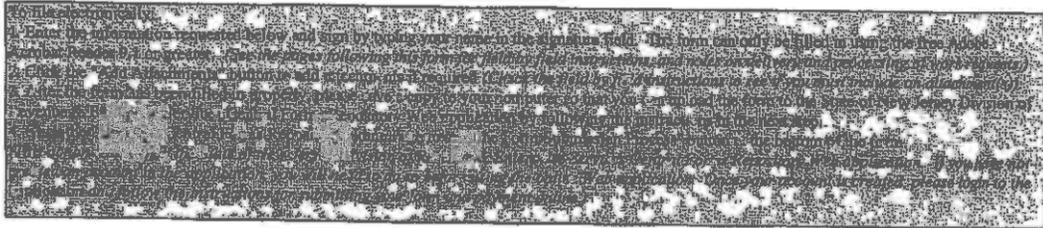
BASIC FILING FEES

- Filing fee for all domestic entities, except non-profits, is \$125 per filing; non-profit filing fee is \$75 per filing.
- Filing fee for all foreign entities is \$125 per filing.

SERVICE FEES AND OTHER OPTIONAL FEES (All added to basic filing fee, if selected.)

- Expediting Service Fee (8.5 business hours) is \$15 per filing request for Title 14A, Title 15A and LP transactions.
- Expediting Service Fee (8.5 business hours) is \$25 per filing request for LLCs and LLPs.
- Same Day Fee is \$50 per filing request.
- Alternate Name Fee is \$50 for each name.
- FAX Page Transmission Fee is \$1.00 per page for all filings that are FAXED back.
- Certified Copies of Accepted Filings are \$25 for each filed entity.

New Jersey Division of Revenue and Enterprise Services
Certificate of Amendment
Limited Liability Company
NJSA 42:2C-19



A limited Liability Company on file with the Division of Revenue and Enterprise Services may use this form to amend its Certificate of Formation. The filer is responsible for ensuring strict compliance with NJSA 42:2C, the Revised Uniform New Jersey Limited Liability Company Act.

Name of Limited Liability Company:

EMERSON REDEVELOPERS LLC

1. Business ID Number:

0450066769

2. The Certificate of Formation is amended as follows (provide attachments if needed):

The name of the Limited Liability Company has been changed as per the instructions from Karen Schwacha of the NJ Dept. of Community Affairs to become EMERSON REDEVELOPERS URBAN RENEWAL LLC

The undersigned represent(s) that this filing complies with State law as detailed in NJSA 42:2C and that they are authorized to sign this form behalf of the Limited Liability Company.

Signature:

Title:

Registered Agent

Name:

Carleton R. Kempf

Date:

6/20/16



NEW JERSEY DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE AND ENTERPRISE SERVICES

CERTIFICATE OF FORMATION
EMERSON REDEVELOPERS II LLC
0450074728

The above-named DOMESTIC LIMITED LIABILITY COMPANY was duly filed in accordance with New Jersey State Law on 05/09/2016 and was assigned identification number 0450074728. Following are the articles that constitute its original certificate.

1. **Name:**
EMERSON REDEVELOPERS II LLC
2. **Registered Agent:**
CARLETON R. KEMPH
3. **Registered Office:**
267 AMBOY AVE., SUITE 12
METUCHEN, NEW JERSEY 08840
4. **Business Purpose:**
REDEVELOPMENT OF REAL ESTATE PROPERTY
5. **Effective Date of this Filing is:**
05/09/2016
6. **Members/Managers:**
JOSEPH M. FORGIONE
80 SOUTH JEFFERSON ROAD, #202
WHIPPANY, NEW JERSEY 07981
7. **Main Business Address:**
80 SOUTH JEFFERSON ROAD
SUITE 202
WHIPPANY, NEW JERSEY 07981

Signatures:

CARLETON R. KEMPH
AUTHORIZED REPRESENTATIVE



Certificate Number : 4014945248
Verify this certificate online at
https://www1.state.nj.us/TYTR_StandingCert/JSP/Verify_Cert.jsp

IN TESTIMONY WHEREOF, I have
hereunto set my hand and
affixed my Official Seal
9th day of May, 2016

A handwritten signature in black ink, appearing to read "Ford M. Scudder".

Ford M. Scudder
Acting State Treasurer

STANLEY T. OMLAND, PE, PP, LEED AP
ERIC L. KELLER, PE, PP, LEED AP
WILLIAM H. HAMILTON, PP, AICP, LLA, LEED AP
GEOFFREY R. LANZA, PE, PP, LEED AP, CFM
CHARLES THOMAS, JR., PE, PP, LEED AP

THEODORE D. CASSEBA, PE, PP
KEVIN P. BOLLINGER, PLS
WAYNE A. CONSEY, PE, PP
SEAN A. DELAHY, PE, PP
ANTHONY J. CALOPOYAKO, MS
DANIEL B. DIXON, PLS, PP
ANTHONY FICCHINO, PE, PP
JAMES GRUNTING, PE, PP, CME
R. MICHAEL MCKENNA, PE, PP
JAYD MORAN, LLA
MARC L. OLMEDA, PLS
KERSTEN M. OSTENROM, PE, PLS, PP
MICHAEL J. ROYH, PE
PEGGY L. STERNHAUSEN, LLA
MARTIN F. TIRELLA, PLS
JAMES M. WARD, PE
JAMES R. WOODS, PE

August 9, 2016

VIA EMAIL

Kevin X. Codey
Vice President
Land Acquisitions
80 South Jefferson Road, Suite 202
Whippany, NJ 07981

RE: Block 419, Lots 1-4, 6.01, 6.02, 8-10
Borough of Emerson
Bergen County, New Jersey

Dear Mr. Codey:

My office has reviewed this project in conjunction with your architect and estimate that cost to complete the buildings and site work is \$40,000,000.

Please call if you have any questions or require any additional information.

Very truly yours,
BOWMAN CONSULTING GROUP, LTD



William H Hamilton, PP, AICP, LLA
Vice President

EXHIBIT C

**BOROUGH OF EMERSON
COUNTY OF BERGEN
NOTICE OF ADOPTION**

ORDINANCE No. 1529-16

Introduced: July 12, 2016

Adopted: August 16, 2016

**AN ORDINANCE OF THE BOROUGH OF EMERSON AUTHORIZING
THE EXECUTION AND DELIVERY OF A FINANCIAL AGREEMENT
BY AND BETWEEN THE BOROUGH OF EMERSON AND EMERSON
REDEVELOPERS URBAN RENEWAL, LLC**

NOTICE IS HEREBY GIVEN that the following ordinance was adopted on the second reading after a Public Hearing at the Regular Meeting of the Borough Council of the Borough of Emerson on the 16th day of August, 2016. A copy of Ordinance 1529-16 is on file in the Borough Clerk's Office in the Municipal Building, 1 Municipal Pl., Emerson, NJ 07630.

WHEREAS, on September 7, 2004, the Borough Governing Body adopted Resolution No. 199-04, designating certain property identified as Block 419, Lots 1, 2, 3, 4, 6.01, 6.02, 8 and 10 on the official Tax Maps of the Borough as "an area in need of redevelopment" (the "Redevelopment Area") in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the "Redevelopment Law"); and

WHEREAS, on April 3, 2006, the Borough adopted Ordinance No. 1305-06, the Governing Body adopted a redevelopment plan for the Redevelopment Area (the "Redevelopment Plan"); and

WHEREAS, Emerson Redevelopers Urban Renewal, LLC (the "Redeveloper") is or shall be the fee title owner of the Redevelopment Area; and

WHEREAS, on _____, 2016, the Borough and the Redeveloper entered into that certain redevelopment agreement, which was approved by the Governing Body on June 14, 2016 pursuant to Resolution 173-16 (the "Redevelopment Agreement"); and

WHEREAS, the Redevelopment Agreement sets forth the terms and conditions by which the Entity will redevelop the Property with approximately 150 multi-family rental housing units, approximately 302 parking spaces, and other amenities and site improvements (collectively, the "Project");

WHEREAS, pursuant to and in accordance with the provisions of the Long Term Tax Exemption Law, constituting Chapter 431 of the Pamphlet Laws of 1991 of the State,

WHEREAS, pursuant to and in accordance with the provisions of the Long Term Tax Exemption Law, constituting Chapter 431 of the Pamphlet Laws of 1991 of the State, and the acts amendatory thereof and supplement thereto (the "Long Term Tax Law", as codified in N.J.S.A. 40A:20-1 et seq.), the Borough is authorized to provide for tax exemption within a redevelopment area and for payments in lieu of taxes; and

WHEREAS, the Borough and the Redeveloper have reached agreement with respect to, among other things, the terms and conditions relating to the Annual Service Charges and desire to execute the Financial Agreement.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Borough Council of the Borough of Emerson, County of Bergen, New Jersey, as follows:

Section 1. The Financial Agreement is hereby authorized to be executed and delivered on behalf of the Borough by the Mayor in substantially the form attached hereto as Exhibit A, with such changes as the Mayor, after consultation with such counsel and any advisors to the Borough (collectively, the "Borough Consultants") shall determine, such determination to be conclusively evidenced by the execution of the Financial Agreement by the Mayor. The Borough Clerk is hereby authorized and directed to attest to the execution of the Financial Agreement by the Mayor and to affix the corporate seal of the Borough to the Financial Agreement.

Section 2. The Mayor is hereby further authorized and directed to (i) execute and deliver, and the Borough Clerk is hereby further authorized and directed to attest to such execution and to affix the corporate seal of the Borough to, any document, instrument or certificate deemed necessary, desirable or convenient by the Mayor, after consultation with the Borough Consultants, to be executed in connection with the execution and delivery of the Financial Agreement and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Mayor deems necessary, desirable or convenient in relation to the execution and delivery thereof.

Section 3. This ordinance shall take effect upon final passage and publication as required by law.

Section 4. Upon final adoption hereof, the Borough Clerk shall forward certified copies of this resolution to Douglass F. Doyle, Esq., DeCotiis, FitzPatrick & Cole, LLP, Special Redevelopment Counsel to the Borough.

ATTEST:


Jane Dietsche, RMC, Borough Clerk

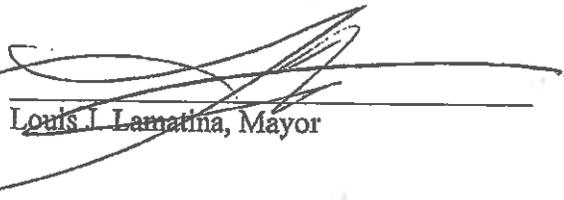

Louis J. Lamatina, Mayor

EXHIBIT D

INCOME

Rents in black are calculated automatically

	Unit Type	Bedrms	Bath	Number Units	\$/Unit	\$/SF	Monthly Rent Per Unit	Total Income
Emerson								
Studio		0	1	8			\$ 1,700.00	\$ 13,200.00
1		1	1	72			\$ 1,200.00	\$ 86,400.00
1/Den		1	1	32			\$ 2,000.00	\$ 64,000.00
2		1	1	20			\$ 2,100.00	\$ 42,000.00
Affordable		2	2	15			\$ 900.00	\$ 13,500.00
Rent				20,300			\$20.00	\$ 407,200.00
TOTALS				147				\$ 3,648,000.00

TOTAL RESIDENTIAL INCOME								\$ 3,648,000.00
Amenity Fee				117				\$ 58,500.00
Application Fees (\$100 per unit)				117				\$ 11,700.00
Pat Fees (\$500 non-refundable)				100				\$ 50,000.00
POTENTIAL GROSS RENTAL INCOME								\$ 120,200.00

LESS: Vacancy and Collection Loss				3% of market rate				\$ 162,300.00
--	--	--	--	-------------------	--	--	--	----------------------

EFFECTIVE GROSS RENTAL INCOME								\$ 3,583,900.00
--------------------------------------	--	--	--	--	--	--	--	------------------------

EXPENSES

OPERATING EXPENSES

		Annually
Advertising	1.0%	\$ 35,839.00
Cleaning	1.4%	\$ 50,174.60
Electric and Gas	2.5%	\$ 89,597.50
Garbage	1.0%	\$ 35,839.00
Insurance	2.8%	\$ 100,947.20
Landscaping	0.3%	\$ 10,751.70
Maintenance and Repairs	3.0%	\$ 107,517.00
Reserves	1.0%	\$ 35,839.00
Payroll Taxes	0.7%	\$ 25,087.30
Pest Control	0.1%	\$ 3,583.90
Snow Removal	0.6%	\$ 21,511.20
Professional Fees	3.7%	\$ 132,604.50
Wages and Salaries	3.0%	\$ 107,517.00
Management Fees	3.0%	\$ 107,517.00
PILOT	10.0%	\$ 358,390.00

TOTAL EXPENSES	34.0%	\$ 1,212,528.00
-----------------------	-------	------------------------

NET RENTAL OPERATING INCOME		\$ 2,371,372.00
------------------------------------	--	------------------------

EXHIBIT E

NEW JERSEY DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE AND ENTERPRISE SERVICES

CERTIFICATE OF FORMATION
EMERSON REDEVELOPERS II LLC
0450074728

The above-named DOMESTIC LIMITED LIABILITY COMPANY was duly filed in accordance with New Jersey State Law on 05/09/2016 and was assigned identification number 0450074728. Following are the articles that constitute its original certificate.

1. **Name:**
EMERSON REDEVELOPERS II LLC
2. **Registered Agent:**
CARLETON R. KEMPH
3. **Registered Office:**
267 AMBOY AVE., SUITE 12
METUCHEN, NEW JERSEY 08840
4. **Business Purpose:**
REDEVELOPMENT OF REAL ESTATE PROPERTY
5. **Effective Date of this Filing is:**
05/09/2016
6. **Members/Managers:**
JOSEPH M. FORGIONE
80 SOUTH JEFFERSON ROAD, #202
WHIPPANY, NEW JERSEY 07981
7. **Main Business Address:**
80 SOUTH JEFFERSON ROAD
SUITE 202
WHIPPANY, NEW JERSEY 07981

Signatures:

CARLETON R. KEMPH
AUTHORIZED REPRESENTATIVE



Certificate Number : 4014945248
Verify this certificate online at

https://www1.state.nj.us/TYTR_StandngCertJSP/Verify_Cert.jsp

IN TESTIMONY WHEREOF, I have
hereunto set my hand and
affixed my Official Seal
9th day of May, 2016

Handwritten signature of Ford M. Scudder in black ink.

Ford M. Scudder
Acting State Treasurer