

Emerson



Property: Block 419, Lots 1, 2, 3, 4, 6.01, 6.02, 8, 9, 10

Current Property Tax

		<u>Land</u>	<u>Improvement</u>	<u>Total</u>
2016 Assessment	(1)	2,775,800	2,966,300	5,742,100
		48.3%	51.7%	
2015 Tax		\$70,912	\$75,779	\$146,691

Allocation

		<u>Borough</u>	<u>School</u>	<u>County</u>	
Tax Rate	(2)	\$0.78	\$1.53	\$0.25	\$2.55
		30.4%	60.0%	9.6%	
Land		\$21,552	\$42,520	\$6,841	
Improvement		\$23,031	\$45,438	\$7,310	
Total		\$44,583	\$87,957	\$14,151	

(1) <http://publicrecords.onlinesearches.com/view/slid/5550>

(2) Source - NJ DCA Website - 2015
http://www.state.nj.us/dca/divisions/dlgs/resources/property_tax.html

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Estimated Conventional Taxes

Cost

			<u>Borough</u>	<u>School</u>	<u>County</u>	<u>Total</u>
Land/Imp per 100	\$32,365,435 (1)					
	\$323,654					
equalization ratio	0.9567 (2)	Land (3)	\$71,991	\$142,032	\$22,851	\$236,875
equalized value	\$309,640					
tax rate	\$2.55 (2)	Improvement (3)	\$167,980	\$331,408	\$53,320	\$552,708
annual taxes	\$789,582					
		Total	\$239,971	\$473,440	\$76,171	\$789,582

Income

			<u>Borough</u>	<u>School</u>	<u>County</u>	<u>Total</u>
Revenue	\$3,583,900 (4)					
Operating expense	\$1,218,526 (4)					
NOI	\$2,365,374	Land	\$80,944	\$159,695	\$25,693	\$266,332
Cap Rate	6.50%					
		Improvement	\$188,870	\$372,621	\$59,951	\$621,442
Assessed Value	\$36,390,369					
Per 100	\$363,904	Total	\$269,814	\$532,316	\$85,644	\$887,774
Equalization Ratio	0.9567 (2)					
Equalized Value	348,147					
Tax Rate	\$2.55 (2)					
Annual Taxes	\$887,774					

(1) Land cost of 6,000,000 and hard construction cost of \$26,365,435 per Redeveloper
 (2) NJ DCA Website: http://www.state.nj.us/dca/divisions/dlgs/resources/property_tax.html
 (3) Assessed value allocated 30% Land and 70% Improvements
 (4) Revenue and expenses provided by Redeveloper.

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Term	30 Years	
PLOT	10% AGR	Year 1-20
	11% AGR	Year 21-25
	12% AGR	Year 26-30

	<u>1st Year</u>	<u>30th Year</u>	<u>30 Year Total</u>
Pilot Amount	\$358,390	\$1,121,740	\$16,081,682
Savings from Taxes	\$431,192	\$280,435	\$15,950,155
Percent of Savings	55%	20%	50%

	<u>Development</u>	<u>Current Use</u>	<u>Difference</u>
30 Year Borough Amount	\$9,069,075	\$1,808,500	\$7,260,574
30 Year School Amount	\$5,761,962	\$3,568,203	\$2,193,759
30 Year County Amount	\$1,250,646	\$574,269	\$676,377
30 Year Total	\$16,081,682	\$5,950,972	\$10,130,710

* Assumes rent and taxes increase 2% annually.
Between 1990 and 2000, median gross rents have increased 5.2% annually according to the
U.S. Census Bureau, Housing and Household Economic Statistics Division, last revised October 31, 2011

** Utilizes increased land taxes

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Public School Children Analysis

Listoken Study Factors (1)
5+ units - Above Median

<u>Bedrooms</u>	<u>Public School Children Factor</u>	<u>No. of Units</u>	<u>Estimated Public School Children</u>
0-1	0.051	132	6.732
2	0.115	15	1.725
Total		147	8.457

Cost Per Pupil (2)	\$17,174
Number of expected PSC	8.457
Total Cost	\$145,237
School Portion of Land Tax	\$142,032
School Land Tax Per Pupil (3)	\$16,795

(1) Who Lives in New Jersey Housing? A Quick Guide to New Jersey Residential Demographic Multipliers
November 2006, David Listoken

(2) 1617 User Friendly Budget 4/26/16, which includes State and Federal subsidies of \$668 per pupil (\$5,651)

(3) School Property Tax Levy equates to \$15,605 per pupil (\$131,971)