Department of Housing, Economic Development & Commerce

Director's Office

Inter-Office Memorandum

DATE: December 10, 2012

TO: Tax Abatement Committee

FROM: Al Cameron, Deputy Director, and HEDC

SUBJECT: Marbella Tower Urban Renewal Associates, LLC –
525 Washington Boulevard - A Residential Rental Housing Project
Block 11603, Lot 45.02- Amendment to a Long-Term abatement

CC: J. Abuan, R. Byrne, G. Corrado, S. Harrold, R. McFadden, J. Monahan, J. Sass, K. Tayari, D. Toon

SUMMARY:

Marbella Tower Urban Renewal Associates, LLC is requesting a minor amendment to existing abatement to assign one hundred and sixty – three (163) parking spaces to the Marbella II project. Also the project known as Marbella I is now located on Block 11603 Lot 45.02

The applicant has requested that the application fee be waived.

Department of Housing, Economic Development & Commerce

Director's Office

Inter-Office Memorandum

DATE: December 10, 2012

TO: Tax Abatement Committee

FROM: Al Cameron, Deputy Director, HEDC

SUBJECT: 109 Christopher Columbus, LLC - Block 12901 Lot 6 – 5 Year

CC: J. Abuan, R. Byrne, G. Corrado, S. Harrold, R. McFadden, J. Monahan, J. Sass, K. Tayari, D. Toon

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INTRODUCTION:

The applicant, 109 Christopher Columbus, LLC seeks a five-year tax abatement. The project is a Five (5) story mixed-use rental building with twenty-four (24) residential units and approximately Seven thousand, three hundred and thirty-four (7,334) Square feet of ground level retail space. The application fee of $6,300 was paid with the application.

SITE INFORMATION:

The property is located at 109 Christopher Columbus Drive between Grove and Barrow Streets. It consists of Block 12901 Lot 6.

CURRENT REAL ESTATE TAXES:

The applicant states that the current assessment for the land only is $397,000. Land tax only is estimated at $28,520 for year 2012. The applicant's attorney states that unpaid taxes due on November 1, 2012 will be paid prior to the Tax Abatement committee Meeting.

PROPOSED ABATEMENT

The applicant proposes a five (5) year abatement based upon land taxes only the first year, land taxes plus taxes based upon thirty-nine percent (39%) of the improvements in year two, land taxes plus taxes based upon fifty-nine percent (59%)

of the improvements in year three, land taxes plus taxes based upon seventy-nine percent (79%) of the improvements in year four, land taxes plus taxes based upon eighty percent (80%) of the improvements in year five and full taxes in year, six.

JOBS:

The applicant estimates that the project created forty (40) jobs during the construction period and approximately twelve (12) permanent full time jobs thereafter.

CONSTRUCTION SCHEDULE:

The Construction is substantially complete a temporary Certificate of occupancy was issued on October 25, 2012.

CONSTRUCTION COST:

The total construction cost is estimated at $ 4,570,000.

REVENUE TO THE CITY:

The Applicant's proposed five-year abatement would generate approximately $387,762 including land taxes as follows:

Year One:	$	28,520
Year Two:	$	65,724
Year Three:	$	84,802
Year Four:	$	103,881
Year Five:	$	104,835

Year Six: Full Taxes = $123,913

APPLICATION FOR TAX EXEMPTION
OF
109 CHRISTOPHER COLUMBUS LLC

In compliance with Executive Order #2010-001 of the Mayor of the City of Jersey City, the Applicant herewith submits the following information in support of its application for a Five-Year Tax Exemption under and pursuant to N.J.S.A. 40A-21-1, et. seq.

Applicant:	109 Christopher Columbus LLC 109 Christopher Columbus Drive Jersey City, New Jersey 07302 201-795-2000
Project:	109 Christopher Columbus A Mixed Use Rental Urban Renewal Housing Project Block 12901, Lot 6 Jersey City, New Jersey

109 Christopher Columbus is referred to herein as the "Project."

Applicant's General Contractor:	Clara Construction LLC 148 First Street, 2nd Floor Jersey City, New Jersey 07302
Applicant's Architect:	Peter Lund Jensen, AIA 101 Sussex Street #4R Jersey City, NJ 07302 201-779-8226
Applicant's Attorney:	Connell Foley LLP Harborside Financial Center 2510 Plaza Five Jersey City, NJ 07311 201-521-1000 Attn: Charles Harrington, Esq.
Loan Advisor/Consultant:	None

APPLICATION

1. Identification of Property:

The land upon which the Project will be built is Block 12901 Lot 6 on the Jersey City Tax Map and commonly known as 109 Christopher Columbus Drive, Jersey City, New Jersey (the "Property"). The Property is vacant land. A metes and bounds description, survey, and deed for the Property are attached hereto as Exhibit A. The Property is approximately .17 acres.

2. General Statement of the Nature of the Project:

The Project consists of a mixed-use rental project located at 109 Christopher Columbus Drive, Jersey City, New Jersey. The Project is located within the Block 239, Lot 47 Redevelopment Plan Area. The Project will be a five (5) story building with approximately twenty four (24) residential units and approximately seven thousand three hundred thirty four (7,334) square feet of ground level retail space.

3. Abatement Requested:

The Applicant requests a five-year tax exemption pursuant to N.J.S.A. 40A:21-1 et. seq. (the "Law"). The Applicant requests that the tax agreement be based upon the following formula, in accordance with the Law:

Project Taxes During Term of Exemption:

Year One:	$28,520 (land tax only)
Year Two:	$65,724 (land tax plus 39% of real estate taxes on improvements)
Year Three:	$84,802 (land tax plus 59% of real estate taxes on improvements)
Year Four:	$103,881 (land tax plus 79% of real estate taxes on improvements)
Year Five:	$104,835 (land tax plus 80% of real estate taxes on improvements)

Following the expiration of the term of the exemption, the Applicant will pay full real estate taxes.

A Fiscal Plan for the management of the Project and a calculation and breakdown of the aforementioned real estate taxes is set forth in Exhibit B, attached hereto.

Based upon the above formula, it is estimated that the Project will generate real estate taxes payable to the City of Jersey City in the approximate amount of $387,762 during the term of the abatement.

4. Term:

The Applicant requests that the term of the exemption be for five (5) years beginning on the first day of the first calendar year following substantial completion of the Project (the "Exemption

Commencement Date") and ending on the date that is one day prior to the fifth anniversary of the Exemption Commencement Date.

5. Improvements to be Constructed:

The improvements to be constructed will consist of the following:

The site consists of approximately seven thousand six hundred (7,600) square feet or .17 acres of land located on Block 12901, Lot 6 on the Tax Map of the City of Jersey City, New Jersey. The Property is vacant land. The Project includes the construction of a five (5) story building containing approximately twenty four (24) residential units and seven thousand three hundred thirty four (7,334) square feet of retail space.

The building's residential rental units will be distributed as follows: approximately eight (8) one bedroom apartments, which will average approximately seven hundred forty seven (747) square feet; and approximately sixteen (16) two bedroom apartments, which will average approximately one thousand fifty eight (1058) square feet. Each residential unit will have living, dining, and kitchen areas. The Project's retail space may be leased to one or more tenants depending upon market conditions and demand.

The Property is owned by the Applicant. The Applicant has commenced construction of the Project and received a temporary Certificate of Occupancy on October 25, 2012.

6. Estimate of Construction Cost:

The construction cost of the Project, as set forth in Exhibit C, is estimated to be $4,570,000. The construction cost has been calculated in accordance with the provisions of N.J.S.A. 40A:21-3(j). Construction costs have been estimated based upon information compiled by the Applicant.

7. Financing Structure:

Construction of the Project has been financed through private capital and traditional construction financing as follows:

	Amount	Interest Rate	Term
Private Capital Contribution:	$3,000,000	N/A	N/A
Construction Loan:	$5,000,000	5%	5 years

The construction loan will be repaid at completion with a permanent mortgage from a traditional lender.

8. Construction Schedule:

Construction of the Project commenced on January 1, 2011 and is expected to be substantially complete within 24 months of commencement. The Applicant received a temporary Certificate of Occupancy for the Project on October 25, 2012.

9. Zoning Information:

The Project received Preliminary and Final Major Site Plan Approval from the Jersey City Planning Board on May 10, 2010, by Resolution adopted on May 24, 2010. The Project is located within the boundaries of the Block 239, Lot 47 Redevelopment Plan Area and complies with the zoning requirements therein and the Master Plan of the City of Jersey City. *See* Resolution attached as Exhibit D.

10. Land Value of the Property:

The real estate tax assessment on the Property for the year 2012 is $397,000.

11. Current Real Estate Taxes:

The 2012 annual real estate taxes for the Property are estimated to be $28,520 (based upon the 2012 tax rate of $71.84 per thousand).

12. Status of Municipal Taxes and other Charges:

To the best of Applicant's knowledge and belief, all real estate taxes and other assessments against the Property have been paid in full.

13. Ownership Disclosure Statement:

The Applicant is a limited liability company organized under the laws of the State of New Jersey. The membership of the interests of those persons and entities with an ownership interest in the Applicant and the Project of at least 10% is set forth as Exhibit E.

14. Projected Job Creation:

The Applicant estimates that the Project will generate approximately forty (40) jobs through the construction period and approximately two (2) permanent full-time real estate management and service positions as well as ten (10) retail positions following completion of construction.
The Applicant intends to enter into a Project Employment and Contracting Agreement with the City. *See* Project Employment and Contracting Agreement attached hereto as Exhibit J.

15. Compliance with State and Local Law:

A Certification by the Applicant that the Project meets the requirements of the laws of the State of New Jersey and the City of Jersey City is attached hereto as Exhibit F.

16. Diligent Inquiry Certification:

A Certification of the Applicant that all information contained in this Application is true and correct to the best of its knowledge after having made diligent inquiry is attached hereto as Exhibit G.

17. Certificate of Formation:

A copy of the Applicant's Certificate of Formation is attached hereto as Exhibit H.

18. Tax Agreement:

A proposed Tax Agreement for the Project is attached hereto as Exhibit I.

19. Fee:

The Application fee in the amount of $6,300 ($4,800 for 24 residential units + $1,500 for less than 10,000 sf of commercial space) was paid to the City of Jersey City simultaneously with the submission of this Application.

20. List of Exhibits:

A. Description of Property
B. Fiscal Plan and Estimated Tax Computation
C. Estimated Cost of Project Construction, Certification of Estimated Cost of Construction, and Division of Revenue Chapter 441 Form
D. Copy of Resolution Approving Site Plan & Site Plan
E. Disclosure Statement
F. Compliance with State & Local Laws Certification
G. Diligent Inquiry Certification
H. Certificate of Formation
I. Proposed Tax Agreement
J. Proposed Project Employment and Contracting Agreement

EXHIBIT A

DESCRIPTION OF PROPERTY

EXHIBIT A

109 CHRISTOPHER COLUMBUS LLC

Description of the Property

Address: 109 Christopher Columbus Drive
Jersey City, New Jersey 07306
Block 12901, Lot 6

See metes and bounds description, survey and deed attached.

Deed

20110128010026020 1/5
01/28/2011 09:36:44 AM DEED
Bk: 8774 Pg: 486
Willie L.Flood
Hudson County, Register of Deeds
Receipt No. 609736

A COPY OF THIS DEED HAS BEEN SENT TO ASSESSOR'S OFFICE

This Deed is made on DECEMBER 8th, 2010
BETWEEN G.S. Realty Corp.

a corporation of the state of New Jersey
having its principal office at 3590 U.S. Highway 9 South
Old Bridge, NJ 08857

referred to as the Grantor,
AND 109 Christopher Columbus, LLC

whose post office address is 880 Bergen Avenue, Suite 800
Jersey City, NJ 07306

referred to as the Grantee.
The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

1. 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 Two million five hundred thousand ($2,500,000.00) Dollars.

The Grantor acknowledges receipt of this money.

2. Tax Map Reference. (N.J.S.A. 46:15-1.1) Municipality of Jersey City
Block No. 239 Lot No. 47 Qualifier No. Account No.
☐ No lot and block or account number is available on the date of this Deed. (Check box if applicable.)

3. Property. The Property consists of the land and all the buildings and structures on the land in the City of Jersey City County of HUDSON and State of New Jersey. The legal description is:

☒ Please see attached Legal Description annexed hereto and made a part hereof. (Check box if applicable.)

Being the same premises conveyed to Grantor herein by Deed dated July 23, 2010 from Hubert Klein, Court Appointed Receiver, for Hari Construction Corp. and Capital One Bank, N.A. and recorded July 30, 2010 in the Office of the Clerk of Hudson County in Book 8745, at Page 392.

THIS DEED IS BEING RE-RECORDED TO INCLUDE THE ATTACHED DESCRIPTION WHICH WAS INADVERTENTLY LEFT OFF THE ORIGINAL DEED.

#78-83 Z-1-S-2 $1/pg 08

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

Cyndi Bleier, Esquire

(For Recorder's Use Only)

20110120010026020
1/28/2011 9:36:00 AM
Consideration: $2,500,000.00
Exempt Code: Regular
County:$2,500.00 State:$6,250.00
NJAHTF $3,625.00 PHPF: $1,250.00
EAA:$5,350.00 General:$9,050.00
Buyer's Fee: $.00
Total RTF: $27,725.00

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www.aslegal.com 800.222.0510

A COPY OF THIS DEED
WAS BEEN SENT TO ASSESSOR'S OFFICE

The street address of the Property is: 109-113 Christopher Columbus Drive.

4. 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).

5. Signatures. This Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. (Print name below each signature.)

Witnessed or Attested by:

G.S. Realty Corp.

Cyndi Bleier, Secretary

By: Stanley J. Koreyva, Vice President

STATE OF NEW JERSEY, COUNTY OF MIDDLESEX SS:

I CERTIFY that on 12/8/10

Stanley J. Koreyva

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 Deed;
(b) was authorized to and did execute this Deed as Vice President of G.S. Realty Corp. the entity named in this Deed;
(c) made this Deed for $ 2,500,000.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5); and
(d) executed this Deed as the act of the entity.

RECORD AND RETURN TO:
Charles D. Golin, Esquire
Law Office of Arthur D. Israel
260 Madison Avenue-17th Floor
New York, NY 10016

Cyndi Bleier-An Attorney at Law
State of New Jersey
Print name and title below signature

SUBURBAN TITLE / ABSTRACT, INC.
18 RAILROAD AVENUE
ROCHELLE PARK, N.J. 07662
J.R10-1913

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www.aslegal.com 800.222.0510

TITLE INSURANCE COMMITMENT

Suburban Title & Abstract, Inc.
Agent for Chicago Title Insurance Co.
JR10-1913

SCHEDULE A
NUMBER 4
(CONTINUED)
DESCRIPTION

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Jersey City, County of Hudson, State of New Jersey:

BEGINNING at a point in the southerly line of Christopher Columbus Drive (formerly Railroad Avenue) distant therein 100.29 feet westerly from the intersection of the southerly line of Christopher Columbus Drive with the westerly line of Grove Street and from said point or place of beginning running;

(1) South 25 degrees 48 minutes 08 seconds West 100 feet to a point; thence

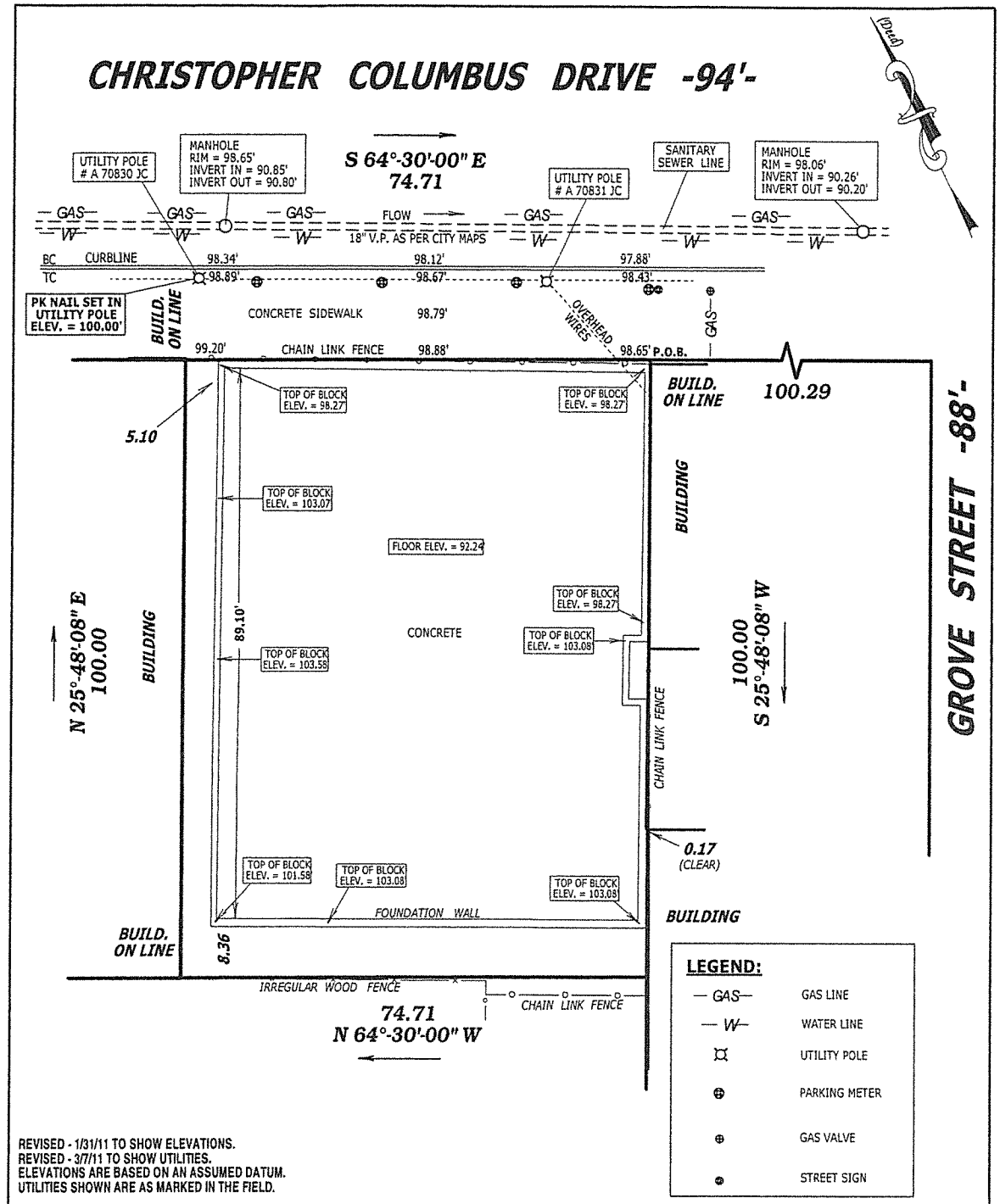
(2) North 64 degrees 30 minutes 00 seconds West 74.71 feet to a point; thence

(3) North 25 degrees 48 minutes 08 seconds East 100 feet to a point in the southerly line of Christopher Columbus Drive; thence

(4) Along the southerly line of Christopher Columbus Drive South 64 degrees 30 minutes 00 seconds East 74.71 feet to the point or place of beginning.

NOTE: For informational purposes only, Known and designated as Tax Lot(s) 47, in Block 239, on the current and official tax maps of the City of Jersey City, County of Hudson, State of New Jersey.

Suburban Title & Abstract, Inc.
18 Railroad Avenue, Rochelle Park, New Jersey 07662
(201) 489-7985 Fax (201) 489-3853
www.suburbantitle.com



REVISED - 1/31/11 TO SHOW ELEVATIONS.
REVISED - 3/7/11 TO SHOW UTILITIES.
ELEVATIONS ARE BASED ON AN ASSUMED DATUM.
UTILITIES SHOWN ARE AS MARKED IN THE FIELD.

**SURVEY IS VALID ONLY IF PRINT HAS ORIGINAL RAISED SEAL OF THE UNDERSIGNED PROFESSIONAL. **A WRITTEN WAIVER AND DIRECTION NOT TO SET CORNER MARKERS HAS BEEN OBTAINED FROM THE ULTIMATE USER PURSUANT TO P.L. 2003, c.14 (N.J.S.A. 45:8-36.3) AND N.J.A.C. 13:40-5.1(d). **OFFSETS SHOWN HEREIN ARE NOT TO BE USED AS A BASIS FOR CONSTRUCTION OF FENCES OR OTHER PERMANENT STRUCTURES. **DIMENSIONS SHOWN TO THE STRUCTURE ARE FROM THE SIDING OF THE STRUCTURE PERPENDICULAR TO THE PROPERTY LINE (UNLESS OTHERWISE NOTED). **THIS SURVEY IS A REPRESENTATION OF CONDITIONS EXISTING ON THE PROPERTY OR IN DOCUMENTATION SUPPLIED AT TIME OF SURVEY EXCEPT SUCH EASEMENTS AND ENCROACHMENTS, IF ANY, THAT MAY BE LOCATED BELOW OR ON THE SURFACE OF THE LAND BUT NOT VISIBLE OR ANY OTHER PERTINENT FACTS WHICH AN ACCURATE TITLE SEARCH MAY DISCLOSE. **THIS SURVEY IS FOR THE EXCLUSIVE USE OF THOSE CERTIFIED BELOW. USE BY ANY OTHER PARTIES SHALL VOID ANY AND ALL CONTRACTUAL AGREEMENTS OR OBLIGATIONS OF THE SURVEYOR THAT MAY BE IN EFFECT WITHOUT THE EXPRESSED WRITTEN PERMISSION OF THE SURVEYOR.

- PROPERTY SURVEY OF -	-NOTES-
BLOCK: 239 LOT(S): 16, J, K & L	CLIENT FILE #: M.A.G. FILE #: 25-11
PURCHASER INFORMATION: SHUSTER MANAGEMENT, LLC 109 CHRISTOPHER COLUMBUS DRIVE JERSEY CITY, HUDSON COUNTY, NJ	FILE MAP REFERENCE:
SCALE: 1" = 20' DATE: 11/15/10 DRAWN BY: K.F.K.	DEED REFERENCE: BOOK: 8021 PAGE: 17
-CERTIFIED TO-	MARTIN A. GRANT SURVEYING, INC.
SHUSTER MANAGEMENT, LLC	- Professional Land Surveyors - 239 PROSPECT PLAINS ROAD, SUITE C203 - MONROE, NJ 08831 PHONE: (609) 655-5778 FAX: (609) 655-4343
	MARTIN A. GRANT, P.L.S. N.J. LICENSE NO. GS 35365 - CERT. OF AUTHORIZATION NO. 24GA28094900

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EXHIBIT B

FISCAL PLAN AND ESTIMATED TAX COMPUTATION FOR YEAR 2012

EXHIBIT B

109 CHRISTOPHER COLUMBUS LLC

FISCAL PLAN
and
ESTIMATED TAX COMPUTATION FOR YEAR 2012

(See Attached)

109 CHRISTOPHER COLUMBUS URBAN RENEWAL, LLC
FISCAL PLAN
ESTIMATED TAX COMPUTATION FOR YEAR 2012

Equalization Ratio:		31.35%
Tax rate (per thousand):		$71.84

Current Assessment:	
Land:	$ 397,000
Improvement:	$ -
Total:	$ 397,000

Potential Income:	#		Total:	Per unit per month:
1 Bedroom	8		$ 153,792	$ 1,602
2 Bedroom	16		$ 429,120	$ 2,235
Commercial Income			$ 205,500	
Total Gross Income:			$ 788,412	
Less: Vacancy and Collection Loss		5%	$ 39,421	
Effective Gross Income:			$ 748,991	
Operating Expenses:				
Electric & Gas - Common			$ 24,000	
Elevator Maintenance			$ 5,000	
Exterminator			$ 3,000	
Fire Alarm Monitoring			$ 1,500	
General Repairs & Maintenance			$ 18,000	
Telephone			$ 2,000	
Super - Salary			$ 30,000	
Insurance			$ 23,000	
Sprinkler Maintenance			$ 3,000	
Water & Sewer			$ 19,000	
Legal/Accounting/Admin/Licensing			$ 8,000	
Licenses & Permits			$ 1,500	
Postage & Delivery			$ 800	
Supplies			$ 3,000	
Property Management - Year 1			$ 32,000	
Contingency/Miscellaneous			$ 25,000	
Total Operating Expenses:			$ 198,800	
Projected Net Operating Income:			$ 550,191	
Cap Rate:	10%		0.1	
Projected Market Value:			$5,501,914	
Assessment:			$1,724,850	
Ratio:	0.3135			
Estimated Annual Real Estate Taxes:			$ 123,913	
Tax rate:	0.07184			
Less: Taxes Attributable to the Land			$ 28,520	
Taxes attributable to Improvements:			$ 95,393	

CURRENT ESTIMATED TAX PAYMENTS FOR FIVE YEAR TERM OF EXEMPTION
Based on 2012 Tax Rate and Equalization Ratio

Year	1	2	3	4	5	Total
Projected Tax Rate	$ 71.84	$ 71.84	$ 71.84	$ 71.84	$ 71.84	
Total Tax	$123,913	$ 123,913	$ 123,913	$ 123,913	$ 123,913	$ 619,566
Land Tax	$ 28,520	$ 28,520	$ 28,520	$ 28,520	$ 28,520	$ 142,602
Tax on Improvements	$ 95,393	$ 95,393	$ 95,393	$ 95,393	$ 95,393	$ 476,964
Statutory Phase In	0%	39%	59%	79%	80%	
Improvement Tax	$ -	$ 37,203	$ 56,282	$ 75,360	$ 76,314	$ 245,159
Exempted Tax	$ 95,393	$ 58,190	$ 39,111	$ 20,032	$ 19,079	$ 231,804
Total Taxes Payable	$ 28,520	$ 65,724	$ 84,802	$ 103,881	$ 104,835	$ 387,762

In lieu tax schedule pursuant to a five year phase in percentages on the new improvement on the above application:

1. In the first full year after completion, land tax only, no payment in lieu of taxes.

2. In the second full year, an amount not less than thirty-nine percent (39%) of the actual taxes otherwise due, currently estimated at: $ 37,203

3. In the second full year, an amount not less than fifty-nine percent (59%) of the actual taxes otherwise due, currently estimated at: $ 56,282

4. In the second full year, an amount not less than seventy-nine percent (79%) of the actual taxes otherwise due, currently estimated at: $ 75,360

5. In the second full year, an amount not less than eighty percent (80%) of the actual taxes otherwise due, currently estimated at: $ 76,314

At the expiration of the abatement, the Project's new improvements would generate an estimated annual tax of: $ 95,393

EXHIBIT C

ESTIMATED COST OF PROJECT CONSTRUCTION

EXHIBIT C

109 CHRISTOPHER COLUMBUS LLC

Estimated Cost of Project Construction

The Estimated Cost per N.J.S.A. 40A:21-3(j) is as follows:

"Cost" per Definition:*

Direct Labor & Materials (includes Contractor's Fees)	$ 4,400,000
Architectural	$ 65,000
Engineering	$ 105,000
Estimated Cost:	$ 4,570,000

*Pursuant to N.J.S.A. 40A:21-3(j), estimated "cost" does not include land costs, soft costs (other than architectural and engineering costs), and financing costs. This estimated "cost" differs from the total project cost calculation required under the Long Term Tax Exemption Law, pursuant to N.J.S.A 40A:20-3(h).

EXHIBIT C-1

CERTIFICATION OF ESTIMATED CONSTRUCTION COSTS

EXHIBIT C-1

109 CHRISTOPHER COLUMBUS LLC

Certificate of Estimated Construction Costs

On this 6th day of November, 2012, the undersigned being the architect for the Project to be developed by 109 Christopher Columbus LLC, does hereby certify to the best of my knowledge and belief that Exhibit C accurately reflects the estimated actual construction costs of the Project proposed on Block 12901, Lot 6, more commonly referred to as 109 Christopher Columbus Drive, Jersey City, New Jersey.

By: Peter Lund Jensen

Name: Peter Lund Jensen, AIA

Title: Architect

EXHIBIT C-2

CHAPTER 441 FORM- APPLICATION FOR EXEMPTION

EXHIBIT C-2

109 CHRISTOPHER COLUMBUS LLC

Chapter 441 Form - Application for Exemption

CONNELL FOLEY LLP
ATTORNEYS AT LAW

HARBORSIDE FINANCIAL CENTER
2510 PLAZA FIVE
JERSEY CITY, NJ 07311
(201) 521-1000
FAX; (201) 521-0100

JOHN A. PINDAR (1969)
GEORGE W. CONNELL (2005)
ADRIAN M. FOLEY, JR.
GEORGE J. KENNY*
KENNETH F. KUNZMAN
SAMUEL D. LORD
RICHARD D. CATENACCI
RICHARD J. BADOLATO*
PETER D. MANAHAN
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KEVIN R. GARDNER
ROBERT E. RYAN
MICHAEL X. MCBRIDE*
JEFFREY W. MORYAN
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KAREN PAINTER RANDALL
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MARC D. HAEFNER
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M. TREVOR LYONS*
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MITCHELL W. TARASCHI
MICHAEL A. SHADIACK
OWEN C. MCCARTHY*
PATRICIA A. LEE*+
AGNIESZKA ANTONIAN*
CHRISTOPHER J. TUCCI+
NEIL V. MODY*
STEVE BARNETT*
THOMAS M. SCUDERI*
JOSEPH M. MURPHY*
NANCY A. SKIDMORE*
CHRISTINE S. ORLANDO

*ALSO ADMITTED IN NEW YORK
+ALSO ADMITTED IN PENNSYLVANIA
-ONLY ADMITTED IN NEW YORK
PLEASE REPLY TO JERSEY CITY, NJ

OTHER OFFICES

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FRANCIS J. ORLANDO
FRANCIS E. SCHILLER*
EUGENE P. SQUEO*
BRIAN P. MORRISSEY-
NOEL D. HUMPHREYS*
ANTHONY ROMANO II*

KARIN I. SPALDING*
JODI ANNE HUDSON*
RICHARD A. JAGEN
JASON E. MARX*
ALEXIS E. LAZZARA
SHANNON L. KEIM
DANIEL B. KESSLER*

DOUGLAS J. SHORT*
JAMES M. MERENDINO
MICHELE T. TANTALLA*
HECTOR D. RUIZ*
ROBERT A. VERDIBELLO*
JENNIFER C. CRITCHLEY*
PATRICK S. BRANNIGAN*
CHRISTINE I. GANNON*
PHILIP W. ALLOGRAMENTO III*
LAURIE B. KACHONICK*
ANDREW C. SAYLES*
STEPHEN D. KESSLER
CHRISTOPHER ABATEMARCO*
ANTHONY J. CORINO*
WILLIAM D. DEVEAU*
INGRID E. DA COSTA
MEGHAN BARRETT BURKE*
RUKHSANAH L. SINGH*
BRITTANY E. MIANO*
STACIE L. POWERS*
NICOLE B. DORY*
MICHAEL BOJBASA-
CHRISTOPHER M. HEMRICK*
SUSAN KWIATKOWSKI*
MELISSA D. LOPEZ
ANDREW L. BARON*
JASON D. FALK*

MICHAEL J. SHORTT+
VICTORIA N. MANOUSHAGIAN-
PATRICK J. MURPHY, III
MEGHAN K. MUSSO*
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SYDNEY J. DARLING*
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THOMAS M. BLEWITT, JR.+
BRIAN S. WOLFSON
SONYA B. COLE*
MARY F. HURLEY
DANIELLE M. NOVAK+
KATELYN O'REILLY
JAMES E. FIGLIOZZI-
MATTHEW D. FIELDING
MELISSA L. HIRSCH+
MARIEL L. BELANGER*
NICHOLAS W. URCIUOLI

Writer's Direct Dial: 201-521-1000
Writer's Email Address: NSkidmore@connellfoley.com

November 16, 2012

VIA HAND DELIVERY
Eduardo Toloza, Tax Assessor
City Hall
280 Grove Street
Jersey City, NJ 07302

Re: Five Year Tax Abatement
Property Owner: 109 Christopher Columbus, LLC
Project: Mixed-Use Residential Rental Project (24 residential units)
Location: 109 Christopher Columbus Drive
Block 12901; Lot 6

Dear Mr. Toloza:

On behalf of 109 Christopher Columbus, LLC, we enclose a Division of Taxation - Chapter 441 Application for the subject project located at the property known as 109 Christopher Columbus Drive in the City of Jersey City. In accordance with N.J.S.A. 40A:21-1 et. seq., we are filing the respective application within thirty (30) days following the issuance of a temporary certificate of occupancy for the building on October 25, 2012.

Please be advised that we intend to file a formal application for a five-year tax abatement pursuant to a Tax Agreement for the project with the City shortly. In this regard, attached is the required filing fee in the amount of $6,300, check no. 1235 made payable to the City of Jersey City.

Should you have any questions, please do not hesitate to contact our office.

Thank you.

Very truly yours,

Nancy A. Skidmore, Esq.
For the Firm

Enclosures

cc: Eyal Shuster
Charles Harrington, III, Esq.

Receipt of the enclosed is hereby acknowledged

By:_____

On 11/16, 2012

12

109 CHRISTOPHER COLUMBUS LLC
880 BERGEN AVE STE 800
JERSEY CITY, NEW JERSEY 07306
(201) 795-2000

citibank
CITIBANK, N.A. BR. #806
89 ENGLE STREET
ENGLEWOOD, NJ 07631
55-7265-212

PAY TO THE ORDER OF

11-07-2012

City of Jersey City

$ 6,300.00 DOLLARS

Pay: ********Six thousand three hundred dollars and no cents

City of Jersey City
Tax Collector's Office
280 GROVE STREET # 101
JRSEY CITY, NJ 07302

MEMO

AUTHORIZED SIGNATURE

⑈001235⑈ ⑆021272655⑆ 759522509⑈

Form E/A-1 (Rev. 11/96) STATE OF NEW JERSEY

APPLICATION FOR EXEMPTION AND/OR ABATEMENT FOR THE IMPROVEMENT, CONVERSION OR CONSTRUCTION OF PROPERTY PURSUANT TO P.L. 1991, C.441 (N.J.S.A. 40A:21-1 et seq.) AND AUTHORIZED BY MUNICIPAL ORDINANCE.

(Italicized words are defined in law excerpts on reverse side)

Municipality Jersey City County Hudson

This application must be filed with the assessor within 30 days following completion of the improvement, conversion or conversion alteration, or construction.

I. I/we, 109 Christopher Columbus, LLC (Name of Applicant), residing/having offices at 155 Second Street (Address) 201-795-2000 (Daytime Telephone Number)

in the Municipality of Jersey City in the County of Hudson

hereby make claim for a ☒ tax *exemption* and/or ☐ *abatement* of taxes, pursuant to P.L.1991, Chapter 441, and the authorizing municipal ordinance, for premises located at 109 Christopher Columbus Drive

which is further described as Block 12901, Lot 6 on the Tax Map of the municipality.

II. COMPLETE THE APPLICABLE SECTION "A" OR "B"

The following statements are made in support of this claim:

A. The subject property is a one or two family *dwelling* upon which claimant has completed:
- ☐ New *construction;*
- ☐ *Conversion or conversion alteration* of a building or structure into a *dwelling;*
- ☐ *Improvement* of an existing *dwelling.*

B. The subject property is a *multiple dwelling, commercial or industrial structure:*
- ☐ *Improvement* to a *multiple dwelling;*
- ☐ *Conversion or conversion alteration* of building or structure to a *multiple dwelling;*
- ☐ *Improvement* to a *commercial or industrial* building or structure;
- ☒ *Construction* of *multiple dwelling* under tax agreement;
- ☒ *Construction* of *commercial or industrial structure* under tax agreement.

III. ALL APPLICANTS MUST COMPLETE THIS SECTION

A. Date of *completion* of new *construction, conversion, or improvement* October 25, 2012

B. Total *cost* of project $ 4,570,000

C. Brief description of the nature and type of construction, conversion, or improvement.

Project is a 5 story building with approximately 24 residential units and approximately 7,334 square feet of ground level retail space.

IV ☐ Prior exemptions and/or abatement granted under P.L.1991, c.441 amount to $ None

(State "none" if no prior exemptions have been granted on subject premises.)

☐ Attached hereto is proof of all matters required (Assessor may require copy of ordinance; evidence of governing body's approval of categories of improvements or specific project improvements; and such additional proof as may be required to establish eligibility.)

☐ Attached hereto is a copy of the tax agreement, if applicable, executed between the municipality and claimant.

☒ There are no delinquent or unpaid property taxes or penalties for non-payment of taxes due on the property.

I certify that 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.

Date 11/16/12 Signature X

Title (if any) Managing Member

Date _____ ☐ Approved

☐ Disapproved (Assessor)

This form is prescribed by the Director, Division of Taxation, in the Department of the Treasury, as required by law and may be reproduced for distribution, but no alteration may be made therein without prior approval.

EXHIBIT D

COPY OF RESOLUTION APPROVING SITE PLAN & SITE PLAN

EXHIBIT D

109 CHRISTOPHER COLUMBUS LLC

Copy of Resolution Approving Site Plan & Site Plan

RESOLUTION
JERSEY CITY PLANNING BOARD
CASE # P11-029
PRELIMINARY AND FINAL MAJOR SITE PLAN

IN THE MATTER OF
THE APPLICATION OF: EYAL SHUSTER
PROPERTY: 109 CHRISTOPHER COLUMBUS DRIVE
BLOCK 239 LOT 47
HEARING DATE: MAY 10, 2011

WHEREAS, Eyal Shuster, applicant, is the owner of the above referenced property in the City of Jersey City; and

WHEREAS, the applicant has applied to the Planning Board of the City of Jersey City pursuant to NJSA 40:55D-1, et seq, for Preliminary and Final Major Site Plan approval in order to construct a new 5 story, mixed use building with 24 Residential Units on the upper floors and ground floor retail and office uses, and

WHEREAS, all required fees have been paid; and

WHEREAS, the Board has heard and considered the evidence presented by the applicant's agents and expert witnesses, arguments of counsel for the applicant, and the comments and recommendations of the Board's professional staff, there being no neighboring property owners or other interested parties; and

WHEREAS, the Board has made the following findings of fact and conclusions based on said evidence:

1. The property is located in the Block 239 Lot 47 Redevelopment Plan District, where the proposed uses are permitted.

2. The building is attractive, compatible with the area, and conforming, with no deviations involved, and the uses, design, appearance, layout and function of the proposed building serve the intent of the redevelopment plan, are appropriate for the site, and provide a safe and suitable development.

3. Because of the foregoing facts and the intent to comply with the Redevelopment Plan, there are no detriments either to the area or the redevelopment plan.

NOW THEREFORE, BE IT RESOLVED BY THE PLANNING BOARD OF THE CITY OF JERSEY CITY THAT the application of Eyal Shuster for Preliminary and Final Major Site Plan approval to construct a new 5 story, mixed use building with 24 Residential Units on the upper floors and ground floor retail and office uses in accord with the submitted plans is hereby granted.

And, BE IT FURTHER RESOLVED THAT this Board's secretary shall provide a copy of this resolution to the Applicant's attorney and to all who request a copy of same.

RESOLUTION
JERSEY CITY PLANNING BOARD
CASE # P11-029
PRELIMINARY AND FINAL MAJOR SITE PLAN

IN THE MATTER OF
THE APPLICATION OF: EYAL SHUSTER
PROPERTY: 109 CHRISTOPHER COLUMBUS DRIVE
BLOCK 239 LOT 47
HEARING DATE: MAY 10, 2011

ROLL CALL:

	In Favor	Opposed	Abstained
Commissioner Ryan, chairman	XX		
Commissioner Yost	XX		
Commissioner Eccleston	XX		
Commissioner Petruzzelli	XX		
Commissioner Lopez	XX		
Commissioner Perez	XX		
Commissioner Sims	XX		
Commissioner McIntyre	XX		
Commissioner Gonzalez	XX		

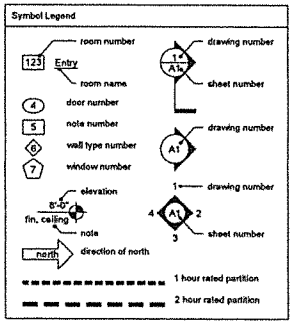
Approved: 9-0

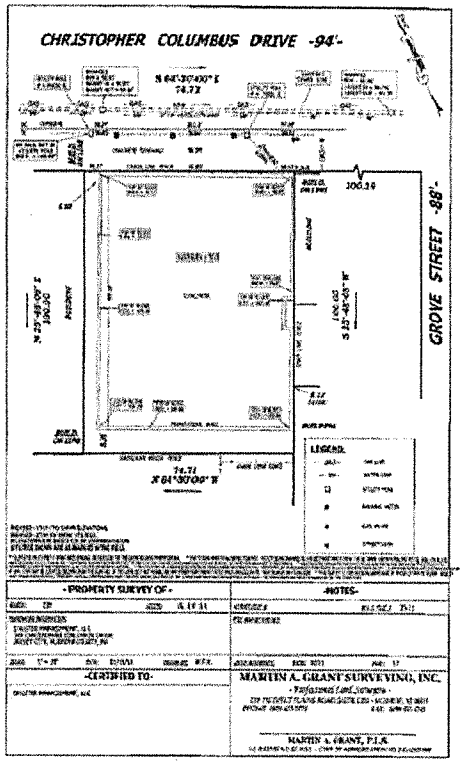
Michael Ryan, Chairman

John F. Hamill, Esquire
Approved as to Legal Form

Robert Cotter, Secretary

Date Application Approved: May 10, 2010
Date Resolution Memorialized: May 24, 2010





4. Property Survey
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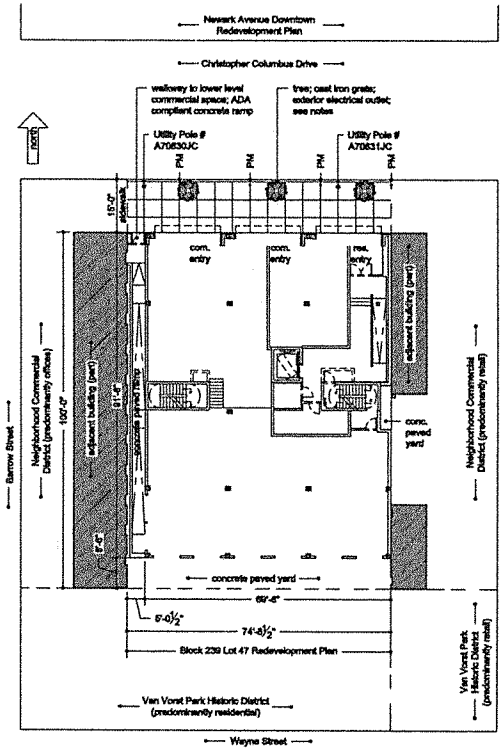
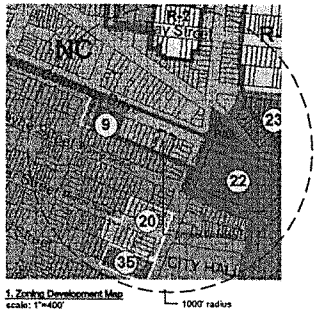
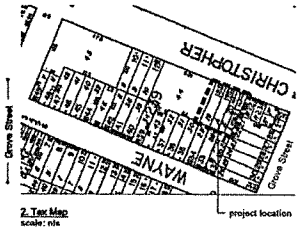


Note:
1. Block and street widths not shown to scale
2. Not all buildings are shown

3. Site Plan - Basement
scale: 1/16" = 1'-0"



1. Zoning Development Map
scale: 1"=400'



2. Tax Map
scale: n/s

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Project
109 Christopher Columbus Dr.
Mixed Use Building

Applicant
109 Christopher Columbus LLC
880 Bergen Ave, Suite 800
Jersey City, NJ 07306
ph: 201.795.2000

Architect
Peter Lund Jensen, AIA
101 Sussex Street #4R
Jersey City, NJ 07302
ph: 201.779.8226
peterjensenaia@aol.com
NJ Lic #13014 NY Lic #029006

Structural Engineer
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New York, NY 10018
ph: 646 723 1280
fax: 212 401 4722

Mechanical Engineer
EP Engineering LLP
15 Maiden Lane, Suite 407
New York, NY 10038
ph: 212.257.6191
fax: 212.994.8091

△	Date	Revision

Architect's Certification
I hereby certify that this plan constitutes a correct representation of the improvements described.

Peter Lund Jensen, AIA
NJ Lic #13014

Drawing Index
C-01 Tax and Development Maps; Survey; Notes
C-02 Unit Plans
C-03 Unit Plans
C-04 Common & Limited Common Areas Diagram

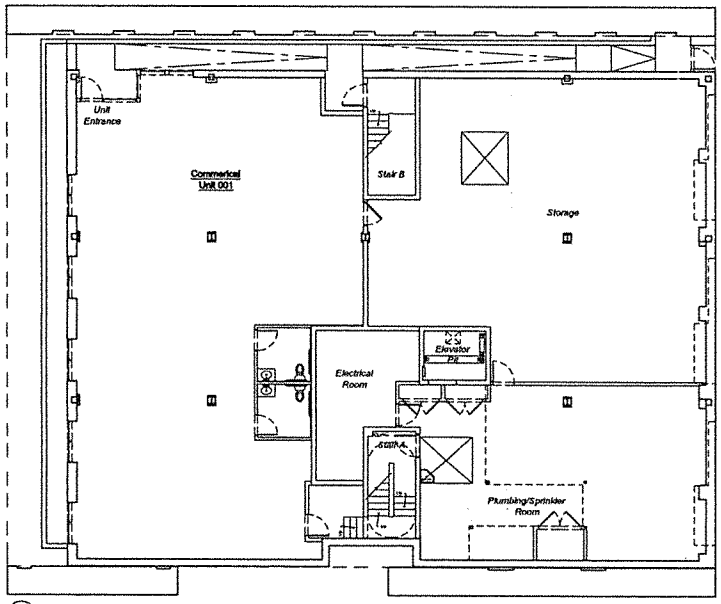
Project Number
0503 2010

Date
02/09/12

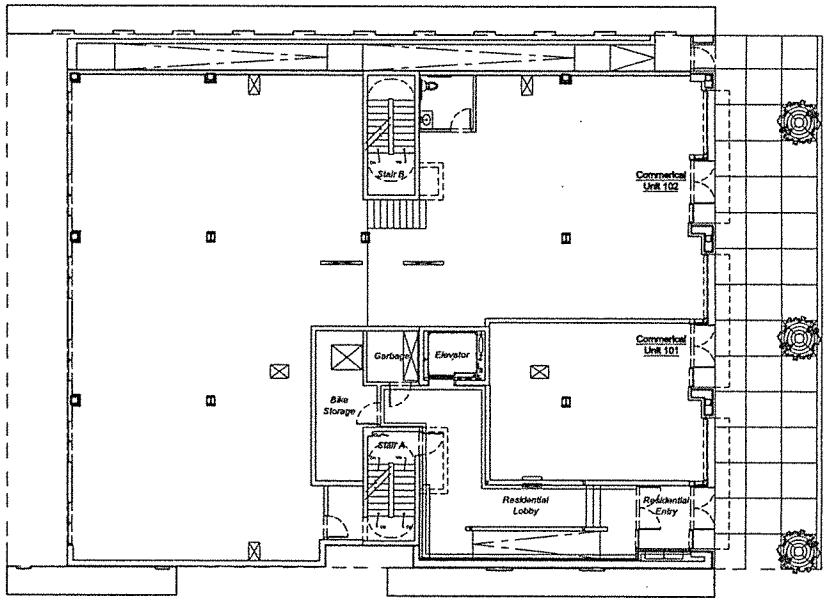
Scale
as noted

Sheet Title
Maps, Survey Notes

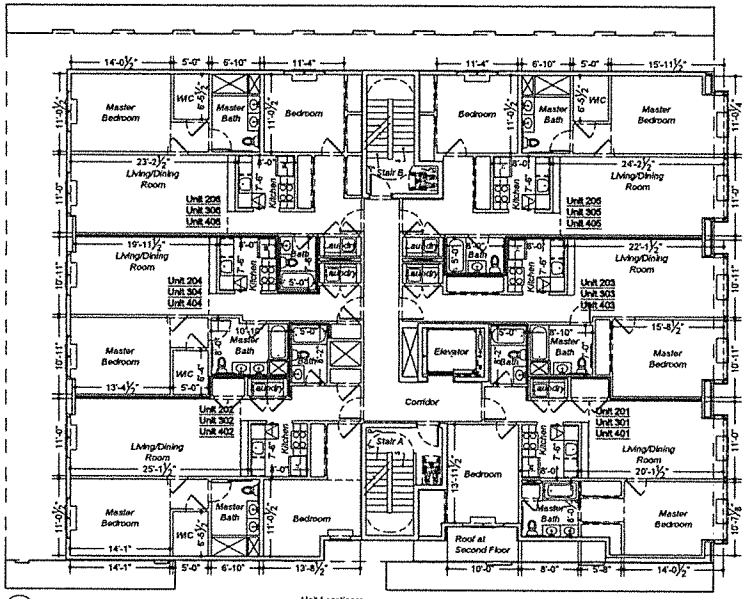
Sheet Number
C-01



1 Basement
scale: 1/8" = 1'-0"



2 First Floor
scale: 1/8" = 1'-0"



3 Second, Third, and Fourth Floors
scale: 1/8" = 1'-0"

Unit Locations:
Units 201, 202, 203, 204, 205, and 206 are located on the second floor.
Units 301, 302, 303, 304, 305, and 306 are located on the third floor.
Units 401, 402, 403, 404, 405, and 406 are located on the fourth floor.

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peterjensenaia@aol.com
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fax: 212.994.8091

Δ	Date	Revision

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NJ Lic #13014

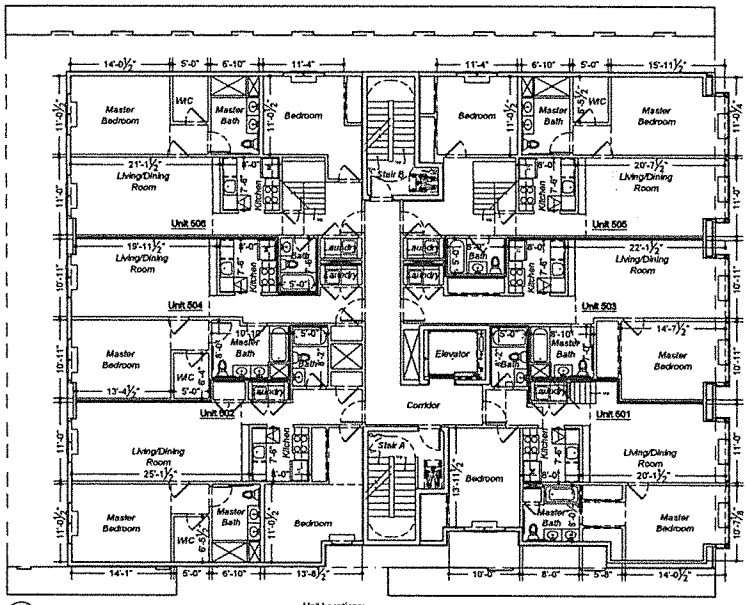
Project Number
0503 2010

Date
02/09/12

Scale
1/8" = 1'-0"

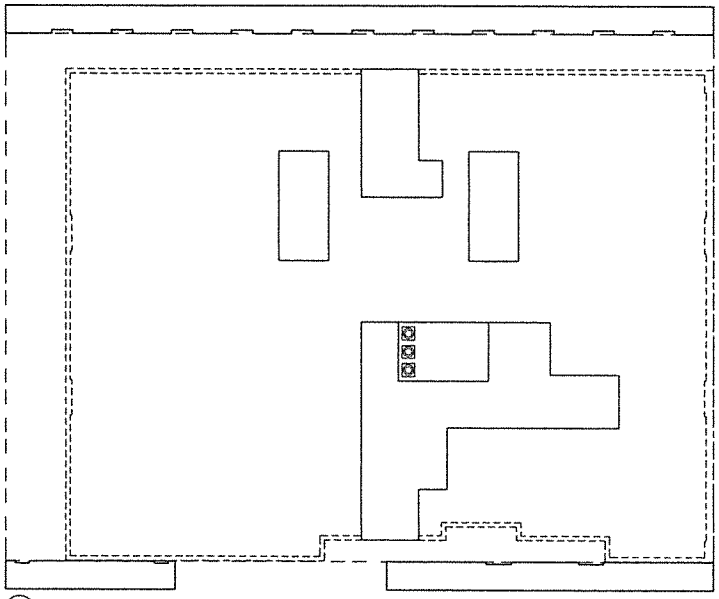
Sheet Title
Unit Plans

Sheet Number
C-02

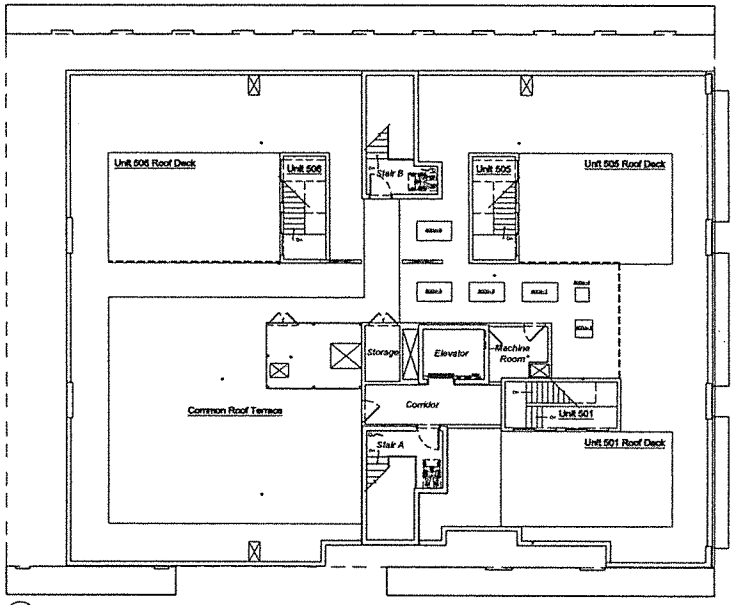


1 Fifth Floor
scale: 1/8" = 1'-0"

Unit Locations:
Units 502, 503, and 504 are located on the fifth floor.
Units 501, 505, and 506 are located on the fifth floor and have internal access to the penthouse level.



3 Roof
scale: 1/8" = 1'-0"



2 Penthouse and Roof Terrace
scale: 1/8" = 1'-0"

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Project Number
0503 2010

Date
02/09/12

Scale
1/8" = 1'-0"

Sheet Title
Unit Plans

Sheet Number
C-03

Key: Unit and Common Elements

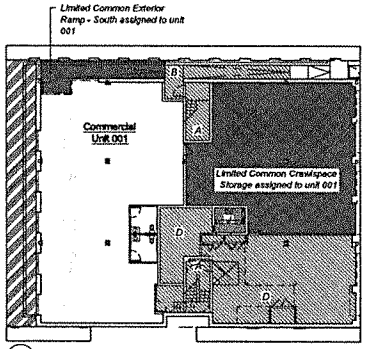
Common Elements - General, see below:
- A Egress Stairs
- B Exterior Ramp - North
- C Area Way
- D Mechanical, Electrical, Plumbing
- E Roof

Limited Common Elements - Residential, see below:
- F Residential Entry
- G Residential Lobby
- H Corridor
- J Elevator
- K Elevator Machine Room
- L Garbage Room
- M Bike Room
- N Roof Terrace
- O Storage - Roof

Limited Common Element - Commercial

Limited Common Element, Assigned to a Specific Unit, as noted

Condominium Unit, as noted



1 Basement
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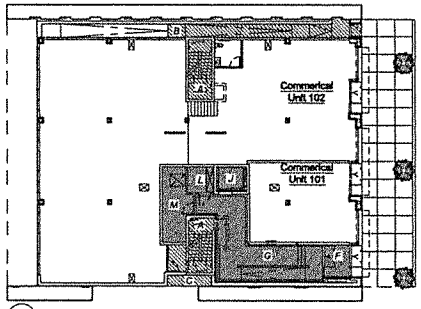

2 First Floor
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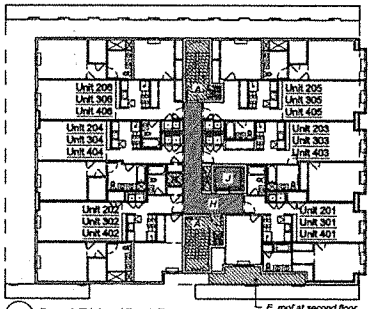

3 Second, Third, and Fourth Floors
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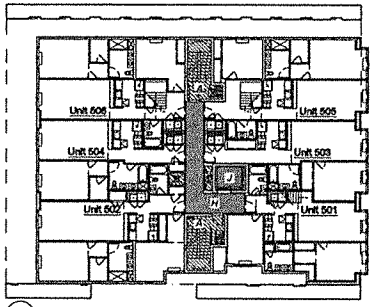

4 Fifth Floor
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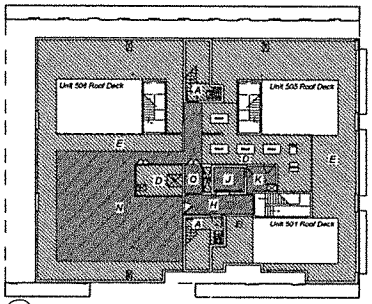
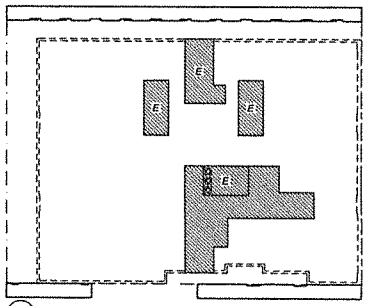


5 Penthouses and Roof Terrace
scale: 1/16" = 1'-0"



6 Roof
scale: 1/16" = 1'-0"

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Δ	Date	Revision

Architect's Certification
I hereby certify that this plan constitutes a correct representation of the improvements described.

Peter Lund Jensen, AIA
NJ Lic #13014

Project Number
0503 2010

Date
02/09/12

Scale
1/16" = 1'-0"

Sheet Title
Common Areas

Sheet Number
C-04

EXHIBIT E

DISCLOSURE STATEMENT

EXHIBIT E

109 CHRISTOPHER COLUMBUS LLC

Disclosure Statement

NAME OF ENTITY: 109 Christopher Columbus LLC

NAME OF PROJECT: 109 Christopher Columbus
109 Christopher Columbus Drive
Block 12901, Lot 6
Jersey City, New Jersey

PRINCIPAL OFFICE: 155 Second Street
Jersey City, New Jersey 07302

NAME OF REGISTERED AGENT: Shuster Management

ADDRESS: 880 Bergen Avenue, Suite 800
Jersey City, New Jersey 07306

I CERTIFY THAT THE FOLLOWING LIST REPRESENTS THE NAMES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE BELOW NAMED IS ITSELF AN ENTITY, THE NAMES OF ANY ENTITY OWING A 10% OR GREATER INTEREST THEREIN IS ALSO IDENTIFIED)

NAME	ADDRESS	PERCENT OWNED
Eyal Shuster	155 Second Street Jersey City, New Jersey 07302	47%

I FURTHER CERTIFY THAT THE FOREOING 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.

Dated: November 6, 2012

109 CHRISTOPHER COLUMBUS LLC

By: X

Name: Eyal Shuster, authorized member

EXHIBIT F

COMPLIANCE WITH STATE & LOCAL LAWS CERTIFICATION

EXHIBIT F

109 CHRISTOPHER COLUMBUS LLC

COMPLIANCE WITH STATE & LOCAL LAWS CERTIFICATION

Certification

The Applicant being the developer of the Project hereby certifies that:

1. The Project meets the requirements of the laws of the State of New Jersey for consideration for a five-year tax exemption because it is located within the Block 239, Lot 47 Redevelopment Plan Area.

2. The Project complies with the requirements of the Block 239, Lot 47 Redevelopment Plan and the Master Plan for Jersey City, and the Project received Preliminary and Final Site Plan Approval from the Jersey City Planning Board by Resolution adopted on May 24, 2011.

The foregoing statements made by me on this 23rd day of October 2012 are true to the best of my knowledge and after it has made diligent inquiry to confirm the accuracy of all information.

109 CHRISTOPHER COLUMBUS LLC

By: X

Name: Eyal Shuster, authorized member

EXHIBIT G

DILIGENT INQUIRY CERTIFICATION

EXHIBIT G

109 CHRISTOPHER COLUMBUS LLC

DILIGENT INQUIRY CERTIFICATION

The Applicant being the developer of the Project hereby certifies to the City of Jersey City that all information contained in this Application is true and correct to the best of the Applicant's knowledge, after it has made diligent inquiry to confirm the accuracy of all information.

Dated: October 23, 2012

WITNESSED:

By: _____
Name: Gregory Fine

109 CHRISTOPHER COLUMBUS LLC

By: _____
Name: Eyal Shuster, authorized member

EXHIBIT H

CERTIFICATE OF FORMATION

EXHIBIT H

109 CHRISTOPHER COLUMBUS LLC

CERTIFICATE OF FORMATION

(SEE ATTACHED)

FILED
NOV 17 2010
STATE TREASURER

CERTIFICATE OF FORMATION

OF

109 CHRISTOPHER COLUMBUS LLC

0600366736

This Certificate of Formation for the above named Limited Liability Company dated as of November 17, 2010, is duly executed and filed by the undersigned, as an authorized person of the Limited Liability Company, to form a limited liability company under the New Jersey Limited Liability Company Act (the "Act").

1) The name of the limited liability company is:

109 CHRISTOPHER COLUMBUS LLC

2) The address of the registered office of the Limited Liability Company in the state of New Jersey is 880 Bergen Avenue, Suite 800, Jersey City, NJ 07306 and the name of the initial registered agent at such address is: Shuster Management.

3) The Limited Liability Company is to have perpetual existence.

4) The Limited Liability Company may carry on any lawful business, purpose or activity.

5) The Limited Liability Company shall possess and may exercise all the powers and privileges granted by the Act or by any other law or by its operating agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the Limited Liability Company.

6) The Limited Liability Company shall be managed by one or more managers or a class of managers.

7) The undersigned represents that this filing for formation of a limited liability company complies with the requirements detailed in NJSA 42.

8) No member of the Limited Liability Company shall be personally liable in his, her or its capacity as a member of the Limited Liability Company for any of the debts, obligations or liabilities of the Limited Liability Company, except as specifically required by the Act or any other applicable law.

Dated: November 17, 2010

BY: Jody V. Crowley
Jody V. Crowley, Authorized Person

2358336
4249648

EXHIBIT I

PROPOSED TAX AGREEMENT

EXHIBIT I

109 CHRISTOPHER COLUMBUS LLC

PROPOSED TAX AGREEMENT

(SEE ATTACHED)

9-13-11

109 Christopher Columbus LLC

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this ~~21st~~ day of ~~November 2011~~, by and between the **CITY OF JERSEY CITY** [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey, and, ~~**THE WARREN @ YORK URBAN RENEWAL, LLC**~~, [Applicant], whose principal place of business is ~~16 Microlab Road, Suite A, Livingston~~, New Jersey ~~07039.~~ 07302

155 Second Street, Jersey City, New Jersey

WITNESSETH:

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060 (Section 304-1 et seq. of the Municipal Code), and as amended by Ordinance 07-146, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for a newly constructed building [commercial, industrial, or multiple dwelling], is permitted for a period of five (5) years; and

WHEREAS, ~~The Warren @ York Urban Renewal, LLC, which Entity~~ 109 Christopher Columbus, LLC seeks a five (5) year tax exemption for a new Project ~~in lieu of the long term tax exemptions previously approved by Ordinances 07-149 and 08-011~~; and

WHEREAS, the New Project shall consist of the construction ~~of an eleven story~~ a five story building, containing ~~139~~ 24 residential rental units, approximately ~~6,080~~ 7,334 square feet of retail rental space, ~~and 104 parking spaces~~ and 12,901 located in Block ~~102,~~ Lots ~~76 and X,~~ 6 on the City's Tax Map and more commonly known by the street addresses ~~of 254-258 Warren Street and 120-124 York Street, and 106-118 York Street,~~ 109 Christopher Columbus Drive Jersey City, N.J.; and

WHEREAS, the Tax Assessor will certify that ~~The Warren @ York Urban Renewal,~~ 109 Christopher Columbus LLC, has substantially completed the improvements upon receipt of a Certificate of Occupancy; and

WHEREAS, as determined by the assessor on October 1st of the year following completion, the owner proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, estimated as follows:

(a) 2013: the tax year in which the structure is estimated to be completed. $0

taxes;

(b) 2014: the second tax year, 39% of actual full taxes, estimated to be ~~$262,205~~; 37,203

(c) 2015: the third tax year, 59% of actual full taxes, estimated to be ~~$396,669~~; 56,282

(d) 2016: the fourth tax year, 79% of actual full taxes, estimated to be ~~$531,134~~; and 75,360

(e) 2017: the fifth tax year, 80% of actual full taxes, estimated to be ~~$537,857~~; 76,314

WHEREAS, the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of ~~$672,321~~ a year upon completion; and $95,393

WHEREAS, the applicant has agreed that in the event the City-wide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes after the revaluation, otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the New Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new Multiple Dwelling [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance ~~11-087~~, which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar year of 2013, $0 taxes;

2. For the full calendar year of 2014, thirty-nine (39%) percent of the actual taxes otherwise due, currently estimated to be the sum of ~~$262,205;~~ $37,203

3. For the full calendar year of 2015, fifty-nine (59%) percent of the actual taxes otherwise due, currently estimated to be the sum of ~~$396,669;~~ $56,282

4. For the full calendar year of 2016, seventy-nine (79%) percent of the actual taxes otherwise due, currently estimated to be the sum of ~~$531,134~~; and $75,360

5. For the full calendar year of 2017 eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of ~~$537,857.~~ $76,314

ARTICLE III: CITY WIDE REVALUATION

In the event that the revaluation reduces the amount otherwise due, the owner shall pay the above estimated amount; if the revalue increases the amount otherwise, the owner shall pay based upon the revaluation.

ARTICLE IV: APPLICATION FEE

The Applicant has paid the sum of ~~**$10,000**~~ $6,300 to the City before the execution of this Agreement. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES V: FEDERAL, STATE AND LOCAL LAW

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

ARTICLE VI: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VII: COUNTY EQUALIZATION AND SCHOOL AID

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall be applied to the

valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY

In the event that during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the Conditions for Qualifying, as set forth under N.J.S.A. 40A:21-1, et seq., for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for that year, but not previous years, shall become due and payable from the Applicant as if no exemption had been granted. However, with respect to the disposal of the property, in the event it is determined that the new owner will continue to use the property pursuant to the Conditions for Qualifying the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

An amendment to the Entity's Certificate of Formation to discontinue and terminate its status as an Urban Renewal Company pursuant to N.J.S.A. 40A:20-1 et seq., shall not be considered a disposal of the Property. The City hereby agreeing that the Entity shall have the right to take any and all action to discontinue its treatment as an Urban Renewal Company and such actions shall not effect the terms, conditions, rights and obligations under this Agreement.

ARTICLE IX: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

ARTICLE X: PROJECT EMPLOYMENT AGREEMENT

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment Agreement which is attached hereto as Exhibit C.

ARTICLE XI: NOTICES

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party

to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City: Business Administrator
City Hall, 280 Grove Street
Jersey City, New Jersey 07302

Notice to Applicant: 109 Christopher Columbus LLC
~~The Warren @ York Urban Renewal, LLC~~
155 Second Street
Jersey City, NJ
07302
~~16 Microlab Road – Suite A~~
~~Livingston, New Jersey 07039~~

ARTICLE XII: GENERAL PROVISIONS

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by an Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Applicant have caused this Agreement to be executed on the date and year first above written.

WITNESS:

Dawn Piano

109 Christopher Columbus LLC
~~**THE WARREN @ YORK URBAN RENEWAL, LLC**~~

BY: Eyal Shugter

ATTEST:

Robert Byrne
City Clerk

CITY OF JERSEY CITY

BY: **John Kelly**
Business Administrator

EXHIBIT J

PROPOSED PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

EXHIBIT J

109 CHRISTOPHER COLUMBUS LLC

PROPOSED PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

(SEE ATTACHED)

109 Christopher Columbus LLC

10-17-11

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made on this 21st day of ~~November, 2011~~, between the **CITY OF JERSEY CITY** [City] and ~~**THE WARREN @ YORK URBAN RENEWAL, LLC,**~~ having its principal office at ~~16 Microlab Road, Suite A, Livingston, New Jersey 07039~~. Recipient agrees as follows: 155 Second Street, Jersey City, NJ 07302

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.

2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.

3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.

4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 121-125 Newark Avenue, Jersey City, NJ 07302, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.

5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by $25,000 or more in the aggregate;

6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.

7. "Local Business" means a bona fide business located in Jersey City.

8. Acting Mayor Jerramiah T. Healy's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.

9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:

a) "African-American" means a person having origins in any of the black racial groups of Africa.

b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.

c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.

d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.

12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.

13. "Project or Project Site" means the specific work location or locations specified in the contract.

14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.

15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.

16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.

18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.

19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.

20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.

21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose:

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

IV. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix AZ

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance ~~11-087~~, approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

VI. Good Faith Defined:

1. Construction Jobs: Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.

ii) The initial manning report should contain an estimate of the total work force to be used at the Project Site, including the work force of any and all Contractors and Subcontractors. It should also describe the specific construction trades and crafts, and indicate the projected use of City residents, City resident Minorities and City resident women. Attached hereto as Appendix B is the Recipient's Initial Manning Report.

iii) The Initial Manning Report shall be filed with the Project Employment and

Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Acting Mayor Jerramiah T. Healy's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.

ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Acting Mayor Jerramiah T. Healy's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.

ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.

iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.

ii) The report will accurately reflect the total work hours in each construction trade or craft and the number of hours worked by City residents, including a list of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by employees of the Contractor and each of its Subcontractors. The Monthly Manning Report shall be in the form attached hereto as Appendix G.

iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residency, including gender and ethnic/racial origin of each worker. The Certified Payroll report shall be in the form attached hereto as Appendix H.

ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.

ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

2. Permanent Jobs: Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

i) whether subcontractors will be used in the hiring process.
ii) the specific types of jobs that need to be filled.
iii) the qualifications needed for these particular jobs.
iv) possible training programs offered by the permanent employer.
v) the Recipient's goals and how it plans to meet these goals.
vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident, minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

3. Business Contracting

Good Faith shall mean compliance with all of the following conditions:

1) Solicitation of Businesses:

a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Acting Mayor Jerramiah T. Healy's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.

b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.

i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.

ii) No Utilization of Local and Local Minority Vendors As Conduits For Vendors That Are Not Local Or Minority Owned:

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

4. <u>Summation of Documentation Needed For Compliance with Agreement</u>

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Acting Mayor Jerramiah T. Healy's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

VII. Notices of Violation:

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.

2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.

3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.

4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

5. Meetings Concerning Violations: The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.

6. Interviews Relating to Violations: The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.

7. Determination of Violation: The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

VIII. Damages:

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): Five (5%) percent increase in the annual payment in lieu of taxes;

b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): Three (3%) percent increase in the annual payment in lieu of taxes;

c) failure to allow record or work place access or submit any other required reports (all categories): Two (2%) percent increase in the annual payment in lieu of taxes.

d) the use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: Five (5%) percent increase in the annual payment in lieu of taxes.

IX. Commercial Tenants at the Project Site:

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.
2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.

3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.

4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

X. Notices

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

1. When sent by the City to the Recipient it shall be addressed to:

~~The Warren @ York Urban Renewal, LLC~~ 109 Christopher Columbus LLC
~~16 Microlab Road – Suite A~~ 155 Second Street
~~Livingston, New Jersey 07039~~ Jersey City, NJ 07302
~~Attn: Jonathan Schwartz~~ Attn: Eyal Shuster

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, New Jersey 07311
~~Attn: Nancy Skidmore, Esq.~~ Attn: Charles Harrington, Esq.

2. When sent by the Recipient to the City, it shall be addressed to:

Project Employment & Contracting Monitor
Department of Administration
Division of Economic Opportunity
121-125 Newark Avenue
3rd Floor
Jersey City, New Jersey 07302

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

XI. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

ATTEST:

Robert Byrne
City Clerk

CITY OF JERSEY CITY

John Kelly
Business Administrator

104 Christopher Columbus LLC

WITNESS:

Secretary

~~**THE WARREN @ YORK URBAN RENEWAL, LLC**~~

~~**Jonathan Schwartz, President**~~

Eyal Shuster

APPLICATION FOR TAX EXEMPTION
OF
PROVOST SQUARE I URBAN RENEWAL LLC

In compliance with Executive Order #2010-001 of the Mayor of the City of Jersey City, the Applicant herewith submits the following information in support of its application for a Long Term Tax Exemption under and pursuant to N.J.S.A 40A:20-1, et. seq.

Applicant:	Provost Square I Urban Renewal, LLC c/o Toll Brothers City Living 1000 Maxwell Lane Hoboken, New Jersey 07030 201-217-6626
Project:	Phase I: South Tower of Provost Square A Mixed-Use Rental Urban Renewal Housing Project Block 11506, Lot 1.01 160 Morgan Street Jersey City, New Jersey

The Phase I: South Tower of Provost Square is referred to herein as the "Project."

Applicant's General Contractor:	CWG Construction Company LLC 250 Gibraltar Road Horsham, PA 19044
Applicant's Architect:	SLCE Architects 841 Broadway New York, NY 10003 212-979-8400
Applicant's Attorney:	Connell Foley LLP Harborside Financial Center 2510 Plaza Five Jersey City, NJ 07311 201-521-1000 Attn: James C. McCann, Esq.
Loan Advisor/Consultant:	None

APPLICATION

1. Identification of Property:

The land upon which the Project will be built on is currently known as Block 11506, Lot 1.01, and is commonly known as 160 Morgan Street (the "Property"). The Property consists of vacant land. A metes and bounds description and survey showing the Property, as well as the deed for Lot 1.01 are attached hereto as part of Exhibit A. The Property is approximately 1.0340 acres.

2. General Statement of the Nature of the Project:

The Project consists of a mixed-use residential rental project to be located within the Arts Theater Residence Overlay Zone of the Powerhouse Arts District Redevelopment Plan area. The Project will contain a thirty-eight (38) story building with approximately four hundred seventeen (417) residential rental units, approximately sixteen thousand four hundred thirty (16,430) square feet of ground floor retail space and a parking garage containing three hundred seventy one (371) parking spaces.

The Project is the first phase of a development to be known as "Provost Square," bounded by Marin Boulevard to the west, Morgan Street to the south, Warren Street to the east, and Bay Street to the north covering the Property, Block 11506, Lots 1.01 and 2.01, and Block 11505, Lot 1 formerly known as Block 140, Lots A.1 and B.1 and Block 11509, Lot 3 formerly known as Block 172, Lot A,B,C, D located on the northwesterly corner of Morgan Street and Marin Blvd. One of the fundamental purposes of the development is to expand the growth within the Powerhouse Arts District to advance the cultural, arts, and entertainment centric incubator elements of the plan in order to sustain a diversified artistic community as a viable educational and economic enterprise, and to further diversify the housing stock to include traditional residential units and workforce housing. The Project represents the first step in the process of achieving these goals.

Upon full build out, Provost Square, including the Project, will contain approximately nine hundred twenty five (925) residential units, consisting of eight hundred eighty one (881) traditional residential units, twelve (12) work live units (including an artist-in-residence unit), and thirty two (32) workforce housing units, approximately forty four thousand nine hundred thirty nine (44,939) square feet of retail space, an approximately twenty three thousand six hundred sixty three (23,663) square foot performing arts theater, approximately sixteen thousand eight hundred twenty four (16,824) square feet of arts-related space, an approximately twenty six thousand (26,000) square foot public plaza, and approximately nine hundred seventeen (917) parking spaces, as well as restoration of the A & P Annex Building façade. As required by the Jersey City Land Development Ordinance, each section of Provost Square is wholly independent and completely self-sustaining from any future section.

3. Abatement Requested:

The Applicant seeks a long term tax exemption pursuant to N.J.S.A. 40A:20-1 et. seq. (the "Law") for the Project.

The Applicant requests that the financial agreement be based upon the ten percent (10%) of annual gross revenue formula for the fifteen (15) year term of the abatement and on other terms set forth below and in the exhibits attached hereto (see proposed financial agreement, hereinafter referred to as "Financial Agreement," attached hereto as Exhibit "J").

Based upon the above formula it is estimated that the Project will render an annual service charge to the City of approximately $1,371,657, an annual county service charge to Hudson County of approximately $68,583, and an annual administrative fee to the City of approximately $27,433. An Annual Gross Revenue Computation for the Project is attached hereto as part of Exhibit B.

The Property is eligible for a long term tax exemption because it is located within the Powerhouse Arts District Redevelopment Plan area.

4. Term

The Applicant requests that the term of the exemption be for the earlier of twenty (20) years from the effective date of an Ordinance approving the within requested tax exemption or fifteen (15) years from the date of substantial completion of the Project.

5. Improvements to be Constructed:

The improvements to be constructed as part of the first phase will consist of the following:

The site contains approximately 45,041 square feet (or approximately 1.0340 ± acres) of vacant land. The Project consists of the construction of a thirty-eight (38) story building with approximately four hundred seventeen (417) residential rental units, approximately sixteen thousand four hundred thirty (16,430) square feet of ground floor retail space and a podium containing a seven-story parking garage with approximately three hundred seventy one (371) parking spaces. The building's retail space will be leased to one or more tenants depending upon market conditions and demand.

The building's residential rental units will be distributed as follows: approximately seventy one (71) studio apartments, which will average approximately five hundred fifty five (555) square feet; approximately one hundred eighty (180) one bedroom apartments, which will average approximately seven hundred fifty (750) square feet; approximately one hundred fifty four (154) two bedroom apartments, which will average approximately one thousand one hundred seventeen (1,117) square feet; and approximately twelve (12) three bedroom apartments, which will average approximately one thousand four hundred twenty seven (1,427) square feet. Each residential unit will have living, dining, and kitchen areas.

The roof level of the podium will contain common and private recreation space. The design of the recreation space will include a rooftop pool and other amenities for use by the building residents.

6. **Estimate of Total Project Cost:**

The Total Project Cost, as set forth in Exhibit C, is estimated to be $178,466,044, including the cost of land and soft costs. The Total Project Cost has been calculated in accordance with the provisions of N.J.S.A. 40A:20-3(h). Construction costs have been estimated based upon information compiled by the Applicant.

The breakdown of the Total Project Cost and a Certification of the Estimated Construction Costs are attached hereto as Exhibit C.

7. **Financial Structure:**

Construction of the Project will be financed through private capital and traditional construction financing The construction loan will be repaid at completion with a permanent mortgage from a traditional lender.

8. **Construction Schedule:**

It is estimated that construction of the Project will commence in February 2013 after receipt of all final governmental approvals for the Project and execution of a Financial Agreement. Construction is expected to be substantially complete within 30 months of commencement. This construction schedule is subject to *force majeure* and the time required to obtain necessary governmental approvals and permits.

9. **Zoning Information/Municipal Land Use Approvals:**

The Project is located within the Arts Theater Resident Overlay Zone of the Powerhouse Arts District Redevelopment Plan area and complies with the zoning requirements therein. The Project received an amended preliminary and final site plan approval from the Planning Board of the City of Jersey City on October 25, 2011 and a minor subdivision approval from the Planning Board on July 10, 2012. *See* Resolutions, attached hereto as Exhibit D.

10. **Real Estate Tax Assessments for the Property:**

Block 11506 Lot 1 was reconfigured into two new lots (Lot 1.01 and Lot 2.01) via the recordation of a subdivision deed dated September 28, 2012 and recorded in the Hudson County Register's Office on September 28, 2012 in Deed book 8873, Page 193.

The 2012 real estate tax assessment on the land for Block 11506, Lot 1 is as follows:

Block 11506, Lot 1 = $1,020,000

Based upon the current real estate land tax assessments for Lot 1, the real estate land tax assessment for the Property (newly established Lot 1.01) is estimated to be $720,656.

The real estate land tax assessment for the Property is subject to review and determination by the Tax Assessor.

11. Current Real Estate Taxes Levied:

The 2012 real estate land taxes for the Block 11506, Lot 1 are as follows (based upon the 2012 tax rate of $71.84/per thousand):

Block 11506, Lot 1 = $73,277

Based upon the current real estate land taxes for Lot 1, the real estate land taxes for the Property are estimated to be $51,772.

The real estate land taxes for the Property are subject to review and determination by the Tax Assessor.

12. Status of Municipal Taxes and other Charges:

To the best of Applicant's knowledge and belief, all real estate taxes and other assessments against the Property have been paid in full.

13. Ownership Disclosure Statement

The Applicant is an urban renewal limited liability company in the process of formation under the Long Term Tax Exemption Law. A copy of the Certificate of Formation is attached hereto as part of Exhibit E. A Disclosure Statement is attached hereto as Exhibit F.

14. Certification of Construction Commencement:

A Certification from the Applicant that the construction of the Project will not commence prior to final approval and execution of the financial agreement between the City and the Applicant for the Project is attached hereto as Exhibit G.

15. Projected Job Creation:

The Applicant estimates that construction of the Project will generate approximately 415 jobs during the construction period. Following completion of construction, the Applicant estimates the creation of approximately 19 full-time and 6 part-time real estate, management and service positions, as well as approximately 12 full-time and 6 part-time retail positions.

The Applicant will comply with the City of Jersey City minority Business Enterprise Ordinance Sect. 2-77 et. seq. of the Jersey City Municipal Code by executing a Project Employment Agreement with the City of Jersey City. In addition, the Applicant estimates that the total cost of construction contracts for the Project will be in excess of $25,000,000.00; therefore, the Applicant will comply with City Ordinances 07-123 and 12-051. *See* proposed Project Employment and Contracting Agreement attached hereto as Exhibit K and proposed Project Labor Agreement attached hereto as Exhibit L.

16. Compliance with State and Local Law:

A Certification by the Applicant that the Project meets the requirements of the laws of the State of New Jersey and the City of Jersey City is attached hereto as Exhibit H.

17. Certification of Truthfulness and Diligent Inquiry:

A Certification of the Applicant that all information contained in this Application is true and correct to the best of its knowledge after having made diligent inquiry is attached hereto as Exhibit I.

18. Financial Agreement:

A proposed Financial Agreement for the Project is attached hereto as Exhibit J.

19. Affordable Housing Contribution and Prepayment:

Pursuant to the Long Term Tax Exemption Law and upon the Applicant's execution of a financial agreement, the Applicant will agree to make an affordable housing contribution to the City of Jersey City in the total amount of $650,145 ($1,500 x 417 units plus $1.50 x 16,430 square feet of retail space).

Block 11505, Lot 1 formerly known as Block 140, Lots A.1 and B.1 which is part of Provost Square and is owned by 126-142 Morgan Street Urban Renewal LLC (Morgan UR) which is also owned by Toll Bros. has a tax abatement that was granted pursuant to City Ordinance 05-146 and memorialized by a Financial Agreement dated November 16, 2005. Morgan UR paid an affordable housing contribution under that tax abatement is the amount of $424,500.

As such, the Applicant is entitled to a credit for the affordable housing contribution already paid which reduces the affordable contribution on this Project to 225,645.

The Applicant intends to make this contribution in accordance with City Ordinance 05-130, which requires one third of the contribution ($75,215) upon the execution of the financial agreement, one third of the contribution ($75,215) upon the issuance of the first construction permit by the City of Jersey City but not later than 6 months from the effective date of the financial agreement, and one third of the contribution ($75,215) upon issuance of the first certificate of occupancy for the Project, but not later than 24 months from the effective date of the financial agreement.

Morgan UR also paid a prepayment to the City in the amount of $1,251,000 pursuant to a Prepayment Agreement dated November 16, 2005. The Applicant requests that the Prepayment Agreement be assigned to the Applicant and that the Applicant be given a credit of $312,750 per year for the first four years of the Project until the entire prepayment is repaid.

20. Fee:

The Application fee in the amount of $9,500.00 is being paid to the City of Jersey City simultaneously with the submission of this Application.

21. List of Exhibits.

Exhibit	
A.	Description of Property
B.	Description of Residential Leases, Estimated Fiscal Plan, and Annual Gross Revenue Computation
C.	Total Project Cost & Certification of Estimated Construction Costs
D.	Copy of Resolutions Approving Site Plan & Subdivision and Copy of Site Plan
E.	Certificate of Formation
F.	Disclosure Statement
G.	Commencement Certification
H.	Compliance with State and Local Laws
I.	Certification of Diligent Inquiry
J.	Proposed Financial Agreement
K.	Proposed Project Employment & Contracting Agreement
L.	Proposed Project Labor Agreement

EXHIBIT A

PROVOST SQUARE I URBAN RENEWAL, LLC

Description of Property

Address: 160 Morgan Street,
Block 11506, Lot 1.01.

See metes and bounds description, vesting deed, site plan, and subdivision plan in lieu of a survey for the Property.

Pennoni
PENNONI ASSOCIATES INC.
CONSULTING ENGINEERS

TOLL 1207

July 11, 2012
Rev July 20, 2012

Description
Lot 1.01
(identified as Proposed Lot A, on a plan entitled "Provost Square – Minor Subdivision Plan" prepared by Pennoni Associates Inc., dated 4/18/12)

All That Certain parcel or tract of land situate in the Jersey City, and the State of New Jersey, as shown on a plan entitled, "Provost Square – Minor Subdivision Plan" prepared by Pennoni Associates Inc., dated 4/18/12, Job TOLL 1207, drawing V0801, and being bounded and described as follows:

Beginning at a Point of intersection of the easterly right-of-way line of Luis Marin Boulevard (60 feet wide) and the northerly right-of-way line of Morgan Street (60 feet wide);

THENCE (1) From said Point of Beginning, along said easterly right-of-way line of Luis Marin Boulevard (60 feet wide), N 16°00'00" E, a distance of 200.00 feet to a point of intersection of the easterly right-of-way line of Luis Marin Boulevard (60 feet wide) and the southerly right-of-way line of Bay Street (60 feet wide);

THENCE (2) Along said southerly right-of-way line of Bay Street (60 feet wide), S 73°54'30" E, a distance of 212.32 feet to a point;

THENCE (3) Leaving said southerly right-of-way line of Bay Street (60 feet wide), S 16°05'30" W, a distance of 91.75 feet to a point;

THENCE (4) S 73°54'30" E, a distance of 18.58 feet to a point;

THENCE (5) S 16°05'30" W, a distance of 74.00 feet to a point;

THENCE (6) S 73°54'30" E, a distance of 17.42 feet to a point;

THENCE (7) S 16°05'29" W, a distance of 34.25 feet to a point on the northerly line of Morgan Street (60 feet wide);

THENCE (8) Along the northerly line of Morgan Street (60'wide), N73°54'30" W, a distance of 248.00 feet to the Point of Beginning.

Containing 1.0340 acres of land, more or less.

Dennis S. DiBlasio, PLS

N.J. Lic. No. 24GS02830700

515 Grove Street • Suite 1B • Haddon Heights, NJ 08035 • Tel: 856-547-0505 • Fax: 856-547-9174
www.pennoni.com

Vesting Deed

Consideration : $34667000 Exempt Code: B

County	State	N.P.N.R.F	Total
34667.00	86667.50	51775.50	416945.70
General	Public	Extra	1% Tax
147168.10	17333.50	79334.10	0.00

fee3 Date: 04/21/2006

117-0600005B-CTB

DEED: BARGAIN AND SALE
(Without Covenant as to Grantor's Act)

Prepared by: _____
Mitchell N. Baron, Esq.

04/21/2006 03:58P
BARBARA A. DONNELLY
HUDSON COUNTY
REGISTER OF DEEDS
Receipt No. 319334

000005926
RECEIVED
AND
RECORDED

3

DEED

This Deed is made on March 31, 2006,

BETWEEN R.A.B. Food Group, LLC (formerly known as The B. Manischewitz Company, LLC), a Delaware limited liability company having an office at 444 Madison Avenue, New York, NY 10022, referred to as the Grantor,

AND 134 Bay Street LLC, a Delaware limited liability company having an office at 250 Gibraltar Road, Horsham, PA 19044, referred to as the Grantee.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of Thirty-Four Million Six Hundred Sixty Seven Thousand and 00/100 Dollars ($34,667,000.00). The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of the City of Jersey City, Block No. 171, Lot Nos. Plot A and Y1 and Block 172, Lot Nos. A, B, C and D.

Property. The property consists of the land and all buildings and structures on the land in the City of Jersey City, County of Hudson, and State of New Jersey. The legal description is set forth on Exhibit A to this Deed.

Signature. The Grantor signs this Deed as of the date at the top of this page. If the Grantor is a corporation, this Deed is signed and attested to by its proper corporate officers.

R.A.B. Food Group, LLC

By: Ira A Gomberg
Name: Ira A. Gomberg
Title: Senior Vice President

100-7-89 mi

1-NY/2013561.1

BK:07873 PG:00281

P. 4-21-06

EXHIBIT A
TO
DEED

DESCRIPTION OF PROPERTY

All the following three lots, pieces or parcels of land situate, lying and being in the City of Jersey, City, County of Hudson and State of New Jersey.

Parcel A (Lot Plot A, Block 171)

BEGINNING at the intersection of the Easterly line of Luis Munoz Marin Boulevard (formerly Henderson Street) and the Southerly line of Bay Street and from said beginning point running:

1. South 73 degrees 54 minutes 30 seconds East along the Southerly line of Bay Street 274.57 feet to a point distant 125.43 feet from the intersection of the said Southerly line of Bay Street and the Westerly line of Provost Street; thence

2. South 16 degrees West and parallel with the Southerly line of Provost Street 100.00 feet to a point; thence

3. South 73 degrees 54 minutes 30 seconds East and parallel with the Southerly line of Bay Street 75.43 feet to a point; thence

4. South 16 degrees West and parallel with the Westerly line of Provost Street 75.00 feet to point; thence

5. South 73 degrees 54 minutes 30 seconds East and parallel with the Southerly line of Bay Street 50.00 feet to point in the Westerly line of Provost Street; thence

6. South 16 degrees West along the said Westerly line of Provost Street 25.00 feet to its intersection with the Northerly line of Morgan Street; thence

7. North 73 degrees 54 minutes 30 seconds West along the Northerly line of Morgan Street 400.00 feet to its intersection with the Easterly line of Luis Munoz Marin Boulevard (formerly Henderson Street); thence

8. North 16 degrees East along the Easterly line of Luis Munoz Marin Boulevard (formerly Henderson Street) 200.00 feet to its intersection with the Southerly line of Bay Street and the point and place of beginning.

Parcel B (Lot Y 1, Block 171)

BEGINNING at the intersection of the Southerly line of Bay Street and the Westerly line of Provost Street and from said point running:

1. North 73 degrees 54 minutes 30 seconds West along said Southerly line of Bay Street, 125.43 feet to a point; thence

2. South 16 degrees West 100 feet to a point; thence

3. South 73 degrees 54 minutes 30 seconds East, 75.43 feet to a point; thence

4. South 16 degrees West, 75.00 feet to a point; thence

5. South 73 degrees 54 minutes 30 seconds East, 50.00 feet to a point in said Westerly line of Provost Street; thence

6. North 16 degrees East, along said Westerly line of Provost Street 175.00 feet to the point and place of beginning.

Parcel C (Lots, A, B, C and D, Block 172)

BEGINNING at the intersection of the Northerly Line of Bay Street and the Easterly line of Luis Munoz Marin Boulevard (formerly Henderson Street) and from said beginning point running thence

1. North 16 degrees East along the said Easterly line of Henderson Street 100.00 feet to a point; thence

2. South 73 degrees 54 minutes 30 seconds East and parallel with the Northerly line of Bay Street 100.00 feet to a point; thence

3. South 16 degrees West and parallel with the Easterly line of Luis Munoz Marin Boulevard (formerly Henderson Street) 100.00 feet to a point in the Northerly line of Bay Street; thence

4. North 73 degrees 54 minutes 30 seconds West along the Northerly line of Bay Street 100.00 feet to the point and place of beginning.

BEING part of same property conveyed to the Grantor by Deed from Bay Street Urban Renewal Development Corporation, a New Jersey non-profit corporation, to The B. Manischewitz Company, LLC, dated 5/4/2001, recorded 5/21/2001 in Deed Book 5806, page 264 (Parcels A and C); and by Deed from Mano Holdings Corporation, a Delaware corporation, to The B. Manisohewitz Company, LLC, dated 5/31/1996, recorded 6/18/1996 in Deed Book 5006, page 153 (Parcel B).

GIT/REP-3
(3-06)

State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION
(C.55, P.L. 2004)

(Please Print or Type)

SELLER INFORMATION [illegible]

Name(s)
R.A.B. Food Group, LLC
Current Resident Address:

Street: 444 Madison Avenue, New York	New York	10022
City, Town, Post Office	State	Zip Code

PROPERTY INFORMATION [illegible]

Block(s)	Lot(s)	Qualifier
171; 172 - 134 Bay Street	A and Y1; ABCD	

Street Address:

Jersey City	N.J.	
City, Town, Post Office	State	Zip Code

100%	$34,667,000	March 31, 2006
Seller's Percentage of Ownership	Consideration	Closing Date

SELLER ASSURANCES [illegible]

1. ☐ I am a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am 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 as such not required to make an estimated payment pursuant to N.J.S.A.54A:1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for Federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION). If such 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.
8. ☐ Transfer 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.

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 could 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.

March 31, 2006
Date

R.A.B. Food Group, LLC
By: [signature]
James A. Cohen, Senior Vice President
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

BK:07873 PG:00284

RTF-1EE (Rev. 2/2005)

STATE OF NEW JERSEY

AFFIDAVIT OF CONSIDERATION FOR USE BY BUYER

(Chapter 49, P.L.1968, as amended through Chapter 19, P.L. 2005)

To be recorded with deed pursuant to Chapter 49, P.L. 1968, as amended by Chapter 306, P.L. 1991 (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~~
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF MONTGOMERY } SS.

FOR RECORDER'S USE ONLY
Consideration $ 34,667,000.00
RTF paid by buyer $
Date 4/04/06 By M.C.

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

Deponent, Jannice A. Lashner (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the Title Officer (Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.) in a deed dated 3/31/2006 transferring real property identified as Block number 171 Lot Nos. A,B,C & D Lot number A & Y1 located at Jersey City, Hudson County (Street Address, Municipality, County) and annexed thereto.

(2) CONSIDERATION $ 34,667,000.00 (See Instructions #1 and #5 on reverse side)

Entire consideration is in excess of $1,000,000:

PROPERTY CLASSIFICATION CHECKED BELOW SHOULD BE TAKEN FROM THE OFFICIAL TAX LIST (WHICH IS A PUBLIC RECORD) OF THE MUNICIPALITY WHERE THE PROPERTY IS LOCATED IN THE YEAR THAT THE TRANSFER IS MADE.

(A) When Grantee pays:

- ☐ Class 2 - Residential (4 Families or less)
- ☐ Class 4C - Residential Cooperative Unit
- ☐ Class 3A - Farm property (Regular) and any other real property transferred to same grantee in conjunction with transfer of Class 3A property.

(B) When Grantee does not have to pay, fill out below: Block 172, Lots A-D

- ☒ Property class. Circle applicable class(es): (1) 4A (4B) 4C 15 Block 171, Lots A & Y1
- ☐ Exempt Organization Pursuant to Federal Internal Revenue Code of 1986

Property classes: 1-Vacant Land, 4A-Commercial, 4B-Industrial, 4C-Apartment (other than residential cooperative unit), 15-Public Property

(3) FULL EXEMPTION FROM FEE (See Instruction #6 on reverse side)
Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through Chapter 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.

Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 19, P.L. 2005.

Subscribed and sworn to before me this 6th day of April 2006

Signature of Deponent

Deponent Address: Westminster Abstract Company, 250 Gibraltar Road, Horsham, PA 19044

134 Bay Street LLC
Grantee Name

Grantee Address: 250 Gibraltar Road, Horsham, PA 19044

Name/Company of Settlement Officer: Jannice A. Lashner, Westminster Abstract Company

NOTARIAL SEAL
EDWARD W. GELLER, Notary Public
Whitpain Twp., Montgomery County
My Commission Expires February 1, 2007

FOR OFFICIAL USE ONLY
Instrument Number ____ County Hudson
Deed Number ____ Book ____ Page ____
Deed Dated 3/31/06 Date Recorded 4/07/06

BK:07873 PG:00285

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form, as required by law.
This form may not be altered or amended without the approval of the Director.
For further 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/lpt/localtax.htm.

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

I CERTIFY that on March 31, 2006, Ira A. Gomberg personally came before me and acknowledged under oath, to my satisfaction, that:

(a) he signed, sealed and delivered this Deed as Senior Vice President of the limited liability company named in this Deed;

(b) this Deed was signed and made by the limited liability company as its voluntary act and deed by virtue of authority from its manager; and

(c) Grantor made this Deed for $34,667,000.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.).

James A. Cohen
Notary Public

JAMES A. COHEN
NOTARY PUBLIC, STATE OF NEW YORK
NO. 02CO4507248
QUALIFIED IN NEW YORK COUNTY
COMMISSION EXPIRES MARCH 30, 2007

DEED

Date: March 31, 2006

R.A.B. Food Group, LLC
(formerly known as The B. Manischewitz Company, LLC)
Grantor,

to

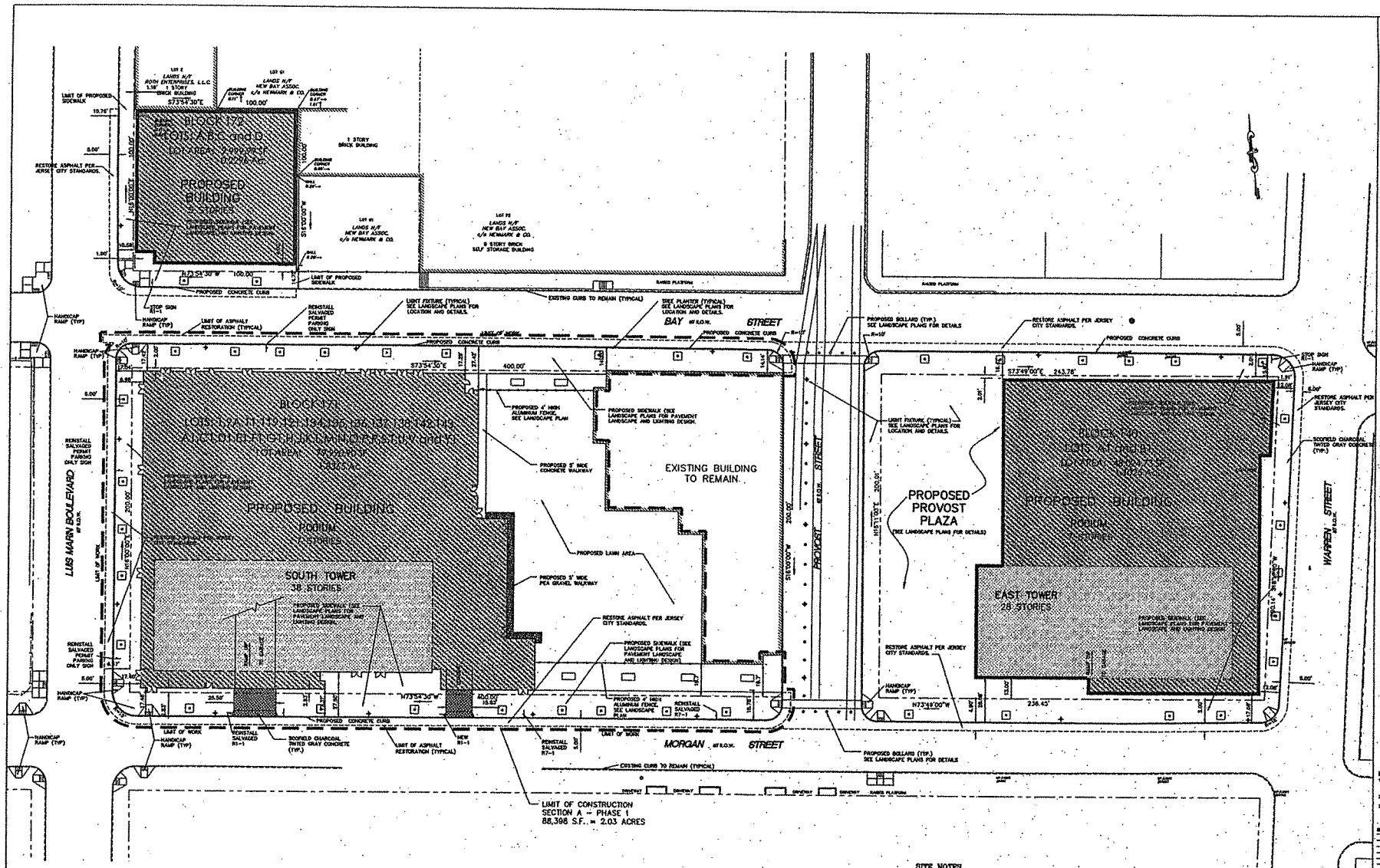
134 Bay Street LLC
Grantee

Record and Return to:

Jonathan Offenkrantz, Esq.
Toll Brothers, Inc.
250 Gibraltar Road
Horsham, PA 19044

Record & Return To:
Westminster Abstract Co.
250 Gilbraltar Road
1st Floor - West Wing
Horsham, PA 19044
(215) 293-5080

BK:07873 PG:00287



FLOOD REFERENCE NOTES:

1. ENTIRE SITE IS IN FLOOD ZONE AE.
2. FLOOD ZONE AE: EL. 9.0 (NAVD 88).
3. FLOOD ZONE INFORMATION TAKEN FROM FLOOD INSURANCE RATE MAP, HUDSON COUNTY, NEW JERSEY,(ALL JURISDICTIONS). CITY OF JERSEY CITY, COMMUNITY PANEL NUMBER 340223, MAP #34017C0106D EFFECTIVE AUGUST 18, 2006.
4. ELEVATIONS SHOWN ON THIS MAP ARE BASED ON N.A.V.D. 1988. BASED ON THE FOLLOWING ALTA/ACSM LAND TITLE SURVEYS:
   a. 134 BAY STREET, CITY BLOCK 171. PREPARED BY MACDEL ENGINEERING, PC., DATED JAN. 18, 2006, LAST REVISED 10-22-08.
   b. 126-142 MORGAN STREET, CITY BLOCK 140. PREPARED BY MACDEL ENGINEERING, PC., DATED AUG. 1, 2006, LAST REVISED 09-25-08.
5. FLOOD HAZARD AREA VERIFICATION PERMIT #0906-11-0006.1 FHA 110001. FLOOD HAZARD AREA INDIVIDUAL PERMIT #0906-11-0006.1 FHA 110002.

SITE NOTES

1. ALL CONCRETE SHALL BE 4,000 PSI MIN. AT 28 DAYS COMPRESSIVE STRENGTH WITH A MAXIMUM SLUMP OF 4" AND AIR ENTRAINED UNLESS NOTED OTHERWISE. ALL EXPOSED CONCRETE SURFACES SHALL HAVE A FINE BROOM FINISH.
2. ALL MATERIALS SHALL BE NEW UNLESS USED OR SALVAGED MATERIALS ARE AUTHORIZED BY THE OWNER AND TENANT OR AS SHOWN ON THE PLANS.
3. ALL DIMENSIONS TO EXISTING STRUCTURES ARE PROVIDED AS INFORMATION ONLY AND SHALL NOT BE USED FOR CONSTRUCTION LAYOUT. ALL DIMENSIONS TO PROPOSED STRUCTURES ARE FROM PROPERTY LINE TO BUILDING LINE.
4. NECESSARY BARRICADES, SUFFICIENT LIGHTS, SIGNS AND OTHER TRAFFIC CONTROL METHODS AS MAY BE NECESSARY FOR THE PROTECTION AND SAFETY OF THE PUBLIC, SHALL BE PROVIDED AND MAINTAINED THROUGHOUT CONSTRUCTION, COORDINATE WITH JERSEY CITY'S BUILDING DEPARTMENT.
5. HIGH INTENSITY LIGHTING FIXTURES SHALL BE SO ARRANGED THAT THE SOURCE OF ANY LIGHT IS CONCEALED FROM PUBLIC VIEW AND FROM ADJACENT RESIDENTIAL PROPERTY AND DOES NOT INTERFERE WITH TRAFFIC. ALL LIGHTING TO BE EQUIPPED WITH HOUSE SIDE SHIELDS.
6. THE CONTRACTOR SHALL MAINTAIN ACCESS FOR EMERGENCY VEHICLES AROUND AND TO ALL BUILDINGS NEAR CONSTRUCTION.
7. SIDEWALK CONSTRUCTION SHOWN ON THESE PLANS SHALL MEET ALL REQUIREMENTS OF THE AMERICANS WITH DISABILITIES ACT OF JULY 1991, TITLE II, TITLE III AND ANY STATE, COUNTY, LOCAL OR OTHER APPLICABLE LAWS.
8. ALL SIGNS SHALL BE MADE OF HIGH INTENSITY SHEETING ON ALUMINUM AND MEET THE MUTCD SIZE, SHAPE, AND COLOR REGULATIONS.
9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR COORDINATING WORK SHOWN ON THESE PLANS WITH PLANS PREPARED BY OTHER PROJECT CONSULTANTS FOR THE PROJECT.
10. CONSTRUCTION OF SITE IMPROVEMENTS SHALL BE CONFORMED BY THE APPROVED ENGINEERING SITE PLANS AS PREPARED BY PENNONI ASSOCIATES INC.
11. CONSTRUCTION OF PROPOSED BUILDINGS SHALL BE GOVERNED BY THE APPROVED ARCHITECTURAL PLAN PACKAGE PREPARED BY OTHERS. IF DISCREPANCIES ARISE BETWEEN BUILDING FOOTPRINT ON THESE PLANS AND THE ARCHITECTURAL PLAN PACKAGE, THE CONTRACTOR WILL SUSPEND WORK IMMEDIATELY AND CONTACT THIS OFFICE.
12. THE SITE PLANS PREPARED BY PENNONI ASSOCIATES INC. SHALL BE USED FOR LAYOUT AND CONSTRUCTION OF SITE STRUCTURES ONLY. LAYOUT OF BUILDING LINES SHALL BE COORDINATED WITH THE ARCHITECTURAL PLANS AND SURVEY PREPARED BY OTHERS. THE CONTRACTOR SHALL BE RESPONSIBLE TO PROTECT SITE CONTROL AS DEPICTED ON THE SITE PLAN AND BOUNDARY AND TOPOGRAPHIC SURVEY INCLUDED WITH THIS SET. IF DISCREPANCIES ARISE BETWEEN BUILDING FOOTPRINT ON THESE PLANS AND THE ARCHITECTURAL PLAN PACKAGE, THE CONTRACTOR WILL SUSPEND WORK IMMEDIATELY AND CONTACT THIS OFFICE.
13. THE CONTRACTOR SHALL BE RESPONSIBLE TO MAINTAIN AND PROTECT THE UTILITY MARK-OUTS FOR THE DURATION OF THE PROJECT.
14. ALL EXISTING ITEMS ARE TO REMAIN UNLESS OTHERWISE NOTED.
15. ALL PUBLIC INFRASTRUCTURE CONSTRUCTION INCLUDING CONCRETE, ASPHALT, ETC., MUST BE CONSTRUCTED IN ACCORDANCE WITH N.J.D.O.T. STANDARD SPECIFICATIONS, DATED 2007.
16. LOCATION OF CURB RAMPS TO BE VERIFIED BY CONTRACTOR AND ENGINEER PRIOR TO START OF CONSTRUCTION.

GRAPHIC SCALE

(IN FEET)
1 inch = 20 ft.

PROJECT
PROVOST SQUARE

ART THEATER RESIDENCE ZONE

JERSEY CITY, NEW JERSEY

ARCHITECT
SLCB Architects
[illegible]
NEW YORK, N.Y. 10005
TEL: (212) 777-2400
FAX: (212) 777-2402

OWNER/ APPLICANT
134 BAY STREET, LLC.
c/o TOLL BROTHERS, Inc.
24-01 HOWARD STREET
Fairlawn, N.J. 07410
TEL: (201) 797-1400
FAX: (201) 797-1499

126-142 MORGAN STREET URBAN RENEWAL, LLC
c/o TOLL BROTHERS, Inc.
24-01 HOWARD STREET
Fairlawn, N.J. 07410
TEL: (201) 797-1400
FAX: (201) 797-1499

LANDSCAPE ARCHITECT
MELILLO + BAUER ASSOCIATES
BANKSIDE EXECUTIVE CENTER
3207 HIGHWAY 34
BUILDING D-2
MANASQUAN, NJ 08736
TEL: (732) 528-0444
FAX: (732) 528-1027

MEP ENGINEERS
BARONE ENGINEERING ASSOCIATES, LLC
[illegible]
TEL: (973) 439-1200
FAX: (973) 439-1201

STRUCTURAL ENGINEERS
GOLDSTEIN ASSOCIATES, PLLC
31 WEST 27TH STREET
NEW YORK, NY 10001
TEL: (212) 545-1616
FAX: (212) 545-1616

CIVIL ENGINEERS
PENNONI ASSOCIATES, INC.
150 Pierce Street, Suite 300
Princeton, NJ 08542
TEL: 609-924-1810
FAX: 609-924-2018
www.pennoni.com
© COPYRIGHT OF PENNONI ASSOCIATES INC.

PENNONI ASSOCIATES, INC.

CIVIL ENGINEERS AND LAND SURVEYORS
MACDEL ENGINEERING, P.C.
[illegible]
TEL: (973) 276-2000
FAX: (973) 276-2010
www.macdelengineering.com

NOTE:
1. AMENDED PRELIMINARY AND FINAL MAJOR SITE PLAN - PROVOST SQUARE - BLOCK 171 - SECTION A - PHASE 1
2. [illegible] - PROVOST SECTION A - PHASE 1
3. SECTIONS B, C & D - PROVOST SQUARE - PRELIMINARY MAJOR SITE PLAN GRANTED - SEE PLANNING BOARD RESOLUTION DATED 4/7/09 - REPRODUCED FOR INFORMATIONAL PURPOSES ONLY

No.	Date	Revision
1	[illegible]	FINAL PLANNING SET
2	[illegible]	AMENDED PRELIMINARY AND FINAL SITE PLAN SECTION A PHASE 1
3	[illegible]	ADD FLOOD ZONE REFERENCE NOTES
4	[illegible]	REVISED PER COMMENTS OF DIVISION OF CITY PLANNING
5	[illegible]	FINAL PRELIMINARY SITE PLAN

SEAL & SIGNATURE:
TODD M. HAY, PE
N.J. PROFESSIONAL ENGINEER LIC. # [illegible]

DRAWING TITLE:
SECTION A - PHASE 1 SITE PLAN

DATE: DEC. 15, 2008
PROJECT No.: 1011.114
DRAWN BY: [illegible]
DESIGN BY: TMH
CAD FILE:

C-2A

PROVOST SQUARE

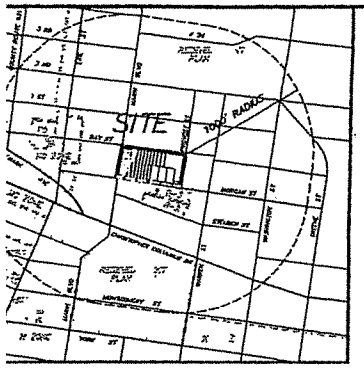
POWERHOUSE ARTS DISTRICT REDEVELOPMENT PLAN

MINOR SUBDIVISION PLAN

FOR SECTION A (SOUTH TOWER) AND SECTION B (NORTH TOWER)

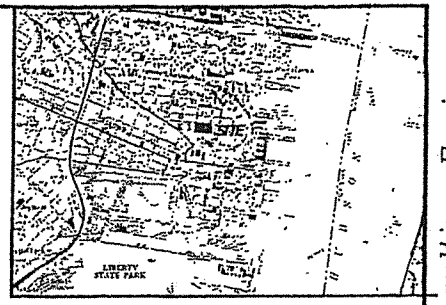
BLOCK 11506, LOTS 1 & 12

(F.K.A. BLOCK 171, LOTS PLOT.A & Y1, AND PREVIOUSLY KNOWN AS LOTS 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1)



KEY MAP

1" = 500'

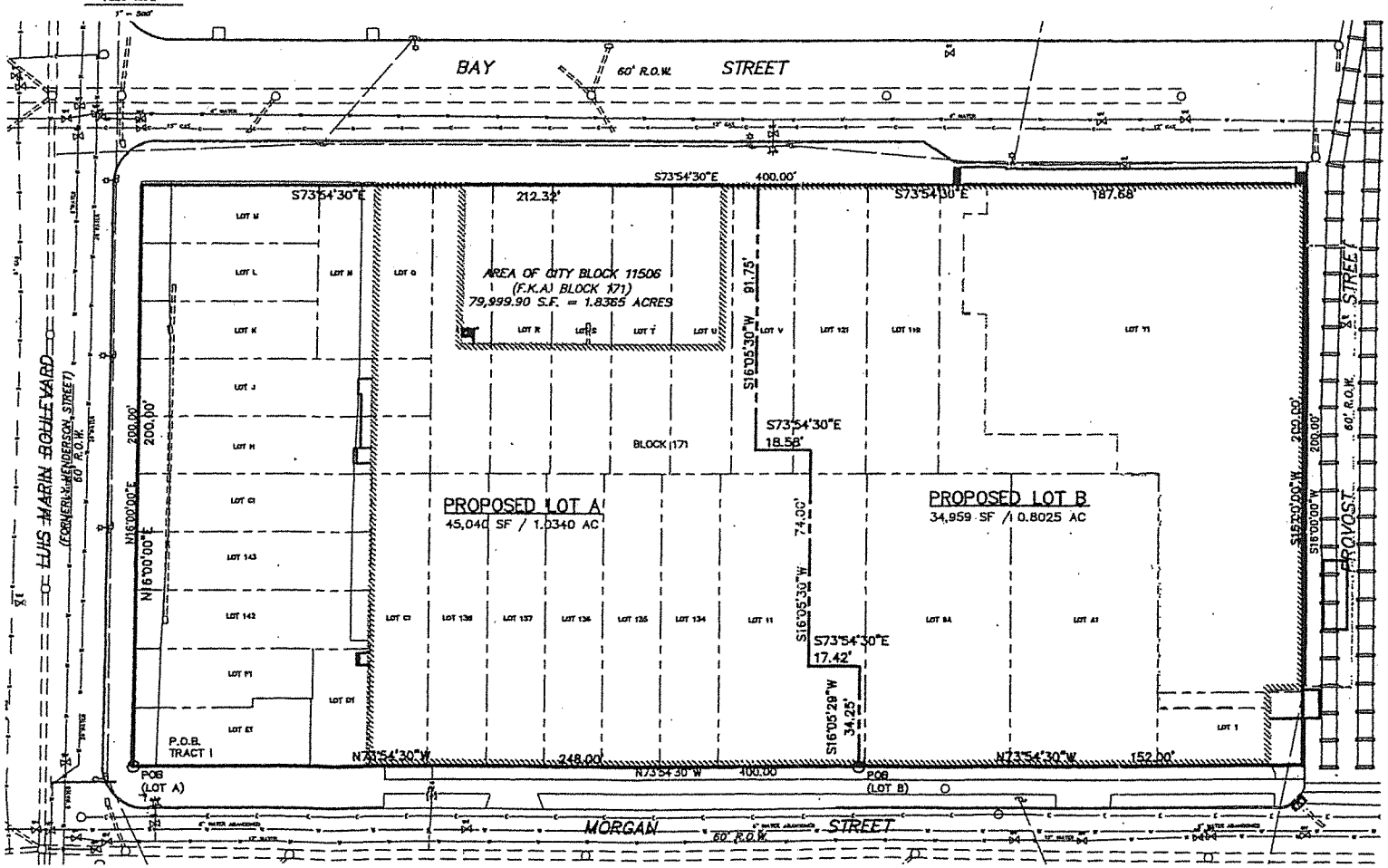


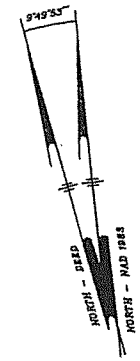
LOCATION MAP

(JERSEY CITY QUAD)

N 40-43-15 W 74-02-34

1" = 2000'





NOTES

INFORMATION SHOWN BASED ON A FIELD SURVEY BY PENNONI ASSOCIATES INC., ON 4/13/12.

DEED INFORMATION TAKEN FROM DEED BOOK 7873, PAGE 282

ZONE: REDEVELOPMENT PLAN AREA – POWERHOUSE ARTS DISTRICT
TITLE REPORT INFORMATION:
FIRST AMERICAN TITLE INSURANCE
COMMITMENT # 717-12000030-CIB
EFFECTIVE DATE 04/01/12

SUBJECT TO:

ITEM 10	TOLLAND MAP	NO. 686-2172
ITEM 11	STATEMENT OF NO INTEREST	DB 8533 / PG 25 LIB BK P-10 / PG 105
ITEM 12	TERMS & CONDITIONS	LIB BK 3251 / PG 265 LIB BK P-6 / PG 14
ITEM 13	TERMS & CONDITIONS OF RIPARIAN	LIB BK F / PG 607
ITEM 14	TERMS & CONDITIONS OF RIPARIAN	DB 387 / PG 10
ITEM 15	TERMS & CONDITIONS OF RIPARIAN	0805-10-0006.1.1
ITEM 16	PERMIT	DB 8638 / PG 757
ITEM 17	RIGHTS OF UTILITY CO. SERVICING PROPERTY	

REFERENCE:
PLAN ENTITLED "ALTA-ACSM LAND TITLE SURVEY – 134 BAY STREET", BY MACDEL ENGINEERING, P.C., DATED 1/18/2006, REVISED 10/22/2008.

GRAPHIC SCALE

(IN FEET)

SIGNATURES

PLANNING BOARD DATE

PLANNING BOARD SECRETARY DATE

PLANNING BOARD CHAIRMAN DATE

Pennoni Associates Inc.

Consulting Engineers

Penn

ALL DIMENSIONS MUST BE VERIFIED BY CONTRACTOR AND OWNER MUST BE NOTIFIED OF ANY DISCREPANCIES BEFORE PROCEEDING WITH THE WORK

DENNIS S. DIBLASIO, PLS

106 Fieldcrest Avenue, Suite 602
Edison, NJ 08837 (908) 655-0139

PROVOST SQUARE

332 – 338 MARIN BLVD. AND 143 BAY ST
JERSEY CITY, NEW JERSEY

MINOR SUBDIVISION PLAN

SCALE 1" = 20'

DRAWN BY DMS

DATE 4/18/12

APPROVED DSD

EXHIBIT B-1

PROVOST SQUARE I URBAN RENEWAL, LLC

DESCRIPTION OF RESIDENTIAL LEASES
GOOD FAITH ESTIMATE OF INITIAL RENTS

1. Name of Tenant		Various	
2. Term of Lease		No less than 12 months each	
3. Number of Apartments		Studio	71
		1 Bedroom	180-
		2 Bedroom	154
		3 Bedroom	12
		Total	417
		Annual	Monthly
4. Rent per Apartment	Studio	$22,000	$1,833
	1 Bedroom	$27,346	$2,279
	2 Bedroom	$37,616	$3,135
	3 Bedroom	$43,654	$3,638
5. Total Rent		$130,616	$10,885
6. Premium paid directly by Tenant Annually			
a. Fire & other insurance		N/A	
b. Real Estate Taxes of Assessments on property in project		N/A	
c. Operating and maintenance expenses ordinarily paid by tenant		N/A	
7. Renewal Option (Yes / No)			
a. Number of Years		One	
b. Renewal Rent		Market increases	
8. Special Features (step-up rents, etc.)		None	

EXHIBIT B-2

PROVOST SQUARE I URBAN RENEWAL, LLC

ESTIMATED FISCAL PLAN

Rental Income:

Apartments	Units	Annual
Studio Units x	71	$1,561,972
One Bedroom Units x	180	$4,922,208
Two Bedroom Units x	154	$5,792,926
Three Bedroom Units x	12	$ 523,843
Total Potential Residential Income		$12,800,948
Retail Income		$ 346,570
Other Income (Amenity Fees, etc.)		$ 498,398
Parking Income		$ 792,720
Total Gross Income		$14,438,637
Vacancy (5%)		$(722,065)
Effective Gross Income		$13,716,572

Property, administrative and financial expenses:	
Payment in lieu of real estate taxes - 10% + 0.7%	$ 1,467,673
Management Fee (3%)	$ 433,159
Leasing Expenses	$ 143,151
Repairs and Maintenance	$ 104,250
Insurance	$ 176,373
Utilities	$ 423,544
Labor - Payroll, Taxes & Benefits	$ 862,563
Advertising/Marketing	$ 166,308
Miscellaneous Operating Expenses	$ 100,000
Reserves	$ 120,731
Total Expenses	$ 3,997,751

Net Operating Income (before Debt Service):	$ 9,718,820
Debt Service (5.5% I/O pmt on Perm)	$ 7,920,936
NET OPERATING INCOME LESS DEBT SERVICE:	$ 1,797,884

EXHIBIT B-3

PROVOST SQUARE I URBAN RENEWAL, LLC

ANNUAL GROSS REVENUE COMPUTATION

(1)	Total Annual Gross Rental Income	$13,716,572
(2)	Real Estate Taxes and/or Assessment on Property*	$ 0
(3)	Insurance Premiums*	$ 0
(4)	Operating, Maintenance or Repair Expenses*	$ 0

*NJSA 40A:20-3(a) provides that "the financial agreement shall establish the method of computing gross revenue for the entity, and the method of determining insurance, operating and maintenance expenses paid by a tenant which are ordinarily paid by a landlord, which shall be included in gross revenue..."

Total Annual Gross Rental

Apartments	Units	Annual
Studio Units x	71	$1,561,972
One Bedroom Units x	180	$4,922,208
Two Bedroom Units x	154	$5,792,926
Three Bedroom Units x	12	$ 523,843
Total Potential Residential Income		$12,800,948
Retail Income		$ 346,570
Other Income (Amenity Fees, etc.)		$ 498,398
Parking Income		$ 792,720
Total Gross Income		$14,438,637
Vacancy (5%)		$(722,065)
Total		$13,716,572

(5) Annual Payment in Lieu of Taxes:
10.00% Years 1-10 $1,371,657

EXHIBIT C

PROVOST SQUARE I URBAN RENEWAL, LLC

Total Project Cost

Estimated Total Project Cost Calculation per N.J.S.A. 40A:20-3(h):

A. Cost of land and improvements to Urban Renewal Entity	$24,186,000
B. Architects, Engineers, surveying and Attorney Fees (paid or payable) in connection with the planning, construction and financing of the Project	$ 9,357,927
C. Projected construction cost per architect's estimate. Bids including site preparation [includes permits and hook-up fees]	$127,047,590
D. Insurance, Interest, and Finance Costs during Construction	$ 8,294,777
E. Cost of Obtaining Initial Permanent Financing	$2,282,250
F. Marketing and other expenses payable in connection with initial lease of units	$ 545,125
G. Real Estate Taxes and Assessments during Construction Period	$399,995
H. Developer's Overhead based on a percentage of (c) above, to be computed in accordance with percentage given in law N.J.S.A. 40A:20-3 (h)	$ 6,352,380
Total Project Cost	$178,466,044

EXHIBIT C-1

PROVOST SQUARE I URBAN RENEWAL, LLC

Certification of Estimated Construction Costs

On this 28 day of October, 2012, the undersigned being the architect for the Project to be developed by Provost Square I Urban Renewal LLC, does hereby certify to the best of my knowledge and belief that Exhibit C accurately reflects the estimated actual construction costs of the Project.

By: _____

Name: JAMES S. DAVIDSON, AIA

Title: Architect

EXHIBIT D

PROVOST SQUARE I URBAN RENEWAL, LLC

COPY OF RESOLUTIONS APPROVING SITE PLAN AND SUBDIVISION AND COPY OF SITE PLAN

RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY

APPLICANT: **134 BAY STREET, LLC**

FOR: **AMENDED PRELIMINARY AND FINAL MAJOR SITE PLAN APPROVAL FOR PHASE I: SECTION A - SOUTH TOWER OF PROVOST SQUARE**

BLOCK 171, LOTS PLOT.A & Y1 (F/K/A, LOTS 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1)

332-350 MARIN BOULEVARD; 143 BAY STREET

CASE NO.: **PO8-114.1**

WHEREAS, the applicant, **134 BAY STREET, LLC, (the "Applicant")**, per **CONNELL FOLEY, LLP** (James C. McCann, Esq. and Nancy A. Skidmore, Esq., appearing) made application to the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for Amended Preliminary and Final Major Site Plan Approval for Phase I: Section A - South Tower of the previously approved Provost Square development, to wit: Calendar No. PO8-114.1, to develop Phase I: Section A - South Tower with a mixed-use project containing 417 residential units, approximately 16,430 square feet of retail space, which includes display vitrines, a parking garage containing a total of 371 parking spaces, which includes 5 compact parking spaces, and a private transitional lawn. The project is located at 332-350 Marin Boulevard and 143 Bay Street, Jersey City, New Jersey, also known on the Jersey City Tax Maps as Block 171, Lots Plot.A & Y1 (f/k/a, Lots 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1) (collectively the Property), which is located within the Arts Theater Residence Overlay Zone of the Powerhouse Arts District Redevelopment Plan; and

WHEREAS, due notice of a hearing on the application before the Planning Board of the City of Jersey City, on October 25, 2011 at 5:30 p.m. was duly published in the Jersey Journal and mailed to property owners within 200 feet of the Provost Square site, which consists of Blocks 140 and 171 in their entirety and Block 172, Lots A, B, C, and D; and

WHEREAS, the Applicant has submitted proof of compliance with the applicable procedural requirements including the payment of fees and public notices to the Board; and

WHEREAS, members of the public appeared in opposition to the Applicant's application;

and

WHEREAS, the Applicant, its witnesses, and members of the public first having been sworn and all testimony having been formally heard for and in opposition to this application; and

WHEREAS, after consideration of the application and the testimony and other evidence in the application and presented at the hearings, the Planning Board has made the following findings of fact:

FINDINGS OF FACT

1. The Property is located in the Arts Theater Residence Overlay Zone (the "ATROZ") of the Powerhouse Arts District Redevelopment Plan (the "Plan", "PAD", or "PAD Plan"). By Resolution dated April 7, 2009, the Applicant and its affiliate, 126-142 Morgan Street Urban Renewal, LLC were granted Preliminary Major Site Plan Approval with Deviations by the Jersey City Planning Board (the "Preliminary Site Plan Approval") for Blocks 140 and 171, and Block 172, Lots A, B, C, and D to permit the development of a mixed-use project containing 925 residential units, consisting of 881 traditional residential units, 12 work/live units (including 1 artist-in-residence unit), and 32 workforce housing units, approximately 44,939 square feet of retail space, an approximately 23,663 square foot performing arts theater (inclusive of art exhibition space), approximately 16,824 square feet of arts-related space, an approximately 26,000 square foot public pedestrian plaza, 917 parking spaces, which includes 30 tandem parking spaces and the restoration of the A & P Annex Building façade on Block 171, except as necessary to provide an appropriately scaled two-story lobby in the performing arts theater. The Preliminary Site Plan Approval

permits the development to be constructed in phases. In addition, the Preliminary Site Plan Approval granted certain deviations and waivers from the Plan and the Jersey City Land Development Ordinance ("LDO"). All of the deviations and waivers granted in the Preliminary Site Plan Approval remain in full force and effect.

2. The Property consists of a vacant six-story warehouse known as the A & P Annex and a vacant one story warehouse with a parking lot. The Property is owned by the Applicant.

3. The Applicant is requesting an Amended Preliminary and Final Major Site Plan Approval for Phase I: Section A - South Tower for the Property to develop Phase I of Provost Square, which will consist of the construction of the Section A - South Tower containing 417 residential units, approximately 16,430 square feet of retail space, which includes display vitrines, a parking garage containing a total of 371 parking spaces, which includes 5 compact parking spaces, and a private transitional lawn ("Phase I").

4. The vacant one story warehouse and parking lot on the Property will be demolished and the A & P Annex building will remain in place until a future phase is developed at which time the building will be demolished except for the façade, which will be restored pursuant to the Preliminary Site Plan Approval.

5. Identical to the Preliminary Site Plan Approval, Phase I will contain a 7-story, approximately 79' 6" high new base building and an approximately 383'-2 5/8" tower located on the southwest portion of the base building. Also, the bulk, volume, and dimensions of the base building and tower for Phase I remain the same as the Preliminary Site Plan Approval.

6. The following minor design changes to the Preliminary Site Plan Approval are requested for the Phase I:

(a) Redistribution of residential units - The Preliminary Site Plan Approval permits 656 residential units on Block 171, allocated as 392 units in Section A and 264 units in Section B. Phase I transfers 25 units from the Section B - North Tower phase to the Phase I. Phase I will now consist of 417 residential units. The overall residential unit count of 656 units previously granted by the Preliminary Site Plan Approval for Block 171 remains the same. This change complies with the PAD.

(b) Change to number of parking spaces - The Preliminary Site Plan Approval permits 618 parking spaces on Block 171, consisting of 588 standard and compact spaces plus 30 tandem spaces. Phase I will reduce the overall number of parking spaces to be provided on Block 171 to 601 parking spaces, consisting of 571 standard and compact spaces plus 30 tandem spaces. The number of parking spaces to be constructed in Phase I will be 371 parking spaces, including 5 compact spaces. A total of 297 parking spaces is required for Phase I, resulting in 74 excess parking spaces. This change to Phase I complies with the PAD.

(c) Floor plan and façade changes. Phase I requires minor revisions to the floor plans and façades which result from the change in the residential unit count and new requirements in the 2009 International Building Code, including but not limited to revisions to the elevator/stair core and egress stairs. All changes were shown on the plans presented to the Board. All changes comply with the PAD.

(d) Change to the phasing line - As a result of the addition of an elevator

and stairwell dedicated to the parking garage, a revision to the phasing line separating Phase I and the Section B - North Tower phase is required. The change complies with the PAD.

7. Consistent with the Preliminary Site Plan Approval, the ground floor of the base building for Phase I will be wrapped with retail space, and will have a residential entrance on Morgan Street, a parking garage entrance on Morgan Street, a loading berth along Morgan Street and building services screened by art vitrines, all in compliance with the Plan. The total retail space in Phase I is 16,430 square feet, inclusive of the display vitrines. Further, in preparation for the future development of the Section B - North Tower phase, Phase I will include approximately 3,187 square feet of future backstage theater space. Consistent with the Preliminary Site Plan Approval, the second through the seventh floor of the base building will contain a fully ventilated parking garage, screened by market rate residential units fronting on Morgan Street and Marin Boulevard. The tower will contain market rate residential units.

8. The architecture and façade treatments being used for the base of the building will recall and blend with the industrial character of the PAD with certain modern accents. The architecture and glass façade treatment for the tower minimize the presence of the tower.

9. In accordance with the Preliminary Site Plan Approval and the PAD Plan, the roof level of the base building will contain common and private recreation space. The design of the recreation space has been revised to include a roof top pool, barbeque area, and fire pit for use by the building residents. Identical to the Preliminary Site Plan

Approval, the overall rooftop recreation space for the entire development on Block 171 will contain 46,570 square feet of common and private recreational space. Also identical to the Preliminary Site Plan Approval, the overall development on Block 171 will contain 11,786 square feet of private rooftop recreation space.

10. The sidewalk widths surrounding the base building in Phase I comply with the Plan.

11. The phasing plan is designed to make Phase I independent and outlines an ordered plan for a phased build out, so that once built, Phase I will be self-sustaining and self-contained as required by the LDO.

12. The private transitional lawn complies with the LDO, the PAD Plan, and the Preliminary Site Plan Approval in that it is a temporary buffer area intended to prevent damage/detriment to the adjoining A & P Annex building. In this regard, the transitional lawn will not impede development of the Section B- North Tower phase. The private transitional lawn contains berms, hedges, fencing, and a temporary emergency egress path, all of which complies with the LDO and PAD.

13. The transitional eastern wall on the base of the building is permitted under the PAD because, although the PAD makes clear that walls of new buildings along street frontages shall not be blank, the transitional wall is not along any street frontage and will be separated from Provost Street by the existing A & P Annex building. The transitional wall complies with the LDO in that it is a temporary protective area necessary to prevent damage and detriment to Phase I, pending the integration of Phase I with a future phase. Further, the transitional wall will not impede the development of a future phase because it

can be removed so that the interior of the building can be joined to a future phase. The transitional wall will enable the future development of the Section B - North Tower phase because the uses behind the wall include the backstage, dressing rooms, and other theater-related space that will be incorporated into the performing arts theater to be constructed in the Section B - North Tower phase. The parking behind the eastern transitional wall will permit it to be integrated with the parking structure for Section B - North Tower phase.

14. The Phase I parking garage complies with the PAD and the Preliminary Site Plan Approval. The PAD requires that the ground floor of the parking garage must be wrapped on all sides by occupied active building uses such as commercial storefronts and residential units, excepting the location of the vehicular and pedestrian entrances/exits that serve the parking structure. This has been accomplished with the design of Phase I, together with the future Section B-North Tower phase approved by the Preliminary Site Plan Approval. In Phase I, Bay Street, Marin Boulevard, and part of Morgan Street will be wrapped with retail uses and lobbies on the ground floor, with access to the parking garage provided on Morgan Street. In the Section B-North Tower phase, there be will be arts exhibition space at the corner of Morgan and Provost Streets, the performing arts theater and additional retail space along Provost Street, as well as retail and residential lobby space at the corner of Bay and Provost Streets. The window glazing and lighting fixtures within the Phase I parking garage will help to diffuse the light from the garage.

15. The utility connections for Phase I and the revised storm water retention system under the base building for Phase I comply with the Plan and the LDO.

16. In accordance with the PAD, the following community benefits will be provided in Phase I:

(a). Affordable Housing Payment - As determined in the Preliminary Site Plan Approval, there is an outstanding 16-unit off-site affordable housing obligation for Provost Square. In lieu of constructing these 16 units, as permitted by the ATROZ, the Applicant will make an affordable housing contribution to the Jersey City Affordable Housing Trust Fund in the amount of $2,400,000, or $150,000 per unit. Fifty percent (50%) of the affordable housing contribution, or $1,200,000, will be paid by the Applicant upon the final non-appealable site plan approval for Phase I. The remaining fifty percent (50%) of the affordable housing contribution, or $1,200,000, will be paid by the Applicant at the time of issuance of the first final certificate of occupancy for Phase I.

(b). Creation of Non-Profit Entity - The Applicant will create the non-profit entity required by the ATROZ to operate the future cultural and arts-related uses to be developed in the Section B - North Tower phase.

(c) Arts Contribution - The Applicant will make a payment of $1,150,000 to the non-profit entity towards the cost of operation and continued viability of the cultural and arts-related uses developed within the ATROZ. In accordance with the PAD, the contribution shall be made by the Applicant upon the issuance of the first building permit for Phase I.

(d) Shared-Use Parking - Per the PAD, 100 shared-use parking spaces are required as one of the community benefits to be provided by the Applicant. There are 371 parking spaces being provided in Phase I. Two hundred ninety-seven (297) parking

spaces are required. The remaining 74 parking spaces will be utilized to meet part of this shared-use parking requirement. The balance of 26 shared-use parking spaces will be constructed in a future phase.

17. With the obligation to provide the community benefits identified in paragraph 16 above and the continuing obligation to provide the community benefits required by the ATROZ and the Preliminary Site Plan Approval in future phases, the Applicant is; therefore, entitled to the F.A.R. (13.0) and density (300 d.u./acre) bonuses permitted by the Preliminary Site Plan Approval.

18. The Applicant is seeking the following checklist waivers from the Jersey City Land Development Ordinance ("LDO"):

(a). The Preliminary/Final Major Site Plan checklist requirement of the LDO, Item No. 11, requiring the scale to be a minimum of 1" = 20' for tracts up to 40 acres or 1" = 50' for tracts over 40 acres, where a scale of 1" = 32' for Sheet A-01 is provided; and

(b). The Preliminary/Final Major Site Plan checklist requirement of the LDO, Item No. 12, requiring a map size of either 8.5" x. 13", 15" x 21", 24" x 36", or 30" x 42", where 36" x 48" maps have been filed by the Applicant due to the size and layout of the development.

19. Based upon the application, the site plans, the testimony and the Applicant's stipulations on the record, Phase I, including the required community benefit components, density, heights, parking ratios, floor area ratios, transitional components, base building, tower, and amenities, meet the requirements of the ATROZ, the Plan, and the LDO.

NOW, THEREFORE, BE IT RESOLVED that the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for the foregoing reasons, approves the within application for Amended Preliminary and Final Major Site Plan Approval for Phase I: Section A - South Tower of the previously approved Provost Square development, to wit: Calendar No. PO8-114.1, to develop Phase I: Section A - South Tower with a mixed-use

project containing 417 residential units, approximately 16,430 square feet of retail space, which includes display vitrines, a parking garage containing a total of 371 parking spaces, which includes 5 compact parking spaces, and a private transitional lawn. The project will be located at 332-350 Marin Boulevard and 143 Bay Street, Jersey City, New Jersey, also known on the Jersey City Tax Maps as Block 171, Lots Plot.A & Y1 (f/k/a, Lots 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1), which is located within the Arts Theater Residence Overlay Zone of the Powerhouse Arts District Redevelopment Plan, all in accordance with the attached plans, documents, and testimony, submitted to the Planning Board of the City of Jersey City, subject to the following conditions:

1. The Applicant's already existing obligation to provide all of the community benefits required pursuant to the Arts Theater Residence Overlay Zone of the Powerhouse Arts District Redevelopment Plan and the April 7, 2009 Resolution Granting Preliminary Major Site Plan Approval with Deviations for Provost Square remains in full force and effect and continues.

2. All prior conditions of the April 7, 2009 Resolution Granting Preliminary Major Site Plan Approval with Deviations for the entire Provost Square Development remain in full force and effect.

3. The Applicant shall comply with the modified version of the Powerhouse Arts District Construction Guidelines presented to the Planning Board, a copy of which is attached hereto as Exhibit A, except where any of those guidelines are unacceptable to the City Division of Engineering or the City Construction Code Official.

4. The Applicant shall provide reasonable screening around any construction staging area.

5. The Applicant will work with Division of Planning staff to determine curb-line bump outs at the corners of the site.

6. The Applicant will work with Division of Planning staff on the street tree pit design and seating.

7. The Applicant will work with Division of Planning staff to determine window glazing and lighting fixture details for the parking garage.

8. The Applicant will work with Division of Planning staff to finalize fencing design details for the private transitional lawn.

9. The Applicant will work with Division of Planning staff to incorporate sculptures within the private transitional lawn. The Applicant shall determine the type and content of the sculptures.

10. The Applicant shall work with Division of Planning staff to retain the proposed "bump-ins" along the Bay Street and Morgan Street sidewalks adjacent to the private transitional lawn, as presented by the Applicant's landscape architect in the alternative Interim Artwork at Streetscape plan.

11. The Applicant shall work with Division of Planning staff to determine the tower rooftop mechanical screening design.

12. The Applicant shall work with Division of Planning staff to determine the tower rooftop lighting design to avoid a "disco-light" effect.

13. The Applicant shall work with the Jersey City Division of Engineering to address the comments set forth in its October 20, 2011 memorandum.

APPLICANTS:	**134 BAY STREET, LLC**
FOR:	**AMENDED PRELIMINARY AND FINAL MAJOR SITE PLAN APPROVAL FOR PHASE I: SECTION A - SOUTH TOWER OF PROVOST SQUARE**
	BLOCK 171, LOTS PLOT.A & Y1 (F/K/A, LOTS 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1)
	332-350 MARIN BOULEVARD; 143 BAY STREET
CASE NO.:	**PO8-114.1**
VOTE:	**7 - 0**

COMMISSIONER:	YES	NO	ABSTAIN	ABSENT
Michael Ryan, Chairman	X			
Leon Yost, Commissioner	X			
Roseanna Petruzzelli, Commissioner	X			
James P. McNeill, Commissioner	X			
Dr. Orlando Gonzalez, Commissioner	X			
Karen McIntyre, Commissioner	X			
Larry Eccleston, Commissioner	X			

MICHAEL RYAN, CHAIRMAN
JERSEY CITY PLANNING BOARD

ROBERT COTTER, SECRETARY
JERSEY CITY PLANNING BOARD

APPROVED AS TO LEGAL FORM:

JOHN HAMILL, ESQ.

DATE OF HEARING: October 25, 2011

DATE OF MEMORIALIZATION: November 29, 2011

2601954-04

RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY

APPLICANT: **134 BAY STREET, LLC**

FOR: **MINOR SUBDIVISION APPROVAL**

BLOCK 11506, LOTS 1 & 12 (f/k/a, Block 171, Lots PLOT.A & Y1, and previously known as Lots 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1)

332-350 MARIN BOULEVARD; 143 BAY STREET

CASE NO.: **P12-032**

WHEREAS, the applicant, **134 BAY STREET, LLC, (the "Applicant")**, per **CONNELL FOLEY, LLP** (Nancy A. Skidmore, Esq., appearing) made application to the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for Minor Subdivision Approval, to wit: Calendar No. P12-032, to subdivide and reconfigure two (2) existing lots into two (2) new lots in connection with the property located at 332-350 Marin Boulevard & 143 Bay Street, Jersey City, New Jersey, and also identified on the Jersey City Tax Maps as Block 11506, Lots 1 & 12 (f/k/a Block 171, Lots Plot.A & Y1, and previously known as Lots 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1) (collectively the "Property"), which is part of the previously approved Provost Square development located within the Arts Theater Residence Overlay Zone of the Powerhouse Arts District Redevelopment Plan area; and

WHEREAS, due notice of a hearing on the application before the Planning Board of the City of Jersey City, on July 10, 2012 at 5:30 p.m. was duly published as prescribed in the Zoning Ordinance in the City of Jersey City; and

WHEREAS, the Applicant has submitted proof of compliance with the applicable procedural requirements including the payment of fees and public notices to the Board; and

WHEREAS, all testimony having been formally heard for this application; and

WHEREAS, after consideration of the application and the testimony presented at the hearing, the Planning Board has made the following findings of fact:

FINDINGS OF FACT

1. The Applicant, 134 Bay Street, LLC has filed an application with the Jersey City Planning Board for Minor Subdivision Approval. The purpose of the application is to subdivide and reconfigure two (2) existing lots into two (2) new lots (45,040 sf +/- and 34,959 sf +/-) in connection with the property located at 332-350 Marin Boulevard and 143 Bay Street, Jersey City, New Jersey, and also identified on the Jersey City Tax Maps as Block 11506, Lots 1 & 12 (f/k/a Block 171, Lots Plot.A & Y1, and previously known as Lots 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1), which is part of the previously approved Provost Square development located within the Arts Theater Residence Overlay Zone ("ATROZ") of the Powerhouse Arts District Redevelopment Plan (the "PAD Plan") area.

2. By Resolution dated April 7, 2009, the Applicant and its affiliate, 126-142 Morgan Street Urban Renewal, LLC were granted Preliminary Major Site Plan Approval with Deviations by the Jersey City Planning Board (the "Preliminary Site Plan Approval") for the development known as Provost Square pertaining to former Block 171 (the subject Property) , former Block 140, and former Block 172, Lots A, B, C, and D to permit the development of a mixed-use project containing 925 residential units, approximately 44,939 square feet of retail space, an approximately 23,663 square foot performing arts theater, approximately 16,824 square feet of arts-related space, an approximately 26,000 square foot public pedestrian plaza, 917 parking spaces, and the restoration of the A & P Annex Building façade on former Block 171.

3. The Preliminary Site Plan Approval permits the development to be constructed in phases. In addition, the Preliminary Site Plan Approval granted certain deviations and waivers from the PAD Plan and the Jersey City Land Development Ordinance ("LDO"). All of the deviations and waivers granted in the Preliminary Site Plan Approval remain in full force and effect. All of the conditions of Preliminary Site Plan Approval remain in full force and effect .

4. By Resolution dated November 29, 2011, the Applicant was granted an Amended Preliminary and Final Major Site Plan Approval for Phase I: Section A - South Tower for the Property ("Amended Site Plan Approval") to develop Phase I of Provost Square, which will consist of the construction of the Section A - South Tower containing 417 residential units, approximately 16,430 square feet of retail space, a parking garage containing a total of 371 parking spaces, and a private transitional lawn ("Phase I"). All of the waivers granted in the Amended Site Plan Approval remain in full force and effect. All of the conditions of Amended Site Plan Approval remain in full force and effect.

5. The proposed subdivision includes the subdivision of Lots 1 & 12 into two new lots. The subdividing line mirrors the phasing line approved in the Amended Site Plan Approval. The proposed subdividing line will separate the Phase I: Section A - South Tower building approved by the Amended Site Plan Approval from the future Section B-North Tower phase approved by the Preliminary Site Plan Approval. The purpose of the new lot lines is to provide for the Phase I:Section A- South Tower development lot and the future Section B-North Tower development lot.

6. There are no lot area, dimensional, or setback standards in the ATROZ of the

PAD Plan, except those setbacks necessary to meet sidewalk width requirements, which were previously approved by the Preliminary Site Plan Approval & the Amended Site Plan Approval and are not changed by this application.

7. Based upon the application, the subdivision plan, and the testimony, the proposed two (2) new lots conform in all respects to the ATROZ, the PAD Plan, and the LDO.

NOW, THEREFORE, BE IT RESOLVED that the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for the foregoing reasons, approves the within application for Minor Subdivision Approval, to wit: Calendar No. P12-032, to subdivide and reconfigure two (2) existing lots into two (2) new lots in connection with the property located at 332-350 Marin Boulevard & 143 Bay Street, Jersey City, New Jersey, and also identified on the Jersey City Tax Maps as Block 11506, Lots 1 & 12 (f/k/a Block 171, Lots Plot.A & Y1, and previously known as Lots 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1), which is part of the previously approved Provost Square development located within the Arts Theater Residence Overlay Zone of the Powerhouse Arts District Redevelopment Plan area, all in accordance with the attached plans, documents, and testimony submitted to the Planning Board of the City of Jersey City, subject to the following conditions:

1. All prior conditions of the April 7, 2009 Resolution Granting Preliminary Major Site Plan Approval with Deviations for the entire Provost Square Development remain in full force and effect.

2. All prior conditions of the November 29, 2011 Resolution Granting Amended Preliminary and Final Major Site Plan Approval for Phase I: Section A - South Tower of the Provost Square Development remain in full force and effect.

APPLICANT: **134 BAY STREET, LLC**

FOR: **MINOR SUBDIVISION APPROVAL**

BLOCK 11506, LOTS 1 & 12 (f/k/a, Block 171, Lots PLOT.A & Y1, and previously known as Lots 1, 9A, 11, 119, 121, 134, 135, 136, 137, 138, 142, 143, A1, C1, D1, E1, F1, G1, H, J, K, L, M, N, O, P, R, S, T, U, V, Y1)

332-350 MARIN BOULEVARD; 143 BAY STREET

CASE NO.: **P12-032**

VOTE: 7 - 0 -0

COMMISSIONER:	YES	NO	ABSTAIN	ABSENT
Michael A. Ryan, Chairman	X			
Roseanna Petruzzelli, Commissioner	X			
James P. McNeill, Commissioner	X			
Madeline Romano, Commissioner	X			
Michael Sims, Commissioner	X			
Nidia Lopez, Commissioner				
Dr. Orlando Gonzalez, Commissioner	X			
Edwardo Torres, Commissioner				
Karen McIntyre, Commissioner	X			
Larry Eccleston, Commissioner	X			

MICHAEL RYAN, CHAIRMAN
JERSEY CITY PLANNING BOARD

ROBERT COTTER, SECRETARY
JERSEY CITY PLANNING BOARD

APPROVED AS TO LEGAL FORM:

JOHN HAMILL, ESQ.

DATE OF HEARING: July 10, 2012

DATE OF MEMORIALIZATION: July 10, 2012

2731195-03

EXHIBIT E

PROVOST SQUARE I URBAN RENEWAL, LLC

CERTIFICATE OF FORMATION

CERTIFICATE OF FORMATION
OF
PROVOST SQUARE I URBAN RENEWAL, LLC

1. Name of Limited Liability Company: PROVOST SQUARE I URBAN RENEWAL, LLC

2. The purpose for which this Limited Liability Company ("Company") is organized is:

   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 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.).

3. Date of formation: The date upon which this certificate of formation is filed in the office of the Department of Treasury of New Jersey.

4. Address of Principal Office: 1000 Maxwell Lane
   Hoboken, New Jersey 07030

5. Registered Agent Name & Address: The Corporation Trust Company
   830 Bear Tavern Road, Suite 305
   West Trenton, New Jersey 08628

6. Dissolution date: Perpetual.

   For so long as the Company is obligated under financial agreement with the City of Jersey City made pursuant to P.L. 1991, c. 431 (C.40A:20-1 et seq.), the Company shall engage in no business other than the ownership, operation, and management of the project described in the financial agreement with the City of Jersey City.

   The Company has been organized to serve a public purpose and its operations shall be directed toward: (1) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; and (2) 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.). The Company shall be subject to regulation by the City of Jersey City, and to a limitation 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.).

The Company shall not voluntarily transfer more than 10% of the ownership of the project or any portion thereof, undertaken by it under P.L. 1991, c. 431 (C.40A:20-1 et seq.), until it 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, if the project includes housing units, has obtained the consent of the Commissioner of Community Affairs to such transfer, with the exception of any transfer to another urban renewal entity, as approved by the City of Jersey City, which other urban renewal entity shall assume all contractual obligations of the transferor entity under the financial agreement with the City of Jersey City.

The Company shall file annually with the governing body of the City of Jersey City a disclosure of the persons having an ownership interest in the Project and the extent of the ownership held by each.

Nothing herein shall prohibit any transfer of the ownership interest in the urban renewal entity itself provided that transfer, if greater than ten percent (10%), is disclosed to the City of Jersey City in the annual disclosure statement or in correspondence sent to the City of Jersey City in advance of the annual disclosure statement referred to above.

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 City of Jersey City to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

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.

The undersigned represent(s) that this filing complies with requirements detailed in N.J.S.A. 42:2B-1 et. seq. The undersigned hereby represent(s) that it is authorized to sign this certificate on behalf of the Company.

Dated: October 24, 2012

By: _____

Thomas R. Mulvey
Authorized Representative

CONNELL FOLEY LLP

ATTORNEYS AT LAW

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SAMUEL D. LORD
RICHARD D. CATENACCI
RICHARD J. BADOLATO*
PETER D. MANAHAN
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BRIAN G. STELLER
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KAREN PAINTER RANDALL
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JOHN P. LACEY
MICHAEL J. CROWLEY-
TIMOTHY E. CORRISTON*
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PATRICK J. HUGHES*+
JAMES C. MCCANN*
JOHN D. CROMIE
ANGELA A. IUSO*
WILLIAM T. MCGLOIN*
BRENDAN JUDGE
STEPHEN A. URBAN
CHARLES J. HARRINGTON III+
STEPHEN V. FALANGA*
TRICIA O'REILLY*
ANTHONY F. VITIELLO*+
MARC D. HAEFNER
JONATHAN P. MCHENRY
JAMES P. RHATICAN*+
BRAD D. SHALIT*
W. NEVINS MCCANN*
THOMAS J. O'LEARY*
MITCHELL W. TARASCHI
M. TREVOR LYONS*
MICHAEL A. SHADIACK
PATRICIA A. LEE*+
AGNIESZKA ANTONIAN*
CRAIG S. DEMARESKI*
OWEN C. MCCARTHY*
NEIL V. MODY*

*ALSO ADMITTED IN NEW YORK
+ALSO ADMITTED IN PENNSYLVANIA
-ONLY ADMITTED IN NEW YORK
PLEASE REPLY TO JERSEY CITY, NJ

COUNSEL
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MICHAEL J. CREEGAN*

Writer's Email Address: jmccann@connellfoley.com

October 24, 2012

Via Federal Express #8007 8800 6902

Ms. Karen A. Schwacha, Administrative Analyst
State of New Jersey
Department of Community Affairs
Bureau of Home Owner Protection
101 South Broad Street
Trenton, New Jersey 08608

Re: Certificate of Formation for Provost Square I Urban Renewal, LLC

Dear Ms. Schwacha:

Please be advised that this firm represents Provost Square I Urban Renewal, LLC in connection with the above-captioned matter.

Enclosed for your review please find the following:

1. Six (6) duplicate originals of the Certificate of Formation for Provost Square I Urban Renewal, LLC, consistent with the requirements of N.J.S.A. 40A:20-1 et seq.;

2. One (1) original and one (1) copy of the DCA Disclosure Statement in connection with the above-captioned matter.

Kindly review the same and, if acceptable, please issue a Certificate of Compliance as soon as possible.

If you have any questions, please feel free to contact this office.

Very truly yours,

James C. McCann, Esq.
On Behalf of the Firm

Encs.
cc: Provost Square I Urban Renewal, LLC

EXHIBIT F

PROVOST SQUARE I URBAN RENEWAL, LLC

Disclosure Statement

NAME OF ENTITY:	Provost Square I Urban Renewal, LLC
LOCATION OF PROJECT:	Block 11506, Lot 1.01, 160 Morgan Street Jersey City, New Jersey
PRINCIPAL PLACE OF BUSINESS:	c/o Toll Brothers City Living 1000 Maxwell Lane Hoboken, New Jersey 07030 201-217-6626
NAME OF REGISTERED AGENT:	The Corporation Trust Company 820 Bear Tavern Road West Trenton, New Jersey 08628

I CERTIFY THAT THE FOLLOWING LIST REPRESENTS THE NAMES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE URBAN RENEWAL ENTITY (IF ONE OR MORE OF THE ABOVE NAMED IS ITSELF AN ENTITY, THE APPLICANT HEREBY PROVIDES THE NAMES OF ANY ENTITY OWNING A 10% OR GREATER INTEREST THEREIN)

Provost Square I LLC, a Delaware limited liability company
c/o Toll Brothers City Living
1000 Maxwell Lane
Hoboken, NJ 07030
Ownership Interest: Sole Member of Provost Square I Urban Renewal, LLC

Toll Provost Square I LLC, a Delaware limited liability company
c/o Toll Brothers, Inc.
250 Gibraltar Road
Horsham, PA 19044
Ownership Interest: Sole Member of Provost Square I LLC

Toll Northeast LP Company, Inc., a Delaware corporation
c/o Toll Brothers, Inc.
250 Gibraltar Road
Horsham, PA 19044
Ownership Interest: Sole Member of Toll Provost Square I LLC

Toll Holdings, Inc., a Delaware corporation
c/o Toll Brothers, Inc.
250 Gibraltar Road
Horsham, PA 19044
Ownership Interest: Sole Stockholder of Toll Northeast LP Company, Inc.

Toll Brothers, Inc., a publicly-traded Delaware corporation
c/o Toll Brothers, Inc.
250 Gibraltar Road
Horsham, PA 19044
Ownership Interest: Sole Stockholder of Toll Holdings, Inc.

Chief Operating Officer of Toll Brothers, Inc.: Douglas C. Yearley, Jr.
c/o Toll Brothers, Inc.
250 Gibraltar Road
Horsham, PA 19044

Dated: November 7, 2012

PROVOST SQUARE I URBAN RENEWAL, LLC

By: _____
Authorized Representative

EXHIBIT G

PROVOST SQUARE I URBAN RENEWAL, LLC

Commencement Certification

The Applicant being the developer of the Project hereby certifies that:

1. Construction of the Project will not commence prior to the final approval and execution of a financial agreement between the City and the Applicant.

2. The foregoing statement made by me this 7th day of November, 2012 is true to the best of my knowledge and I understand that the City of Jersey City is relying upon this Certification in considering the Application.

Provost Square I Urban Renewal, LLC

By: _____
Authorized Representative

EXHIBIT H

PROVOST SQUARE I URBAN RENEWAL, LLC

COMPLIANCE WITH STATE AND LOCAL LAWS CERTIFICATION

Certification

The Applicant being the developer of the Project hereby certifies that:

1. The Project meets the requirements of the laws of the State of New Jersey for consideration for a tax exemption because it is located in the Powerhouse Arts District Redevelopment Plan Area.

2. The Project complies with the Powerhouse Arts District Redevelopment Plan and the Master Plan for Jersey City, and the Project received amended preliminary and final site plan approval from the Jersey City Planning Board on October 25, 2011 and minor subdivision approval from the Planning Board on July 10, 2012.

The foregoing statements made by me on this 7th day of November 2012 are true to the best of my knowledge and after it has made diligent inquiry to confirm the accuracy of all information.

Provost Square I Urban Renewal, LLC

By: _____
Authorized Representative

EXHIBIT I

PROVOST SQUARE I URBAN RENEWAL, LLC

DILIGENT INQUIRY CERTIFICATION

The Applicant being the developer of the Project hereby certifies to the City of Jersey City that all information contained in this Application is true and correct to the best of the Applicant's knowledge, after it has made diligent inquiry to confirm the accuracy of all information.

Dated: November 7th, 2012

Provost Square I Urban Renewal, LLC

By: _____
Authorized Representative

EXHIBIT J

PROVOST SQUARE I URBAN RENEWAL, LLC

PROPOSED FINANCIAL AGREEMENT

(SEE ATTACHED)

Rev. 10-12-12
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.
(New Market Rate Res Rental FA)

Re: 160 Morgan Street
Approximately 1.0340 Acres
Block 11506, Lot 1.01
Power House Arts District
Redevelopment Plan ~~or~~
~~Urban Enterprise Zone~~

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the _____day of___, ~~20~~ 2012 by and between **PROVOST SQUARE I URBAN RENEWAL, LLC** an urban renewal entity formed and 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., having its principal office at 1000 Maxwell Lane, Hoboken, NJ 07030 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

W I T N E S S E T H:

WHEREAS, the Entity is the Owner ~~[or Lessee] pursuant to Deed [or Lease] dated _____,~~ of certain property designated as Block 11506, Lot 1.01, more commonly known by the street address of 160 Morgan Street, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, this property is located within the boundaries of the Power House Arts District Redevelopment Plan Area ~~or Urban Enterprise Zone~~; and

WHEREAS, the Entity plans to construct a thirty-eight (38) story building with approximately four hundred seventeen (417) market rate residential rental units with 16,430 square feet of retail space and a garage ~~unit~~ to contain approximately (three hundred seventy-one (371) parking spaces; [Project]; and

WHEREAS, on October 25, 2012 the Project received site plan approval from the Planning Board; and

WHEREAS, on_____, 20__, the Entity filed an Application with the City for a long term tax exemption for the Project; and

WHEREAS, by the adoption of Ordinance_____ on _____, 20__, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

WHEREAS, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. the current real estate tax generates revenue of only $51,772 whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately $1,371,651;

2. the Entity has paid the City the sum of $_____, as an affordable housing contribution pursuant to Ordinance 03-112;

3. it is expected that the Project will create approximately four hundred seventeen (417) new construction jobs and twelve (12) new permanent full time jobs;

4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;

5. the Project will further the redevelopment objectives of the Powerhouse Arts District Redevelopment Plan ~~or Urban Enterprise Zone~~, which include [remediation or development of vacant property];

6. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

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

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and

2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and

3. have a positive impact on the surrounding area.

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

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor, 02-003, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance _____ , which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

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

i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).

ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the 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 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.

iii. Annual Gross Revenue Any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants (not including tenant security deposits) or income or fees from third parties, including but not limited to fees or income paid or received for parking, or as user fees or for any other services. No deductions will be allowed for operating or maintenance costs, including, but not limited to gas, electric, water and sewer, other utilities, garbage removal and insurance charges, whether paid for by the landlord, tenant or a third party~~.~~, except for customary operating expenses of commercial tenants such as utilities, insurance and taxes (including payments in lieu of taxes) which shall be deducted from Gross Revenue based on the actual amount of such costs incurred.

iv. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. ~~It shall include a payment for all annual excess profit.~~

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles on a cash basis and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the project for a period equal to the term of this agreement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean ———Provost Square I Urban Renewal, LLC, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 02-003, relating to long term tax exemption, as it may be ~~and~~ supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status and Ordinance _____, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xv. Lease Up Period - the Lease Up Period shall begin on the date of the issuance of the Certificate of Occupancy (whether permanent or temporary) for any Unit. Duirng the Lease Up Period, the Entity shall pay the sum equal to the estimated Annual Service Charge divided by the number of Units divided by 12 for each Unit for each month after the Unit that has received a Certificate of Occupancy, whether the Unit is actually occupied or generates revenue. The payment shall begin on the 1st day of the month following the issuance of the Certificate of

Occupancy for that Unit. The Lease Up Period expires 18 months after the issuance of the first Certificate of Occupancy.

xvi. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the ~~higher~~greater of:

(a) 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, ~~[OR IN THE EVENT THE PROPERTY WAS TAX EXEMPT, THEN the amount of the taxes that would have been assessed had the property been subject to conventional taxation]~~or in the case of tax exempt property, the projected tax levy based upon the assessed value for the year in which the application is filed, which amount the parties agree is $_____ ~~or the estimated Service Charge.~~51,772.00; or

(b) the sum of $1,371,657 per year, which sum will be prorated ony during Lease up Period and in the years in which Substantial Completion occurs and this Agreement terminates.

Following Substantial Completion, the Minimum Annual Service Charge set forth in subsection (b) shall be paid in each year in which the Annual Service Charge, calculated pursuant to N..S.A. 40A:20-12 or this Agreement, would be less than the Minimum Annual Service Charge.

~~xvi~~xvii. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, 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 annual payments to the City 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 (utilizing the straight line method-equal annual amounts) 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 this 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~~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~~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 a proprietary ownership interest in the entity.

~~xvii~~xviii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

~~xviii~~xvix. Substantial Completion - The determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the first date on which the Project receives, or is eligible to receive, any Certificate of Occupancy whether temporary or permanent for any portion of the Project.

~~xix~~xx. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

~~xx~~xxi. Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be ~~[~~**included** ~~OR excluded]~~in from Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title~~. The Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost~~, if applicable.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block ~~_____~~;11506, Lot ~~_____~~;1.01, more

commonly known by the street address ~~_____~~160 Morgan Street, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5.

Section 2.3 Improvements to be Constructed

Entity represents that it will construct a ~~_____ (___~~thirty-eight (38) story building with approximately ~~_____~~four hundred seventeen (417) market rate residential rental units with 16,430 square feet of retail space and a ~~_____ (___) story~~ parking garage ~~unit~~ to contain approximately ~~_____ (___~~three hundred seventy-one (371) parking spaces; all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5, and in compliance with any Redevelopment Agreement.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be used, managed and controlled for the purposes set forth in this Agreement ~~and any Redevelopment Agreement~~.

Section 2.6 Financial Plan

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth a good faith estimate of Total Project Cost, the amortization rate on the 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 2.7 Good Faith Estimate of Initial Sale Prices or Rents

The Entity represents that its good faith projections of the initial rents and other revenue to the Project are set forth in Exhibit 7.

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of ~~_____~~twenty (20) years from the date of the adoption of Ordinance _____ on _____, ~~20__~~,2012, which approved the tax exemption or ~~_____~~fifteen (15) years from the original date of Substantial Completion of the Project~~ or _____20_____~~. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to ~~_____~~10% of the Annual Gross Revenue ~~for the first five (5) years; _____% of the Annual Gross Revenue for the next five (5) years; and _____% of the Annual Gross Revenue for the final _____ (___) years~~. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.

iii. ~~A~~The Minimum Annual Service Charge set forth in Section 1.2 (xvi)(a) shall be due beginning on the effective date of this Agreement. Beginning on the first day of the month after Substantial Completion, the Minimum Annual Service charge set forth in Section 1.2(xvi)(b) shall be due in any year where it exceeds the Annual Service Charge. The City and

County Annual Service Charge shall be due on the first day of the month following ~~the~~ Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Staged Adjustments

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 6th year, the Annual Service Charge shall be ——10% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 7th year following Substantial Completion until the last day of the 9th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iii. Stage Three: Beginning on the 1st day of the 10th year following the Substantial Completion until the last day of the 12th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iv. Stage Four: Beginning on the 1st day of the 13th year following Substantial Completion until the last day of the 14th year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

v. Final Stage: Beginning on the 1st day of the 15th year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

Section 4.3 Land Tax

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual

Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge until the Land Taxes are paid in full. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes until they are paid in full. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments / Interest

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

Section 4.5 Administrative Fee

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as two (2%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.6 Affordable Housing Contribution and Remedies

A. **Contribution**. The Entity will pay the City the sum of $_____ or 1,500 per residential unit plus $1.50 per square foot of retail space as a contribution. The sum shall be due and payable as follows:

i. 1/3 on or before the effective adoption date of the ordinance approving the tax exemption;

ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Financial Agreement; and

iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Financial Agreement.

Section 4.7 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

Section 5.1 Project Employment and Contracting Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

Section 5.2 Project Labor Agreement

The Entity shall execute a Project Labor Agreement as required by Ordinance 07-123 as it exists or as it may be amended from time to time.

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, ~~the excess of which~~plus excess net profit, if any, in accordance with Article VIII hereof. Any excess net profit shall be paid to the City~~each year an excess profit is generated~~.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City 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 City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

Section 7.3 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

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

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the 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. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue. ~~Pursuant to N.J.S.A. 40A:20-14(b) there is expressly excluded from the calculation of Gross Revenue and Net Profit in the determination of Excess~~

~~Profit, any gain realized by the Entity on the sale of any condominium unit, whether or not taxable under federal or state law.~~

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs ~~excluded~~included in the definition of Total Project Cost in Section 1.2 (~~xx~~xxi) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination~~,~~ or expiration ~~or~~of this Agreement or the sale of the Project shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the balance of the Excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity ~~is~~

~~comprised of principals possessing substantially the same or better business reputation, financial qualifications and credit worthiness of the Entity; and 6) the Entity~~ pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d).

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer Application Fee

Where the consent or approval of the City is sought for approval of a ~~change in ownership or~~ sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided in Article XI herein, but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII. All of

the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project , as of the January 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and

dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1st as a condition precedent of the voluntary termination.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the Project 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 City.

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that

the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.8 as Material Conditions.

Section 13.2 Appeal of Assessment

In calculating the amount of "staged" tax adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment with the Hudson County Tax Board or the Superior Court of New Jrsey, Tax Court, to determine the value of land and improvements.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

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

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs, through trial and all stages of any appeal, including the cost of enforcing this indemnity) arising out of Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

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

Section 16.2 Sent by City

When sent by the City to the Entity the notice shall be addressed to:

Provost Square I Urban Renewal, LLC
c/o Toll Brothers, Inc.
1000 Maxwell Lane
Hoboken, NJ 07030
Attn: Thomas Mulvey

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be

affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

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

Section 18.2 Conflicts

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

Section 18.3 Oral Representations

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

Section 18.4 Entire Document

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

Section 18.5 Good Faith

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

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

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

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial Rents;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. ~~Entity's Deed [or Lease]~~

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

WITNESS: _____ PROVOST SQUARE I **URBAN RENEWAL, LLC**

_____ By: _____

_____ _____

ATTEST: **CITY OF JERSEY CITY**

_____ _____

_____ By: _____

ROBERT BYRNE
CITY CLERK

JOHN KELLY
BUSINESS ADMINISTRATOR

Rev. 10-12-12
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.
(New Market Rate Res Rental FA)

EXHIBIT K

PROVOST SQUARE I URBAN RENEWAL, LLC

PROPOSED PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

(SEE ATTACHED)

7-07-05

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ~~14th~~ 2012 day of ~~September, 2007~~, between the **CITY OF JERSEY CITY** [City] and ~~**GRAND LHN II**~~ **URBAN RENEWAL, LLC**, having its principal office at ~~P.O. Box 6872, 520 Route 22, Bridgewater~~, New Jersey 08807. Recipient agrees as follows:

Provost Square I Urban Renewal, LLC
c/o Toll Brothers City Living, 1000 Maxwell Lane, Hoboken, New Jersey 07030

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.

2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.

3. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 121-125 Newark Avenue, Jersey City, NJ 07302, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.

4. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by $25,000 or more in the aggregate;

5. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.

6. "Local Business" means a bona fide business located in Jersey City.

7. Mayor Jerramiah T. Healy's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.

8. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:

a) "African-American" means a person having origins in any of the black racial groups of Africa.

b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.

c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.

d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.

9. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

10. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.

11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.

12. "Project or Project Site" means the specific work location or locations specified in the contract.

13. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.

14. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.

15. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

16. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives

an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.

17. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.

18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.

19. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.

20. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose:

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI, 2., A-J (Permanent Jobs).

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

IV. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix AZ

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____, approving the tax exemption and terminate the earlier of 15 years from the date of the adoption of that Ordinance or 10 years from the date of Substantial Completion of the Project.

VI. Good Faith Defined:

1. Permanent Jobs: Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

i) whether subcontractors will be used in the hiring process.
ii) the specific types of jobs that need to be filled.
iii) the qualifications needed for these particular jobs.
iv) possible training programs offered by the permanent employer.
v) the Recipient's goals and how it plans to meet these goals.
vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident, minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such

reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

2. Business Contracting

Good Faith shall mean compliance with all of the following conditions:

1) Solicitation of Businesses:

a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Acting Mayor Jerramiah T. Healy's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.

b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.

i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.

ii) No Utilization of Local and Local Minority Vendors As Conduits For Vendors That Are Not Local Or Minority Owned:

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

3. Summation of Documentation Needed For Compliance with Agreement

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and

Residential Vendors from Acting Mayor Jerramiah T. Healy's Business Cooperative Program (Appendix D)

4. Documentation of Bid Submission (Appendix D2)
5. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
6. Example of Bi-Weekly Site Visit Report (Appendix I)
7. Example of Documentation of Hiring Plan (Appendix J)
8. Example of Semi-Annual Employment Report (Appendix K)
9. Example of Semi-Annual Purchasing Report (Appendix L)

VII. Notices of Violation:

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.

2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.

3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.

4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

5. Meetings Concerning Violations: The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.

6. Interviews Relating to Violations: The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.

7. Determination of Violation: The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the

delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

VIII. Liquidated Damages:

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

a) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): an amount equal to Three (3%) percent increase in the estimated annual payment in lieu of taxes;

b) failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Two (2%) percent increase in the estimated annual payment in lieu of taxes.

c) the use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Five (5%) percent increase in the estimated annual payment in lieu of taxes.

IX. Commercial Tenants at the Project Site:

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.

2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.

3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.

4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

X. Notices

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

1. When sent by the City to the Recipient it shall be addressed to:

~~Grand LHN II Urban Renewal, LLC~~
~~P.O. Box 6872~~
~~520 Route 22~~
~~Bridgewater, New Jersey 08807~~
~~Att: David Kahan, Esq.~~

Provost Square I Urban Renewal, LLC
c/o Toll Brothers City Living
1000 Maxwell Lane
Hoboken, NJ 07030
ATTN.:

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, N.J. 07311-4029
Att: James C. McCann, Esq.

2. When sent by the Recipient to the City, it shall be addressed to:

Project Employment & Contracting Monitor
Department of Administration
Division of Economic Opportunity
121-125 Newark Avenue
3rd Floor
Jersey City, New Jersey 07302

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

XI. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

Notwithstanding anything in this Agreement to the contrary, if the Recipient has entered into a Project Labor Agreement with a Labor Organization, then any and all sections of this Agreement pertaining to construction jobs and the construction portion of any Project, are null and void and may be disregarded by the Recipient. In the event the Recipient has entered into a Project Labor Agreement, then this Agreement shall become effective upon Substantial Completion of the Project. In the event there are any conflicts between this Agreement and any Project Labor Agreement, then

the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

_____

CITY OF JERSEY CITY

_____
Jack Kelly
Business Administrator

WITNESS:

_____

PROVOST SQUARE I URBAN RENEWAL, LLC

By: _____
, Authorized Representative

EXHIBIT L

PROVOST SQUARE I URBAN RENEWAL, LLC

PROPOSED PROJECT LABOR AGREEMENT

(SEE ATTACHED)

PROJECT LABOR AGREEMENT

COVERING CONSTRUCTION

OF

PROVOST SQUARE I URBAN RENEWAL, LLC

ARTICLE 1 - PREAMBLE

WHEREAS, _____ on behalf of itself, and as General Contractor ("GC"), and reflecting the objectives of **PROVOST SQUARE I URBAN RENEWAL, LLC** ("Owner") desires to provide for the efficient, safe quality and timely completion of a construction project for the construction of facilities at 401 Washington Boulevard, Jersey City, New Jersey; and

WHEREAS, Jersey City Ordinance 07-123 ("Ordinance") requires the execution of a Project Labor Agreement ("Agreement") for tax abated projects; and

WHEREAS, the Owner has advised the parties that it intends to seek a tax abatement;

NOW, THEREFORE, the Parties enter into this Agreement;

SECTION 1. PARTIES TO THE AGREEMENT

This is an Agreement entered into by and between the GC, the Hudson County Building and Construction Trades Council, AFL-CIO ("County Council"), on behalf of itself and its affiliated local union members, and the signatory Local Unions on behalf of themselves and their members, regardless of their affiliation with the County Council or lack thereof, provided that every such Local Union must qualify as a Labor Organization as that term is defined in the Ordinance.

ARTICLE 2 - GENERAL CONDITIONS

SECTION 1. DEFINITIONS

Throughout this Agreement, the signatory Local Unions and County Council are referred to singularly and collectively as "Union(s)" or "Local Unions;" the term "Contractor(s)" shall hereinafter be used to refer to all subcontractors of the GC and their sub-subcontractors of whatever tier, engaged in on-site construction work within the scope of this Agreement as defined in Article 3. The term "Contractors" shall not include the GC; AJD Construction Co., Inc. is referred to as the General Contractor or "GC;" the Hudson County Building and Construction Trades Council, AFL-CIO are referenced as the "County Council," and the work covered by this Agreement (as defined in Article 3) is referred to as the "Project."

SECTION 2. CONDITIONS FOR AGREEMENT TO BECOME EFFECTIVE

The Agreement shall not become effective unless each of the following conditions are met: (1) the Agreement is signed by the County Council, and the Local Unions working on the Project; and (2) the Agreement is signed by the GC.

SECTION 3. ENTITIES BOUND & ADMINISTRATION OF AGREEMENT

This Agreement shall be binding on all signatory Unions and the GC and all signatory Contractors performing on-site work, including staging areas, related to the Project. The Contractors shall include in any subcontract that they let, for performance during the term of this Agreement, a requirement that their subcontractors, of whatever tier, become signatory and bound by this Agreement with respect to subcontracted work performed within the scope of Article 3.

SECTION 4. SUPREMACY CLAUSE

This Agreement, together with the Ordinance and the local Collective Bargaining Agreements appended hereto as Schedule A, represent the complete understanding of all signatories and supersedes any national agreement, local agreement or other collective bargaining agreement of any type which would otherwise apply to this Project, in whole or in part. The sole exception to the preceding sentence is for work performed under the national agreement of the International Union of Elevator Constructors. As to such work, the only provisions of this Agreement which shall be deemed to supersede the Elevator Constructor's national agreement shall be Articles 7 (Work Stoppages and Lockouts), 9 (Grievance and Arbitration Procedure) and 10 (Jurisdictional Disputes). Where a subject covered by the provisions of this Agreement is also covered by a Schedule A collective bargaining agreement, the provisions of this Agreement shall prevail. It is further understood that no Contractor shall be required to sign any other agreement as a condition of performing work on this Project. Finally, it is understood that: (a) this Agreement shall have no application to any activity of any party hereto except as such activity directly relates to the performance of covered work on the Project; and (b) the execution of this Agreement shall not make any person or entity executing this Agreement a party to any of the Collective Bargaining Agreements and/or addenda attached to this Agreement, except to the extent that they perform work on the Project that is covered by a Schedule A collective bargaining agreement.

SECTION 5. LIABILITY

The liability of any Contractor and the liability of any Union under this Agreement shall be several and not joint. The Owner, GC and any Contractor shall not

be liable for any violations of this Agreement by any other Contractor; and the County Council and Local Unions shall not be liable for any violations of this Agreement by any other Union.

SECTION 6. THE GENERAL CONTRACTOR

The GC shall require in its bid specifications for all work within the scope of Article 3 that all successful bidders, and their subcontractors of whatever tier, become bound by, and signatory to, this Agreement. It is understood that nothing in this Agreement shall be construed as limiting the discretion of the Owner and/or the GC in determining which Contractors shall be awarded contracts for Project work. It is further understood that the Owner has sole discretion at any time to terminate, delay or suspend the work, in whole or in part, on this Project, subject to any contractual recourse the GC or any Contractor may have based on such termination, delay or suspension.

SECTION 7. AVAILABILITY AND APPLICABILITY TO ALL SUCCESSFUL BIDDERS

The Unions agree that this Agreement will be made available to, and will fully apply to any successful bidder to Project work who becomes signatory thereto. Any successful bidder must be current in its contributions to a signatory Local Union's Trust Funds prior to commencing work on the Project.

ARTICLE 3 - SCOPE OF THE AGREEMENT

The Project work covered by this Agreement shall be defined and limited by the following sections of this Article.

SECTION 1. THE WORK

This Agreement and any underlying Local collective bargaining agreements shall apply only to construction work for the referenced Project contracted by the Owner to the

GC and/or subcontractors and only until the earlier of: (a) issuance of a Temporary Certificate of Occupancy ("TCO") for any portion of the Project; or (b) receipt of approvals after final Building, Electrical, Fire and Plumbing inspections have been performed for any portion of the Project. At that time, this Agreement shall be deemed to have expired and shall have no further force or binding effect as to that portion of the Project. In no event shall this Agreement be construed to apply to maintenance work. The provisions of this Agreement shall not apply to the Owner and nothing contained herein shall be construed to prohibit or restrict the Owner from performing any work not covered by this Agreement. The Contractor(s) agree to be bound by this understanding and the terms of the Local collective bargaining agreements (Schedule A) of the signatory Unions, entered into between the Unions and all applicable employer associations, if any, solely for work performed on the Project, located at 18 Park Avenue, Jersey City, N.J. Schedule A is incorporated herein by reference to the extent not in conflict with this Agreement.

SECTION 2. NON-APPLICATION TO CERTAIN ENTITIES

This Agreement shall not apply to the parents, affiliates, subsidiaries or other joint or sole ventures of the Owner, the GC, or any Contractor which does not perform work at this Project. It is agreed, for the purposes of this Agreement only, that this Agreement does not have the effect of creating any joint employment, single employer or alter ego status among the Owner, the GC and/or any Contractor. As the contracts which comprise the Project work are completed and accepted, the Agreement shall not have further force or effect on such items or areas except where inspections, additions, repairs, modifications, check-out and/or warranty work are assigned in writing by the Owner.

(copy to the Local Union involved) to the Contractor(s) for performance under the terms of this Agreement.

ARTICLE 4 - UNION RECOGNITION AND EMPLOYMENT

SECTION 1. PRE-HIRE RECOGNITION

The Contractors recognize the signatory Unions as the sole and exclusive bargaining representatives of all craft employees who are performing on-site Project work within the scope of this Agreement as defined in Article 3.

SECTION 2. UNION REFERRAL

A. The Contractors agree to hire Project craft employees covered by this Agreement through the job referral systems and hiring halls and procedures established in the Local Unions' area collective bargaining agreements (Schedule A).

ARTICLE 5 - UNION REPRESENTATION

SECTION 1. UNION ACCESS

Each Local Union representing on-site Project employees shall be entitled to designate in writing (copy to Contractor involved and GC) one representative, and/or the Business Manager, who shall be afforded access to the Project.

SECTION 2. STEWARDS

See relevant provisions of documents attached as Schedule A.

SECTION 3. LAYOFF/DISCHARGE OF A STEWARD

See relevant provisions of documents attached as Schedule A.

ARTICLE 6 - MANAGEMENT'S RIGHTS

SECTION 1. RESERVATION OF RIGHTS

Unless specifically provided for in this Agreement or the underlying Local collective bargaining agreements attached as Schedule A to this Agreement, subject to Article 2, §4, no rules customs, practices or manning requirements shall be permitted or observed which limit or restrict production, cost effectiveness or limit or restrict the individual or joint working efforts of employees. The Contractor retains and shall exercise full and exclusive authority and responsibility for the management of its operations, except as expressly limited by the terms of this Agreement and the underlying Local collective bargaining agreements.

ARTICLE 7 - WORK STOPPAGES AND LOCKOUTS

SECTION 1. NO STRIKES - NO LOCK OUT

There shall be no strikes, sympathy strikes, picketing, work stoppages, slowdowns, handbilling, demonstrations or other disruptive activity at the Project for any reason by any Union or employee against the Owner, the GC, and/or any Contractor or employer while performing work at the Project. There shall be no other concerted, employee or Union activity which disrupts or interferes with the free flow of traffic in the project area. The Union is prohibited from interfering with work of any description including deliveries. Failure of any Union or employee to cross any picket line established by any union, signatory or non-signatory to this Agreement, or the picket or demonstration line of any other organization, at or in proximity to the Project site is a violation of this Article. There shall be no lockout at the Project by any signatory Contractor. Contractors and Unions shall take all steps necessary to ensure compliance

with this Section 1 and to ensure uninterrupted construction and the free flow of traffic in the project area for the duration of this Agreement.

SECTION 2. NOTIFICATION

If a Contractor contends that any Union has violated this Article, it will notify the appropriate district or area council of the Local Union involved advising of such fact, with copies of the notification to the Local Union and the County Council. The Local Union district or area council and the County Council shall each instruct, order and otherwise use their best efforts to cause the employees, agents and/or other supporters of the Local Unions to immediately cease and desist from any violations of this Article. A district or area council, or the County Council, complying with these obligations shall not be liable for the unauthorized acts of a Local Union or its members.

SECTION 3. EXPEDITED ARBITRATION

Any Contractor or Union alleging a violation of Section 1 of this Article may utilize the expedited procedure set forth below (in lieu of, or in addition to, any actions at law or equity) that may be brought.

a. A party invoking this procedure shall notify J.J. Pierson, Jr., Esq. who shall serve as Arbitrator under this expedited arbitration procedure. Copies of such notification will simultaneously be sent to the alleged violator and, if a Local Union is alleged to be in violation, its International, the Council (if the Local Union is a member or affiliate), and the GC .

b. The Arbitrator shall thereupon, after notice as to time and place to the Contractor, the Local Union involved, the Council (if the Local Union is a member or affiliate) and the GC , hold a hearing within 48 hours of receipt of the notice invoking the procedure if it is contended that the violation still exists. The hearing will not, however, be scheduled for less than 24 hours after the notice to the district or area council, if applicable, required by Section 3 above.

c. All notices pursuant to this Article may be by telephone, telegraph, hand delivery or fax, confirmed by overnight delivery, to the

arbitrator, Contractor or Union involved. The hearing may be held on any day including Saturdays or Sundays. The hearing shall be completed in one session, which shall not exceed eight hours duration (no more than four hours being allowed to either side to present their case, and conduct their cross-examination) unless otherwise agreed. A failure of any Union or Contractor to attend the hearing shall not delay the hearing of evidence by those present or the issuance of an award by the Arbitrator.

d. The sole issue at the hearing shall be whether a violation of Section 1, above, occurred. If a violation is found to have occurred, the Arbitrator shall issue a Cease and Desist Award restraining such violation and serve copies on the Contractor and Union involved. The Arbitrator shall have no authority to consider any matter in justification, explanation, or mitigation of such violation or to award damages, which is reserved solely for court proceedings, if any. The Award shall be issued in writing within three hours after the closed of the hearing, and may be issued without an Opinion. If any involved party desires an Opinion, one shall be issued within 15 calendar days, but its issuance shall not delay compliance with, or enforcement of, the Award.

e. An Award issued under this procedure may be enforced by any court of competent jurisdiction upon the filing of this Agreement together with the Award. Notice of the filing of such enforcement proceedings shall be given to the Union or Contractor involved. In any court proceeding to obtain a temporary or preliminary order enforcing the arbitrator's Award as issued under this expedited procedure, the involved Union and Contractor waive their right to a hearing and agree that such proceedings may be *ex parte*, provided notice is given to opposing counsel. Such agreement does not waive any party's right to participate in a hearing for a final court order of enforcement or in any contempt hearing.

f. Any rights created by statute or law governing arbitration procedures which are inconsistent with the procedure set forth in this Article, or which interfere with compliance thereto, are hereby waived by the Contractors and Unions to whom they accrue.

g. The fees and expenses of the Arbitrator shall be paid by the losing party.

SECTION 4. ARBITRATION OF DISCHARGE FOR VIOLATION

Procedures contained in Article 9 shall not be applicable to any alleged violation of this Article, with the single exception that an employee discharged for violation of Section 1, above, may have recourse to the procedures of Article 9 to determine only if the employee did, in fact, violate the provisions of Section 1 of this Article; but not for the purpose of modifying the discipline imposed where a violation is found to have occurred.

ARTICLE 8

LOCAL ADMINISTRATIVE COMMITTEE (LAC)

SECTION 1: MEETINGS

The LAC will meet on a regular basis to implement and oversee the Agreement procedures and initiatives; 2) monitor the effectiveness of the Agreement; and 3) identify opportunities to improve efficiency and work execution.

SECTION 2: COMPOSITION

The LAC will be co-chaired by the President of the County Council and the GC. It will be comprised of representatives of the local unions signatory to the project agreement, representatives of the Owner and the GC and other Contractors on the project.

ARTICLE 9 - GRIEVANCE AND ARBITRATION PROCEDURE

SECTION 1. PROCEDURE FOR RESOLUTION OF GRIEVANCES

Any question, dispute or claim arising out of, or involving the interpretation or application of this Agreement, other than jurisdictional disputes or alleged violations of Article 7, Section 1) shall be considered a grievance and shall be resolved pursuant to the

exclusive procedure of the steps described below; provided, in all cases, that the question, dispute or claim arose during the term of this Agreement.

STEP 1:

(a) When any employee covered by this Agreement feels aggrieved by a claimed violation of this Agreement, the employee shall, through the Local Union business representative or job steward, give notice of the claimed violation to the work site representatives of the involved Contractor. To be timely, such notice of the grievance must be given within 14 calendar days after the act, occurrence, or event giving rise to the grievance. The business representative of the Local Union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to adjust the matter within 14 calendar days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party, may, within 14 calendar days thereafter, pursue Step 2 of the grievance procedure by serving the involved Contractor and the GC with written copies of the grievance setting forth a description of the claimed violation, the date of which the grievance occurred, and the provisions of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 are nonprecedential except as to the specific Local Union, employee and Contractor directly involved unless the settlement is accepted in writing by the GC as creating precedent.

(b) Should any signatory to this Agreement have a dispute (excepting jurisdictional disputes or alleged violations of Article 7, Section 1) with any other signatory to this Agreement and, if after conferring, a settlement is not reached within 14 calendar days, the dispute shall be reduced to writing and proceed to Step 2 in the same manner as outlined in subparagraph (a) for the adjustment of employee grievances.

STEP 2.

The Business Manager or designee of the involved Local Union and, if desired, a representative from the International, together with representatives of the Council (if the Local Union is a member or affiliate), the involved Contractor, and the GC shall meet in Step 2 within 14 calendar days of service of the written grievance to arrive at a satisfactory settlement.

STEP 3.

(a) If the grievance shall have been submitted but not resolved in Step 2, any of the participating Step 2 entities may, within 21 calendar days after the initial Step 2 meeting, submit the grievance in writing (copies to other participants) to J.J. Pierson, Jr., Esq. who shall act as the Arbitrator under this procedure. The Labor Arbitration Rules of the American Arbitration Association shall govern the conduct of the arbitration hearing, at which all Step 2 participants shall be parties. The decision of the Arbitrator shall be final and binding on the involved Contractor, Local Union and employees and the fees and expenses of such arbitrations shall be borne equally by the involved Contractor and Local Union.

(b) Failure of the grieving party to adhere to the time limits set forth in this Article shall render the grievance null and void. These time limits may be extended only by written consent of the GC , involved Contractor and involved Local Union at the particular step where the extension is agreed upon. The Arbitrator shall have authority to make decisions only on the issues presented to him and shall not have the authority to change, add to, delete or modify any provision of this Agreement.

SECTION 2. <u>LIMITATION AS TO RETROACTIVITY</u>

No arbitration decision or award may provide retroactivity of any kind exceeding 60 calendar days prior to the date of service of the written grievance on the GC and the involved Contractor of the Local union.

SECTION 3. PARTICIPATION BY GC The GC shall be notified by the involved Contractor of all actions at Steps 2 and 3 and, at its election, may participate in full in all proceedings at these Steps, including Step 3 arbitration.

ARTICLE 10 - JURISDICTIONAL DISPUTE

SECTION 1. NO DISRUPTIONS

There will be no strikes, sympathy strikes, work stoppages, slowdowns, picketing or other disruptive activity of any kind arising out of any jurisdictional dispute and/or dispute related to the assignment of work by any contractor. Pending the resolution of the dispute, the work shall continue uninterrupted and as assigned by the Contractor. No jurisdictional dispute shall excuse a violation of Article 7.

SECTION 2. ASSIGNMENT

All Project construction work assignments shall be made by the Contractor according to the area practice.

SECTION 3. PROCEDURE FOR SETTLEMENT OF DISPUTES

A. Any Union having a jurisdictional dispute with respect to Project work assigned to another Union will submit the dispute in writing to the Administrator, Plan for the Settlement of Jurisdictional Disputes in the Construction Industry ("the Plan") within 72 hours and send a copy of the letter to the other Union involved, the Contractor involved, the General Contractor, the BTC, and the district or area councils of the unions involved. Upon receipt of a dispute letter from any Union, the Administrator will invoke

the procedures set forth in the Plan to resolve the jurisdictional dispute. The jurisdictional dispute letter shall contain the information described in Article IV of the Plan.

B. Within 5 calendar days of receipt of the dispute letter, there shall be a meeting of the General Contractor, the Contractor involved, the Local Unions involved and designees of the BTC and the district or area councils of the Local Unions involved for the purpose of resolving the jurisdictional disputes.

C. In order to expedite the resolution of jurisdictional disputes, the parties have agreed in advance to select Plan Arbitrators J.J. Pierson, Paul Greenberg or Walter Kardy to hear all unsolved jurisdictional disputes arising under this Agreement. The parties to the dispute shall mutually select one of the designated arbitrators to hear and resolve the dispute. All other rules and procedures of the Plan shall be followed. If Plan Arbitrators are not available to hear the dispute within the time limits of the Plan, the Plan's arbitrator selection process shall be utilized to select another arbitrator. In the event that a union involved in the dispute is not a member of the Building and Construction Trades, the dispute shall be submitted directly to one of the foregoing agreed upon Arbitrators, who has been mutually selected by the parties to the dispute.

D. The Arbitrator will render a short-form decision within 5 days of the hearing based upon the evidence submitted at the hearing, with a written decision to follow within 30 days of the close of the hearing. In no event may the Arbitrator consider or base a decision on the affiliation or lack of affiliation of a Local Union with the Hudson County Building and Construction Trades Council.

E. This Jurisdictional Dispute Resolution Procedure will only apply to work performed by Local Unions at the Project.

F. Any Local Union involved in a jurisdictional dispute on this Project shall continue working in accordance with Section 2 above and without disruption of any kind.

SECTION 4. AWARD

Any jurisdictional award pursuant to Section 3 shall be final and binding on the disputing Local Unions and the involved Contractor on this Project only, and may be enforced in any court of competent jurisdiction. Such award or resolution shall not establish a precedent on any other construction work not covered by this Agreement. In all disputes under this Article, the GC and the involved Contractors shall be considered parties in interest.

SECTION 5. LIMITATIONS

The Jurisdictional Dispute Arbitrator shall have no authority to assign work to a double crew, that is, to more employees than the minimum required by the Contractor to perform the work involved; nor to assign the work to employees who are not qualified to perform the work involved; nor to assign work being performed by non-union employees to union employees. This does not prohibit the establishment, with the agreement of the involved Contractor, of composite crews where more than one employee is needed for the job. The aforesaid determinations shall decide only to whom the disputed work belongs.

SECTION 6. NO INTERFERENCE WITH WORK

There shall be no interference or interruption of any kind with the work of the Project while any jurisdictional dispute is being resolved. The work shall proceed as assigned by the Contractor until finally resolved under the applicable procedure of this Article. The award shall be confirmed in writing to the involved parties. There shall be no strike, work stoppage or interruption in protest of any such award.

ARTICLE 11 - WAGES AND BENEFITS

SECTION 1. CLASSIFICATION AND BASE HOURLY RATE

All employees covered by this Agreement shall be classified in accordance with the work performed and paid the base hourly wage rates for those classifications as specified in the collective bargaining agreements attached hereto as Schedule A, as amended during this Agreement. Recognizing, however, that special conditions may exist or occur on the Project, the parties, by mutual agreement may establish rates and/or hours for one or more classifications which may differ from provisions set forth in a Schedule A collective bargaining agreement.

SECTION 2. TRUST FUNDS

Delinquency disputes between a benefit fund and a contractor that are related to the Project shall be submitted to binding arbitration under this Agreement. The Arbitrator shall render an opinion and award on the disputed delinquency within three (3) days of the close of the hearing. The GC agrees that upon written notice from the fund enclosing a copy of the Arbitrator's opinion and award, it will withhold up to the amount of the Award attributable to the Project from any monies then due or that thereafter become due to the Contractor, and will pay same to the Fund. The GC shall have no other involvement in or responsibility for any aspect of any delinquency dispute. This provision shall not be construed as creating a debt or any other liability on the part of the GC to any Union or fund for any delinquency payable by a Contractor.

ARTICLE 12

HOURS OF WORK, OVERTIME, AND PAYMENT OF WAGES

SECTION 1. WORK WEEK AND WORK DAY

A. The standard work week shall consist of 40 hours of work at straight time rates per the following schedule:

(1) Five-Day Work Week: Monday-Friday; five days, eight hours plus ½ hour unpaid lunch period each day.

B. The Day Shift shall commence between the hours of 6:00 a.m. and 8:00 a.m. and shall end between the hours of 2:30 p.m. and 4:30 p.m.

C. Notice - Contractor shall provide prior notice to the Local Union involved as to the work hour schedules to be worked or such lesser notice as may be mutually agreed upon.

SECTION 2. OVERTIME

Overtime pay for hours outside of the standard work week and work day, described in paragraph A above, shall be paid in accordance with the applicable Schedule A.

ARTICLE 13 - SAFETY PROTECTION OF PERSON AND PROPERTY

SECTION 1. SAFETY REQUIREMENTS

Each Contractor will ensure that applicable OSHA requirements are at all times observed on the Project and the employees and Unions agree to cooperate fully with these efforts. Employees must perform their work at all times in a safe manner and protect themselves and the property of the Contractor and Owner from injury or harm. Failure to do so will be grounds for discipline, including discharge.

SECTION 2. CONTRACTOR RULES

Employees covered by this Agreement shall at all times be bound by the safety, security, and visitor rules as established by the Contractors and the GC for this Project. Such rules will be published and posted in conspicuous places throughout the Project.

SECTION 3. INSPECTIONS

The Contractors and GC retain the right to inspect incoming shipments of equipment apparatus, machinery and construction materials of every kind.

ARTICLE 14 - NO DISCRIMINATION

SECTION 1. COOPERATIVE EFFORTS

The Contractors and the Unions agree that they will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or age in any manner prohibited by law or regulation.

SECTION 2. LANGUAGE OF AGREEMENT

The use of the masculine or feminine gender in this Agreement shall be construed as including both genders.

SECTION 3. COMPLIANCE WITH ORDINANCE

The GC and the Local Unions acknowledge that the Ordinance contains certain requirements of the Owner, the GC and the Local Unions working on tax abated projects within the City of Jersey City. The GC and the Local Unions acknowledge that the project at 225 Grand Street, Jersey City, New Jersey is a tax abated project and is subject to the following requirements of the Ordinance:

(1) The GC and the Local Unions hereby acknowledge the requirements of Section III 1-6 of the Ordinance, which is attached hereto as Exhibit B and incorporated by reference as if set forth fully herein. The GC attests that it will cooperate with the Local Unions so that the Local Unions can satisfy the terms and requirements of the Ordinance.

(2) In the event the Local Unions are unable to refer qualified Apprentices who are Jersey City residents as required by the Ordinance, the Local Unions shall obtain permission from the City to reduce the required percentage accordingly, and the GC and/or any Contractor may employ qualified applicants from any other available source, provided said applicants are paid at the applicable Apprentice rate.

(3) The Owner and the Local Unions attest to the requirements of Section III 7A-C of the Ordinance and will comply with the spirit of such section by the meeting with the Jersey City Business Administrator, advertising the Apprenticeship Program and participating in two (2) job fairs to explain the Apprenticeship Program.

(4) The Local Unions hereby agree to indemnify and hold harmless the Owner and the GC from claims or actions of any type, as well as from damages, penalties, or assessments of any type imposed under the Ordinance, that result from a failure to satisfy Section III, Paragraph 5 and/or Section IV, Paragraphs 3, 4, and 5 of the Ordinance. Liability for such claims, actions, damages, penalties and/or assessments, as between the Owner, the GC and the Local Unions, shall be subject to the contractual grievance and arbitration procedure set forth in the Agreement;

(5) The Local Unions will submit the following reports to the GC on the 15th day of each month for the previous month, for each year of construction until the Project is completed

A. Equal Employment Opportunity Reports EEO-2 and EEO-3, which are required to be filed with the United States Commission of Equal Employment Opportunity Commission by the Local Unions.

B. Apprenticeship Report, which shall list the names, addresses and contact information of all persons who were accepted to the Apprenticeship Program. The report shall also list the names, address and contact information of all persons who were rejected for admission to the Apprenticeship Program with the reasons for their rejection and, for those who failed to finish to program, and the reasons which they failed to complete the program.

(6) The Owner will submit the following reports to the Jersey City Business Administrator on the 15th day of each month for the previous month for each year of construction until the Project is completed:

1. Manning Report.

   The total hours in each construction trade or craft and the number of hours worked by City residents, including a list of minority resident and women resident workers in each trade or craft, and the work hours performed by such employees of the GC, Contractors and subcontractors during the previous quarter.

2. Certified Payroll Report.

   List the residence, gender and ethnic/racial origin of each worker, work hours, and the rate of pay and benefits provided.

(7) To the extent that any term of the CBA differs from a term set forth in this section, the term contained herein shall govern. All capitalized terms set forth herein shall have the same meaning and definition as set forth in the Ordinance;

(8) The undersigned represent that they have the authority to enter into this Agreement on behalf of their respective organizations.

(9) The Owner or the Local Unions shall furnish such reports or other documents to the City as the City may reasonably request from time to time in order to carry out the purchases of the Ordinance. Any records to support work hours stated in any of the above reports shall be maintained for a period of three (3) years after completion of the Project. All records shall be made available to the City upon ten (10) days prior written notice. The Owner shall provide the City with access to the Project in order to monitor compliance with the Ordinance.

SECTION 4. <u>HELMETS TO HARDHATS</u>

The Contractors and the Local Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Contractors and the Local Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude,

referral to apprenticeship programs or hiring halls, counseling or mentoring, support network, employment opportunities and other needs as identified by the parties.

The Local Unions and Contractors agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on the Project and of apprenticeship and employment opportunities for the Project. To the extent permitted by law, the Local Unions will give credit to such veterans for bona fide, provable past experience.

ARTICLE 15 - GENERAL TERMS

SECTION 1. PROJECT RULES

The GC and the Contractors shall establish such reasonable Project rules as are appropriate for the good order of the Project. These rules will be explained at the pre-job conference and posted at the Project site and may be amended thereafter as necessary. Failure of an employee to observe these rules and regulations shall be grounds for discipline, including discharge. The fact that no order was posted prohibiting a certain type of misconduct shall not be a defense to an employee discipline or discharge for such misconduct when the action taken is for cause

SECTION 2. COOPERATION

The GC and the Unions will cooperate in seeking any NJ Department of Labor approvals that may be required for implementation of any terms of this Agreement.

ARTICLE 16 – SAVINGS AND SEPARABILITY

SECTION 1. THIS AGREEMENT

In the event that any provision of this Agreement is enjoined, on either an interlocutory or permanent basis, or otherwise found in violation of law, the provision involved shall be rendered, temporarily or permanently, null and void but the remainder of the Agreement, if any, shall remain in full force and effect for contracts already bid and awarded or in construction where the contractor voluntarily accepts the Agreement. The parties to this Agreement will enter into negotiations in conformity with the law and the intent of the parties for contracts to be let in the future.

SECTION 2. THE BID SPECIFICATION

In the event that the GC's bid specifications, or other action, requiring that a successful bidder become signatory to this Agreement is enjoined, on either an interlocutory or permanent basis, or otherwise founding violation of law such requirement shall be rendered, temporarily or permanently, null and void but the agreement shall remain in full force and effect to the extent required by law for contracts already bid and awarded or in construction where the Contractor voluntarily accepts the Agreement. The parties will enter into negotiations to reflect the court action taken and the intent of the parties for contracts to be let in the future.

SECTION 3. NON-LIABILITY

In the event of an occurrence referenced in Section 1 or Section 2 of this Article, neither the Owner, the GC or any Contractor, or any signatory Union shall be liable, directly or indirectly, for any action taken, or not taken, to comply with any court order, injunction or determination. Project bid specifications will be issued in conformance with court orders then in effect and no retroactive payments or other action will be required if the original court determination is ultimately reversed.

SECTION 4. NON-WAIVER

Nothing in this Article shall be construed as waiving the prohibitions of Article 7 as to signatory Contractors and signatory Unions.

ARTICLE 17 – FUTURE CHANGES IN SCHEDULE A AREA CONTRACTS

SECTION 1. CHANGES TO AREA CONTRACTS

A. Schedules A to this Agreement shall continue in full force and effect until the Contractor and/or Union parties to the Collective Bargaining Agreements which are the basis for Schedules A notify the GC in writing of the mutually agreed upon changes in provisions of such agreements which are applicable to the Project, and their effective dates.

B. It is agreed that any provisions negotiated into Schedules A collective bargaining agreements will not apply to work on this Project if such provisions are less favorable to this Project than to other work covered by those agreements.

C. Any disagreement between signatories to this Agreement over the incorporation into Schedules "A" of provisions agreed upon in the renegotiation of Collective Bargaining Agreements shall be resolved in accordance with the procedure set forth in Article 9 of this Agreement.

SECTION 2. LABOR DISPUTES DURING AREA CONTRACT NEGOTIATIONS

The Unions agree that there will be no strikes, work stoppages, sympathy actions, picketing, slowdowns or other disruptive activity or other violations of Article 7 affecting the Project by any Local Union involved in the renegotiation of Area Local Collective

Bargaining Agreements nor shall there be any lockout on this Project affecting a Local Union during the course of such renegotiations.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and effective as of the _____ day of _____ 2012.

_____
GENERAL CONTRACTOR

_____
NAME AND TITLE (PRINTED)

_____
NAME AND TITLE (SIGNATURE)

IN WITNESS WHEREOF the parties have caused this Agreement to be executed and effective as of the _____ day of _____, 2012.

General Contractor

_____

Hudson County Building and Construction Trades Council AFL-CIO

_____

Union Affiliates:

Asbestos Workers, Local 32

_____

Bricklayers and Allied Crafts, Local 4

_____

Carpenters, Locals 6 and 15

_____

Dockbuilders, Local 1456

_____

Electrical Workers, Local 164

_____

Elevator Constructors, Local 1

_____

Operating Engineers, Local 825

_____

Ironworkers, Local 45

_____

Pipefitters, Local 274

_____

Laborers, Local 325

_____

Heavy Construction Laborers, Local 472

_____

Painters and Allied Trades; District Council Local 711

_____

Plumbers, Local 14

_____

Roofers, Local 10

_____

Sheet Metal Workers, Local 25

_____

Sprinkler Fitters, Local 696

_____

Tile/Marble/Terrazzo Workers, Local 7

_____

Teamsters, Local 560

_____

Cement Masons and
Operative Plasterers, Local 29

_____

SHEET METAL CRAFT ADDENDUM

The GC and all signatory Contractors and their subcontractors of whatever tier agree that when subcontracting for prefabrication of HVAC duct and other related sheet metal, such prefabrication shall be subcontracted to fabricators who pay their employees engaged in such fabrication not less than the prevailing wage for comparable sheet metal fabrication as established under agreement between local affiliates of Sheet Metal Workers International Association and local sheet metal fabricators. Nothing in this Addendum shall prohibit the Owner, the GC or any signatory Contractor from obtaining from any source incidental parts and materials related to HVAC duct or other prefabricated sheet metal, or parts and materials needed to repair defective or non-conforming HVAC duct or other prefabricated sheet metal.

Agreed to and accepted this _____ day
of _____, 2012.

For the GC:

_____

For Sheet Metal Workers
International Association, Local 25

_____

TEAMSTERS LOCAL 560 ADDENDUM

1. For as long as this PLA remains in effect, the work jurisdiction of Local 560 on the Project shall be deemed to include on-site trucking that involves vehicles for which a Class A commercial drivers' license is required.

2. Deliveries by over-the-road carriers shall be allowed whether performed by union or non-union drivers.

3. No deliveries shall be obstructed in any way for any reason.

Agreed to and accepted this _____day
of_____, 2012 .

For the GC:

_____

For Teamsters Local 560

_____

Department of Housing, Economic Development & Commerce

Director's Office

Inter-Office Memorandum

DATE: December 10, 2012

TO: Tax Abatement Committee

FROM: Al Cameron, Deputy Director, and HEDC

SUBJECT: Marbella Tower Urban Renewal Associates South, LLC – 401 Washington Boulevard - A Residential Rental Housing Project Block 11603, Lot 45.01- Long Term Tax Exemption Application

CC: J. Abuan, R. Byrne, G. Corrado, S. Harrold, R. McFadden, J. Monahan, J. Sass, K. Tayari, D. Toon

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INTRODUCTION:

The applicant, Marbella Tower Urban Renewal Associates South, LLC, to be known as Marbella II, seeks a fifteen (15) year tax abatement based upon ten percent (10%) of annual gross revenue. The project is a thirty-nine (39) story building with approximately three hundred and eleven (311) residential rental units, and approximately six hundred and forty-one (641) square feet of ground floor commercial space. One hundred and sixty-three (163) parking spaces will be allocated for residents in the Marbella I Parking Garage. The application fee of $9,500.00 was paid with the application.

SITE INFORMATION:

The property is located at 401 Washington Boulevard, Jersey City, New Jersey. It will consist of Block 11603 Lot 45.01. The property is on the Northwest corner of Washington Boulevard and Second Street.

CURRENT REAL ESTATE TAXES:

The applicant states that 2012 land taxes for site are approximately $ 15,744 and that all taxes and charges are current.

JOBS:

The Applicant estimates that the Project will create four hundred (400) jobs during the construction period and approximately eighteen (18) permanent full time jobs

thereafter.

CONSTRUCTION SCHEDULE:

Construction is to begin in within one hundred and twenty (120) days of all final government approvals and completed in two years.

ESTIMATED PROJECT COST:

The total estimated project cost is $132,297,441 including cost of land and soft costs.

AFFORDABLE HOUSING TRUST FUND ("AHTF") CONTRIBUTION:

The Applicant proposes to make an AHFT contribution of $467,462, calculated as follows: 311 market rate residential rental units times $1,500.00 per unit and 641 square feet of commercial space at $1.50 per square foot.

REVENUE TO THE CITY:

The Applicant proposes a Financial Agreement with the City based on 10% of its annual gross revenue. This formula will render an Annual Service Charge to the City of approximately $1,146,187. The applicant's proposal is based on estimated Annual Gross revenue of $11,461,874 as set forth in the Applicant's "Exhibit B" and is broken down as follows:

Unit Type	Annual Revenue (est.)
84 Studios	$ 2,322,000
110 One Bedrooms	$ 3,568,800
102 Two Bedrooms	$ 4,545,600
15 Three Bedrooms	$ 936,000
Retail Income	$ 33,653
Other Income	$ 316,200
Parking Income	$ 342,878
Total Gross Revenue	$ 12,065,131
Less Vacancies (5%)	$ (603,257)
Annual PILOT Years 1-10	$ 1,146,187

APPLICATION FOR TAX EXEMPTION
OF
MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

In compliance with Executive Order #2010-001 of the Mayor of the City of Jersey City, the Applicant herewith submits the following information in support of its application for a Long Term Tax Exemption under and pursuant to N.J.S.A 40A:20-1, et. seq.

Applicant:	Marbella Tower Urban Renewal Associates South, L.L.C. c/o Roseland Property Company 233 Canoe Brook Road Short Hills, New Jersey 07078 973-218-2339
Project:	The Marbella II A Mixed-Use Rental Urban Renewal Housing Project Block 11603, Lot 45.01 401 Washington Boulevard Jersey City, New Jersey

The Marbella II is referred to herein as the "Project."

Applicant's General Contractor:	AJD Construction 948 Highway 36 Leonardo, New Jersey 07737
Applicant's Architect:	SLCE Architects 841 Broadway New York, NY 10003 212-979-8400
Applicant's Attorney:	Connell Foley LLP Harborside Financial Center 2510 Plaza Five Jersey City, NJ 07311 201-521-1000 Attn: James C. McCann, Esq.
Loan Advisor/Consultant:	None

APPLICATION

1. Identification of Property:

The land upon which the Project will be built on is currently known as Block 11603, Lot 45.01 being commonly known as 401 Washington Boulevard (the "Property"). See approved subdivision map attached hereto as part of Exhibit C. The Property consists of vacant land and part of an existing parking garage. A metes and bounds description and tax map for the Property, and a deed for Block 11603 Lot 44 (vacant land) are attached hereto as part of Exhibit A. As set forth more fully below, Block 11603, Lot 45 is already subject to the Marbella I tax abatement. The Property is approximately .435 acres.

2. General Statement of the Nature of the Project:

The Project to be known as The Marbella II consists of a residential rental project to be located within the Harsimus Cove Station formerly known as the Hudson Exchange Redevelopment Plan Area. The Project will consist of a thirty-nine (39) story building with approximately three hundred eleven (311) residential rental units, approximately one hundred sixty-three (163) parking spaces and approximately six hundred forty one (641) square feet of retail space.

The Project is the second phase of a two-phase development known as "The Marbella." The first phase, "Marbella I," located at 425 Washington Boulevard contains four hundred-twelve (412) residential rental units, ground floor commercial space, and ancillary parking. One hundred sixty-three (163) parking spaces for the Marbella II will be provided by part of the existing base building/parking garage that is currently part of the Marbella I and will become part of the Project. Marbella I was previously granted a long term tax exemption by the Municipal Council of the City of Jersey City by the adoption of Ordinance #00-175 on January 10, 2001.

In order to reconfigure the existing lots into two new lots and legally separate Marbella I from Marbella II, the overall site (Block 11603, Lots 44 and 45) (hereinafter "Overall Site") was granted subdivision approval by the Jersey City Planning Board on May 15, 2012. See approved site plan with subdivision line for the new lot 45.01 attached hereto as part of Exhibit D.

As a result of the subdivision, part of the existing parking garage, rooftop amenity space, and retail space in Marbella I will be located on the Marbella II Property. See approved site plan with subdivision line for Lot 45.01 attached hereto as part of Exhibit D. Consequently, an easement will be executed for the benefit of Marbella I and the Marbella II to allow reciprocal access to the parking garage and rooftop amenity space by the residents of each building. The easement will also confirm that: (1) revenue generated by one hundred sixty-three (163) parking spaces within the existing base building/parking garage of Marbella I will become part of, allocated to, and subject to inclusion as part of the annual gross revenue of Marbella II, and that (2) the remaining existing parking and the existing retail space within the base building/parking garage of Marbella I will remain part of and subject to inclusion as part of the annual gross revenue of Marbella I. To reflect this lot area reconfiguration and easement, Marbella I is the subject of a separate letter application to amend its long term tax abatement, being submitted simultaneously herewith.

3. Abatement Requested:

The Applicant seeks a long term tax exemption pursuant to N.J.S.A. 40A:20-1 et. seq. (the "Law") for the Project.

The Applicant requests that the financial agreement be based upon the ten percent (10%) of annual gross revenue formula for the ten (10) year term of the abatement and on other terms set forth below and in the exhibits attached hereto (see proposed financial agreement, hereinafter referred to as "Financial Agreement," attached hereto as Exhibit "J").

Based upon the above formula it is estimated that the Project will render an annual service charge to the City of approximately $1,146,187, an annual county service charge to Hudson County of approximately $57,309, and an annual administrative fee to the City of approximately $22,924. An Annual Gross Revenue Computation for the Project is attached hereto as part of Exhibit B.

The Property is eligible for a long term tax exemption because it is located within the Harsimus Cove Station formerly known as the Hudson Exchange Redevelopment Plan area.

4. Term

The Applicant requests that the term of the exemption be for the earlier of twenty (20) years from the effective date of an Ordinance approving the within requested tax exemption or fifteen (15) years from the date of substantial completion of the Project.

5. Improvements to be Constructed:

The improvements to be constructed will consist of the following:

The site consists of approximately 18,967 square feet (or approximately .435 ± acres) of land, currently improved, in part, with a base building/parking garage containing rooftop amenity space and retail space. The Marbella II consists of a thirty-nine (39) story building containing three hundred eleven (311) residential rental units and approximately six hundred forty one (641) square feet of retail space, as well as approximately one hundred sixty-three (163) parking spaces.

The building's residential rental units will be distributed as follows: approximately eighty four (84) studio apartments, which will average approximately six hundred (600) square feet; approximately one hundred ten (110) one bedroom apartments, which will average approximately seven hundred seventy two (772) square feet; approximately one hundred two (102) two bedroom apartments, which will average approximately one thousand one hundred thirty nine (1,139) square feet; and approximately fifteen (15) three bedroom apartments, which will average approximately one thousand four hundred forty nine (1,449) square feet. Each residential unit will have living, dining, and kitchen areas. The Project's one hundred sixty-three (163) parking spaces will be allocated for the use of the building residents.

Rooftop amenity space for the Marbella II residents will be provided by and shared with Marbella I.

The Applicant's affiliates, Marbella Land Holding, L.L.C. and Marbella Tower Associates, L.L.C. are the owners of the Overall Site, which includes the Property. *See* deeds, attached hereto as part of Exhibit A. Title to the Property will be conveyed to the Applicant. In order to allow reciprocal access to the parking garage and rooftop amenity space by the residents of both Marbella II and Marbella I, an easement will be executed among Marbella Tower Associates, L.L.C., Marbella Tower Urban Renewal Associates, L.L.C., and the Applicant for the portion of the existing parking garage, rooftop amenity space, and retail space that will become part of the Property with the recording of the subdivision. The easement will also confirm that: (1) revenue generated by one hundred sixty-three (163) parking spaces within the existing base building/garage of Marbella I will become part of, allocated to, and subject to inclusion in the annual gross revenue of Marbella II, and that (2) the remaining existing parking and the existing retail space within the base building/parking garage of Marbella I will remain part of and subject to inclusion as part of the annual gross revenue of Marbella I. *See* cross-easement abstract attached hereto as Exhibit M. The Applicant will cause the construction of and operate the Project.

6. Estimate of Total Project Cost:

The Total Project Cost, as set forth in Exhibit C, is estimated to be $132,298,441, including the cost of land and soft costs. The Total Project Cost has been calculated in accordance with the provisions of N.J.S.A. 40A:20-3(h). Construction costs have been estimated based upon information compiled by the Applicant.

The breakdown of the Total Project Cost and a Certification of the Estimated Construction Costs are attached hereto as Exhibit C.

7. Financial Structure:

Construction of the Project will be financed through private capital and traditional construction financing. The construction loan will be repaid at completion with a permanent mortgage from a traditional lender.

8. Construction Schedule:

It is estimated that construction of the Project will commence within one hundred twenty (120) days after receipt of all final governmental approvals for the Project and execution of a Financial Agreement. Construction is expected to be substantially complete within 24 months of commencement. This construction schedule is subject to *force majeure* and the time required to obtain necessary governmental approvals and permits.

9. Zoning Information/Municipal Land Use Approvals:

The Project is located within the Harsimus Cove Station Redevlopment Plan area formerly known as the Hudson Exchange Redevelopment Plan area and, apart from the approved

variances, complies with the zoning requirements therein and the Master Plan of the City of Jersey City. The Project received a preliminary and final site plan approval with deviations and a minor subdivision approval with deviations from the Planning Board of the City of Jersey City on May 15, 2012. *See* Resolutions, attached hereto as Exhibit D.

10. Real Estate Tax Assessments for the Property:

The 2012 real estate tax assessments on the land for the Overall Site are as follows:

Block 11603, Lot 44 = $28,500
Block 11603, Lot 45 = $887,400

Based upon the current real estate land tax assessments for the Overall Site (+/- 1.8197 acres), the real estate land tax assessment for the Property (+/- .435 acres) is estimated to be $219,156.

The real estate land tax assessment for the Property is subject to review and determination by the Tax Assessor, upon perfection of the subdivision.

11. Current Real Estate Taxes Levied:

The 2012 real estate land taxes for the Overall Site are as follows (based upon the 2012 tax rate of $71.84/per thousand):

Block 11603, Lot 44 = $2,047
Block 11603, Lot 45 = $63,751

Based upon the current real estate land taxes for the Overall Site, the real estate land taxes for the Property are estimated to be $15,744.

The real estate land taxes for the Property are subject to review and determination by the Tax Assessor, upon perfection of the subdivision.

12. Status of Municipal Taxes and other Charges:

To the best of Applicant's knowledge and belief, all real estate taxes and other assessments against the Property have been paid in full. Upon transfer of the Property to the Applicant, the Applicant will not own any other real property other than the Property that is described herein.

13. Ownership Disclosure Statement

The Applicant's affiliates, Marbella Land Holding, L.L.C. and Marbella Tower Associates, L.L.C. are the owners of the Overall Site, which includes the Property. Upon perfection of the subdivision, title to the Property will be conveyed to the Applicant. The Applicant will construct the Project.

The Applicant is an urban renewal limited liability company formed under the Long Term Tax Exemption Law. A copy of the Certificate of Formation is attached hereto as part of Exhibit E. A Disclosure Statement is attached hereto as Exhibit F.

14. Certification of Construction Commencement:

A Certification from the Applicant that the construction of the Project will not commence prior to final approval and execution of the financial agreement between the City and the Applicant for the Project is attached hereto as Exhibit G.

15. Projected Job Creation:

The Applicant estimates that construction of the Project will generate over four hundred (400) jobs during the construction period. Following completion of construction, the Applicant estimates the creation of approximately nine (9) full-time real estate, management and service positions, as well as approximately nine (9) full-time retail positions.

The Applicant will comply with the City of Jersey City minority Business Enterprise Ordinance Sect. 2-77 et. seq. of the Jersey City Municipal Code by executing a Project Employment Agreement with the City of Jersey City. In addition, the Applicant estimates that the total cost of construction contracts for the Project will be in excess of $25,000,000.00; therefore, the Applicant will comply with City Ordinances 07-123 and 12-051. *See* proposed Project Employment and Contracting Agreement attached hereto as Exhibit K and proposed Project Labor Agreement attached hereto as Exhibit L.

16. Compliance with State and Local Law:

A Certification by the Applicant that the Project meets the requirements of the laws of the State of New Jersey and the City of Jersey City is attached hereto as Exhibit H.

17. Certification of Truthfulness and Diligent Inquiry:

A Certification of the Applicant that all information contained in this Application is true and correct to the best of its knowledge after having made diligent inquiry is attached hereto as Exhibit I.

18. Financial Agreement:

A proposed Financial Agreement for the Project is attached hereto as Exhibit J.

19. Affordable Housing Contribution:

Pursuant to the Long Term Tax Exemption Law and upon the Applicant's execution of a financial agreement, the Applicant will agree to make an affordable housing contribution to the City of Jersey City in the total amount of $467,462 ($1,500 x 311 units plus $1.50 x 641 square feet of retail space). The Applicant intends to make this contribution in accordance with City Ordinance 05-130, which requires one third of the contribution ($155,821) upon the execution of

the financial agreement, one third of the contribution ($155,821) upon the issuance of the first construction permit by the City of Jersey City but not later than 6 months from the effective date of the financial agreement, and one third of the contribution ($155,821) upon issuance of the first certificate of occupancy for the Project, but not later than 24 months from the effective date of the financial agreement.

20. Fee:

The Application fee in the amount of $9,500.00 is being paid to the City of Jersey City simultaneously with the submission of this Application.

21. List of Exhibits.

Exhibit	
A.	Description of Property
B.	Description of Residential Leases, Estimated Fiscal Plan, and Annual Gross Revenue Computation
C.	Total Project Cost & Certification of Estimated Construction Costs
D.	Copy of Resolutions Approving Site Plan & Subdivision and Copy of Site Plan
E.	Certificate of Formation
F.	Disclosure Statement
G.	Commencement Certification
H.	Compliance with State and Local Laws
I.	Certification of Diligent Inquiry
J.	Proposed Financial Agreement
K.	Proposed Project Employment & Contracting Agreement
L.	Proposed Project Labor Agreement
M.	Cross Easement Abstract

EXHIBIT A

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

Description of Property

Address: 401 Washington Boulevard
Jersey City, New Jersey 07306
Block 11603, Lot 45.01

See metes and bounds description and tax map for the Property and deeds for the Overall Site, attached hereto.

July 23, 2012

Job No. 614-24

Deed Description
Proposed Block 11603, Lot 45.01
situated in the
City of Jersey City
Hudson County, New Jersey

DRESDNER ROBIN
Engineering · Environmental · Planning · Surveying · Landscape Architecture

Jersey City
Corporate Office
371 Warren Street, 3rd Floor
P.O. Box 38
Jersey City, NJ 07303-0038
PHONE: 201-217-9200
FAX: 201-217-9607

Asbury Park Office
603 Mattison Avenue
Asbury Park, NJ 07712
PHONE: 732-988-7020
FAX: 732-988-7032

Pennsauken Office
Perks Ruetter Division
Fairway Corporate Center
4300 Haddonfield Road, Suite 115
Pennsauken, NJ 08109
PHONE: 856-488-6200
FAX: 856-488-4302

Wayne Office
Hanson Engineering Division
7 Doig Road, Suite 1
Wayne, NJ 07470
PHONE: 973-696-2600
FAX: 973-696-1362

www.dresdnerrobin.com

BEGINNING at a point which is the intersection of the westerly sideline of Washington Boulevard, 107 feet wide, a public right of way, and the northerly sideline of Second Street, 60 feet wide, a public right of way and running; thence

1. Along the northerly sideline of Second Street, North 83 degrees 12 minutes 09 seconds West, 161.24 feet to the easterly sideline of the 50 foot wide Hudson-Bergen Light Rail Transit System Operating Easement, which is also the easterly line of Block 11603, Lot 47 as shown on the current Tax Assessment Map of the City of Jersey City; thence

2. Along said easterly line of the aforesaid easement and the easterly line of Block 11603, Lot 47, North 01 degrees 14 minutes 15 seconds East, 87.17 feet to a point on curve; thence

3. Northwesterly, still along said easterly line of Block 11603, Lot 47, along a curve to the right having a radius 400.00 feet, an arc length of 30.31 feet to a point subtending an interior angle of 04 degree 20 minutes 29 seconds and having a chord bearing of North 26 degrees 15 minutes 19 seconds West, a chord length of 30.30 feet; thence

4. South 83 degrees 35 minutes 00 seconds East, 185.10 feet to a point in the aforementioned westerly sideline of Washington Boulevard; thence

5. Along said westerly sideline of Washington Boulevard, South 05 degrees 45 minutes 24 seconds West, 49.72 feet to a point of curvature; thence

6. Southerly along said westerly sideline of Washington Boulevard, along a curve to the right having a radius 2146.48 feet, an arc length of 63.68 feet, subtending an interior angle of 01 degree 42 minutes 00 seconds and having a chord bearing of South 06 degrees 36 minutes 24 seconds West, a chord length of 63.68 feet; thence to the point or place of BEGINNING.

Containing 18,967 square feet or 0.435 acres.

Subject to all easement, rights of way and agreements of record.

This description was prepared in accordance with a map entitled "Minor Subdivision, Marbella Tower Associates, Existing Lot 44 and Lot 45, Proposed Lot 45 and Lot 45.01, City of Jersey City, Hudson County, New Jersey" prepared by Dresdner Robin, Hanson Engineering Division, dated 12-23-11 and revised to 7-23-12, Job No. 614-24.

Greg S. Gloor
Professional Land Surveyor
New Jersey License No. 37189

003284

RECEIVED AND RECORDED

02 MAR 28 AM 8:12

Barbara A. Donnelly
HUDSON COUNTY
REGISTER OF DEEDS

Prepared by:

VIRGINIA M. EDWARDS, ESQ.

RECORD AND RETURN:
LAND TITLE AGENCY INC.
464 VALLEY BROOK AVE.
LYNDHURST, N.J. 07071
(201) 804-8844

01-CT-0943

Consideration : $ 5000.00 Exempt Code: 5

County	State	M.P.M.R.F	Total
5.01	12.49	0.00	17.50

feel Date: 03/28/2002

DEED

This Deed is made on Jan 6, , 2002, by and between

G&S INVESTORS/JERSEY CITY, L.P., a New York limited partnership, maintaining an address at 303 Winding Road, Old Bethpage, New York 11804,

referred to as the Grantor,

AND

MARBELLA LAND HOLDING L.L.C., a New Jersey limited liability company maintaining an address at 233 Canoe Brook Road, Short Hills, New Jersey 07078,

referred to as the Grantee.

Transfer of Ownership. The Grantor grants and conveys the property described below to the Grantee. This transfer is made for the true consideration as shown on the Affidavit of Consideration attached hereto. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 54:4-63.1) City of Jersey City, Hudson County, New Jersey, Block 15, Lot 46, Account No. _____.

Property. The Property consists of the land and all the buildings and structures on the land in the **City of Jersey City, County of Hudson and State of New Jersey.** The legal description of the land is:

SEE SCHEDULE "A" FOR LEGAL DESCRIPTION.

BEING a portion of the premises conveyed to the grantor herein by Deed from National Bulk Carriers, Inc., a New Jersey corporation, being dated January 31, 1994, and recorded February 1, 1994 in Deed Book 4690, Page 303.

BEING subject to all easements, right-of-way, encroachments, covenants, restrictions, and conditions-of-record, if any, and such facts as an accurate survey would reveal.

BEING known as 110 Second Street.

A COPY OF THIS DEED HAS BEEN SENT TO ASSESSOR'S OFFICE

1232690-04

Promises by Grantor. 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 created against that Grantor).

Signatures. This Deed is signed and attested to by the Grantor's duly authorized representative as of the date at the top of the first page.

Attest:

Monica Engels

G&S INVESTORS/JERSEY CITY, L.P
a New York limited partnership

By Jersey City Associates Inc.,
a New York corporation, its general partner

By: _____
Name: Gregg Wasser
Title: President

SCHEDULE A

METES AND BOUNDS DESCRIPTION

ALL that certain tract or parcel of land and premises, situate, lying and being in the City of Jersey City, in the County of Hudson, and State of New Jersey, more particularly described as follows:

BEGINNING at a point in the northerly line of Second Street, said point being distant the following courses from the intersection of the Easterly line of Luis Munoz Marin Boulevard and the Northerly line of Second Street;

a) South 83 degrees 42 minutes 11 seconds East a distance of 725.31 feet to a point; thence

b) South 83 degrees 12 minutes 09 seconds East passing through the lands of the Hudson Bergen Light Rail Transit System as shown on a certain map entitled "General Property Parcel Map, from Second Street to Sixth Street, showing existing Right of Way and Parcels to be Acquired in the Jersey City, County of Hudson" a distance of 50.24 feet to the true point and place of BEGINNING; running thence

1.) Along said line of Second Street South 83 degrees 12 minutes 09 seconds East a distance of 76.00 feet to a point on a non tangent curve; thence

2.) Northerly along a curve to the right having a radius of 400.00 feet and an arc length of 120.86 feet to a point in the Easterly line of the Hudson Bergen Light Rail System; thence

3.) Along said line South 01 degrees 14 minutes 15 seconds West a distance of 87.19 feet to the true point and place of BEGINNING.

A COPY OF THIS DEED HAS BEEN SENT TO ASSESSOR'S OFFICE

STATE OF NEW , COUNTY OF SS:

I CERTIFY as follows:

1. On December 31, 2001, GREG WASSER personally appeared before me.

2. I was satisfied that this person is the person who executed the attached instrument as authorized signatory of Jersey City Associates, Inc., a New York corporation, the general partner of the Grantor.

3. This person stated that he was authorized to execute the instrument on behalf of Jersey City Associates, Inc. and that he executed the instrument as the act of such corporation.

Monica Engels
A Notary Public of the ~~State of New Jersey~~
Notary Public, State of New York
No. 01EN5070927
Commission Expires Jan. 6, 2003

RECORD AND RETURN:
LAND TITLE AGENCY INC.
464 VALLEY BROOK AVE.
LYNDHURST, N.J. 07071
(201) 804-8844
01-LT-0943

~~RECORD AND RETURN TO:~~

~~Ivan Baron, Esq.~~
~~c/o Marbella Tower Associates, L.L.C.~~
~~233 Canoe Brook Road~~
~~Short Hills, New Jersey 07078~~

1232690-03

NC1645 - Affidavit of Consideration
RTF-1 (Rev. 1/00)
P 4/01

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION OR EXEMPTION
(P.L. 1968, c. 49)
or
PARTIAL EXEMPTION
(P.L. 1975, c. 176)

Printed by ALL-STATE LEGAL®
A Division of ALL-STATE International, Inc.
www.allegal.com 800-222-0510 Page 1

To be recorded with Deed pursuant to P.L. 1968, c. 49, as amended by P.L. 1991, c. 308 (N.J.S.A. 46:15-5 et seq.)

STATE OF NEW JERSEY
COUNTY OF _____ SS:

FOR RECORDER'S USE ONLY
Consideration $ 5,100.00
Realty Transfer Fee $ 17.50
Date 3-27-02 By [illegible]

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

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3, 4 and 5 on reverse side.)

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

deposes and says that he/she is the President of Jersey City Associates, Inc., the General Partner of Grantor, G&S Investors/Jersey City, L.P., in a deed dated _____,
(Name whether Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.)

transferring real property identified as Block No. 15 Lot No. 46

located at 110 Second Street, City of Jersey City, County of Hudson, State of New Jersey
(Street Address, Municipality, County)

_____ and annexed hereto.

(2) CONSIDERATION (See Instruction #6.)

Deponent states that, with respect to deed hereto annexed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is to be assumed and agreed to be paid by the grantee and any other lien or encumbrance thereon not paid, satisfied or removed in connection with the transfer of title is $ 5,000.00

(3) FULL EXEMPTION FROM FEE Deponent claims that this deed transaction is fully exempt from the Realty Transfer Fee imposed by P.L. 1968, c. 49 for the following reason(s): Explain in detail. (See Instruction #7.) Mere reference to exemption symbol is not sufficient.

_____

(4) PARTIAL EXEMPTION FROM FEE

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. (See Instructions #8 and #9.)

Deponent claims that this deed transaction is exempt from the increased portion of the Realty Transfer Fee imposed by P.L. 1975, c. 176 for the following reason(s):

A) SENIOR CITIZEN (See Instruction #8.)
- ☐ Grantor(s) 62 yrs. of age or over.*
- ☐ One- or two-family residential premises.
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ Owners as joint tenants must all qualify except in the case of a spouse.

B) BLIND (See Instruction #8.)
- ☐ Grantor(s) legally blind.*
- ☐ One- or two-family residential premises.
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ No owners as joint tenants other than spouse or other qualified exempt owners.

DISABLED (See Instruction #8.)
- ☐ Grantor(s) permanently and totally disabled.*
- ☐ One- or two-family residential premises.
- ☐ Receiving disability payments.
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ Not gainfully employed.
- ☐ No owners as joint tenants other than spouse or other qualified exempt owners.

* IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY

C) LOW AND MODERATE INCOME HOUSING (See Instruction #9.)
- ☐ Affordable According to HUD Standards.
- ☐ Meets Income Requirements of Region.
- ☐ Reserved for Occupancy.
- ☐ Subject to Resale Controls.

D) NEW CONSTRUCTION (See Instruction #9.)
- ☐ Entirely new improvement.
- ☐ Not previously used for any purpose.
- ☐ Not previously occupied.

Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of P.L. 1968, c. 49.

Subscribed and sworn to before me this 31st day of DECEMBER

[signature]
Name of Deponent (type above line)

~~Umbella Towers Associates, L.L.C.~~
~~232 Conna Brook Road~~
~~Stamp [illegible]~~
Name of Grantor (type above line)

Gregg Wasser, President
Jersey City Associates, Inc., General Partner of G&S Investments/
Jersey City, L.P., 303 Winding Road
Old Bethpate, NY 11604
Address of Grantor at Time of Sale

MONICA BOGELS
NOTARY PUBLIC
NO. DIEN50[illegible]
Commission Exp.
Jan 6, 2003

FOR OFFICIAL USE ONLY This space for use of County Clerk or Register of Deeds.
Instrument Number _____ County Hudson
Deed Number _____ Book _____ Page _____
Deed Dated 1-6-02 Date Recorded 3-27-02

IMPORTANT - BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE HEREOF.
This format is prescribed by the Director, Division of Taxation in the Department of the Treasury, as required by law, and may not be altered without the approval of the Director.

ORIGINAL - To be retained by County.
DUPLICATE - To be forwarded by County to Division of Taxation on partial exemption from fee (N.J.A.C. 18:16-8.12)
TRIPLICATE - Is your file copy.

ORIGINAL AND DUPLICATE COPY MUST BE SUBMITTED WITH DEED TO COUNTY RECORDING OFFICER

BK5962PG100

005754

RECEIVED AND RECORDED

98 JUL -8 AM 11:11

R.R

#24127

Barbara A. Kennelly
HUDSON COUNTY
REGISTER OF DEEDS

TITLE AGENCY OF N.J. INC.
MT. PROSPECT AVE
BLDG C
CLIFTON, N.J. 07013

PREPARED BY:

JOHN J. CURLEY, ESQ.

DEED

THIS DEED, made this 23rd day of June, 1998, between NATIONAL BULK CARRIERS, INC., a New Jersey corporation, having an address at 1345 Avenue of the Americas, New York, New York 10105 (hereinafter referred to as "Grantor") and MARBELLA TOWER ASSOCIATES, L.L.C., a New Jersey limited liability company, having an address c/o Garden State Development Company, 30 Montgomery Street, Jersey City, New Jersey 07302 (hereinafter referred to as "Grantee").

4

A COPY OF THIS DEED MAY BE SENT TO ATTORNEY'S OFFICE

WITNESSETH:

That for and in consideration of the sum of ONE MILLION FIVE HUNDRED THOUSAND ($1,500,000.00) DOLLARS the said Grantor does grant and convey to the Grantee the real property described in Exhibit A attached hereto, including the appurtenances thereto, in fee simple.

BEING all that certain real property situate, lying and being in the City of Jersey City, County of Hudson and State of New Jersey, described as follows on the current tax assessment map of the City of Jersey City: BLOCK 15, LOT 28. The legal description of the real property is attached hereto as Exhibit A.

SUBJECT to easements of record, zoning requirements and other restrictions of record, and any state of facts which an accurate survey or inspection of the premises would disclose.

The Grantee hereby takes the real property conveyed subject to

Consideration	$ 1,500,000.00	R.F.	$ 7,275.00
Realty Transfer Fee		Rec.	28.00
Add'l. Fee			
Add'l. N.C. 7/8/98			
By:	Total $ 7,275.00	Amt. Rec.	$ 7305.00

BK5304PG212

ACKNOWLEDGMENT

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

BE IT REMEMBERED that on June 23, 1998, before me, the subscriber, an Attorney at Law of the State of New Jersey, the undersigned personally came and stated under oath to my satisfaction that:

(a) this person was the subscribed witness of the signing of the attached deed;

(b) this deed was signed by David L. Fey, Vice President of National Bulk Carriers, Inc., a New Jersey corporation, the entity named in this deed and was fully authorized to and did execute this deed on its behalf;

(c) this deed was made for One Million Five Hundred Thousand ($1,500,000.00) Dollars as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5); and,

(d) the subscribing witness signed this proof under oath to attest to the truth of these facts.

Sworn and subscribed to
before me this 23rd
day of June, 1998

JOHN J. CURLEY
ATTORNEY AT LAW OF THE
STATE OF NEW JERSEY

Jack Linder
JACK LINDER, Secretary

BK5304PG213

Description of Property
Lot 28, Block 15
City of Jersey City
Hudson County, New Jersey

BEGINNING at a point and monument at the intersection formed by the northerly sideline of Second Street and the westerly sideline of Washington Boulevard running; thence

1. In a northerly direction along the westerly sideline of Washington Boulevard on a curve to the left having a radius of 2146.48' and an arc length of 63.68' to a point of tangency; thence
2. North 05° 45' 24" East a distance of 100.27' to a point of curvature; thence
3. On a curve to the right having a radius of 5503.50' and an arc length of 100.83' to a point of tangency; thence
4. North 06° 48' 23" East a distance of 118.66' to a point; thence
5. North 85° 13' 58" West along the southerly side of Lot 27, Block 15 a distance of 240.14' to a point; thence
6. South 06° 48' 23 West along the easterly side of Lot 25, Block 15 a distance of 57.40' to a point of curvature; thence
7. On a curve to the left having a radius of 400.00' an arc length of 366.78' and a chord bearing of South 19° 27' 52" East to a non-tangent point; thence
8. South 83° 12' 09" East along the northerly sideline of Second Street a distance of 86.26' to the point and place of BEGINNING.

Containing 76,381.57 S.F. = 1.7535 Acres

A COPY OF THIS DEED HAS BEEN SENT TO ASSESSOR'S OFFICE

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EXHIBIT A

BK5304PG214

Description of LRT Maintenance Easement
Across Lot 28, Block 15
City of Jersey City
Hudson County, New Jersey

BEGINNING at a point and monument at the intersection formed by the northerly sideline of Second Street and the westerly sideline of Washington Boulevard, said point being the following six (6) courses from the aforesaid intersection and running; thence

A. In a northerly direction along the westerly sideline of Washington Boulevard on a curve to the left having a radius of 2146.48' and an arc length of 63.68' to a point of tangency; thence.

B. North 05° 45' 24" East along the westerly sideline of Washington Boulevard, a distance of 100.27' to a point of curvature; thence

C. In a northerly direction along the westerly sideline of Washington Boulevard, on a curve to the right having a radius of 5503.50' and an arc length of 100.83' to a point of tangency; thence

D. North 06° 48' 23" East along the westerly sideline of Washington Boulevard, a distance of 118.66' to a point; thence

E. North 85° 13' 58" West along the southerly side of Lot 27, Block 15, a distance of 240.14' to a point; thence

F. South 06° 48' 23 West along the easterly side of Lot 25, Block 15, a distance of 51.98', to the point and place of BEGINNING; running thence

1. South 06° 48' 23 West along the easterly side of Lot 25, Block 15 a distance of 5.42', to a point; thence
2. On a curve to the left having a radius of 400.00', a delta of 11° 51' 47" an arc length of 82.82', and a chord bearing of South 00° 52' 21" East to a point; thence
3. North 01° 14' 14" West a distance of 88.06' to the point and place of BEGINNING

Containing 141.57 S.F. = 0.0033 Acres

A COPY OF THIS DEED HAS BEEN SENT TO ASSESSOR'S OFFICE

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EXHIBIT B

BK5304PG215

Description of LRT Access Easement
Across Lot 28, Block 15
City of Jersey City
Hudson County, New Jersey

BEGINNING at a point and monument at the intersection formed by the northerly sideline of Second Street and the westerly sideline of Washington Boulevard, said point being the following five (5) courses from the aforesaid intersection and running; thence

A. In a northerly direction along the westerly sideline of Washington Boulevard on a curve to the left having a radius of 2146.48' and an arc length of 63.68' to a point of tangency; thence

B. North 05° 45' 24" East along the westerly sideline of Washington Boulevard, a distance of 100.27' to a point of curvature; thence

C. In a northerly direction along the westerly sideline of Washington Boulevard, on a curve to the right having a radius of 5503.50' and an arc length of 100.83' to a point of tangency; thence

D. North 06° 48' 23" East along the westerly sideline of Washington Boulevard, a distance of 118.66' to a point; thence

E. North 85° 13' 58" West along the southerly side of Lot 27, Block 15, a distance of 195.10' to the point and place of BEGINNING; running thence

1. North 85° 13' 58" West along the southerly side of Lot 27, Block 15, a distance of 45.04' to a point; thence
2. South 06° 48' 23" West along the southerly side of Lot 25, Block 15, a distance of 51.98' to a point; thence
3. South 01° 14' 14" East along the easterly side of a LRT Maintenance Easement, a distance of 88.06', to a point of non tangent curvature; thence
4. On a curve to the left having a radius of 400.00', a delta of 23° 21' 53" an arc length of 163.12' and a chord bearing of South 16° 44' 28" East to a point; thence
5. North 01° 14' 14" West a distance of 291.10' to the point and place of BEGINNING

Containing 11,539.31 S.F. = 0.2649 Acres

A COPY OF THIS DEED HAS BEEN SENT TO ASSESSOR'S OFFICE

t1996\980046\98069dc2.doc

Exhibit B

BK5304PG216

the Deed of Easement being made by the Grantor to New Jersey Transit Corporation which is being delivered simultaneously with the delivery of this deed. The area encumbered with the easement in favor of New Jersey Transit Corporation is described in the legal description attached as Exhibit B.

The Grantee hereby takes the real property conveyed subject to the restrictions set forth in a certain Declaration of Environmental Restrictions dated July 9, 1993 made by the Grantor which was recorded on July 16, 1993 in Deed Book 4617, Page 063 in the records of the Register of Hudson County, and agrees not to violate any of the conditions of said Declaration of Environmental Restrictions.

TO HAVE AND TO HOLD all and singular, to the Grantee, its successors and assigns forever.

AND THE GRANTOR covenants that, with the exception of easements and restrictions of record, it has neither done nor executed nor knowingly suffered to be done, any act, deed or thing whatsoever whereby, or by means whereof, the premises conveyed herein, or any part thereof, now are or any time hereafter will or may be charged or encumbered in any manner or way, whatsoever.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be properly executed the day and year first above mentioned.

ATTEST:

JACK LINDER, Secretary

GRANTOR:

NATIONAL BULK CARRIERS, INC.
a New Jersey corporation

BY: DAVID L. FEY, Vice President

BK5304PG217

~~① SEE Assgt~~ ② SEE Assgt. SEE Assgt.

REC. 2-14-01 ~~REC. 2-14-01~~ REC. 2-15-01

INSTR. #52867 INSTR. #52868 INSTR. #53024

BOOK 969 BOOK 969 BOOK 969

PAGE 73 PAGE 77 PAGE 213

041752

RECEIVED AND RECORDED

99 DEC 16 PM 12:34

Barbara A. Donnelly
HUDSON COUNTY
REGISTER OF DEEDS

JUNIOR MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT

by

MARBELLA TOWER ASSOCIATES, L.L.C.

Mortgagor

to

LEHMAN BROTHERS HOLDINGS INC.,
Doing Business as Lehman Capital,
A Division of Lehman Brothers Holdings Inc.,

Mortgagee

Dated: December 8, 1998

Location: Jersey City, New Jersey
Hudson County
Block: 15
Lot: 28

RECORD AND RETURN TO:

~~Battle Fowler LLP~~
~~Park Avenue Tower~~
~~75 East 55th Street~~
~~New York, New York 10022~~

~~Attention: Kenneth J. Friedman, Esq.~~

R+R

LAND TITLE AGENCY INC.
464 VALLEY BROOK AVE.
LYNDHURST, N.J. 07071
(201) 804-8844

98-LT-0618.B

779612

BK6827PG266

052867

01 FEB 14 PM 12:47

RECEIVED
AND
RECORDED

Barbara A. Kennelly
HUDSON COUNTY
REGISTER OF DEEDS

RCG#:42.1- IVMTG NP
LaSalle #: RZ82 /RZ82 LPTGL
Issuer/Pool: 1011/336 LPTG 99-1

LEHMAN BROTHERS HOLDINGS INC., DOING BUSINESS AS LEHMAN CAPITAL,
A DIVISION OF LEHMAN BROTHERS HOLDINGS INC.
(Assignor)
and
LPTG LLC, A DELAWARE LIMITED LIABILITY COMPANY
(Assignee)
R 2 82

ASSIGNMENT OF MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT

DATED: 12-13-99
PROPERTY LOCATION: MARBELLA TOWER - 425 WASHINGTON BLVD
COUNTY & STATE: Hudson, NJ
NEW YORK SECTION:
BLOCK: 15
LOT: 28
PIN # (If Required):

RECORD 1st

PREPARED BY AND RECORD AND RETURN TO:

PREPARED BY, RECORD AND RETURN TO:
DOCUMENT MANAGEMENT NETWORK
A division of HANOVER CAPITAL
WALL STREET POST OFFICE BOX 998
NEW YORK, NY 10268-0998

LPTGL

BK0969PG073

ASSIGNMENT OF MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT

For Value Received, LEHMAN BROTHERS HOLDINGS INC., DOING BUSINESS AS LEHMAN CAPITAL, A DIVISION OF LEHMAN BROTHERS HOLDINGS INC., the undersigned holder of a(n) MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT (herein "Assignor") whose address is 3 WORLD FINANCIAL CENTER, 12TH FLOOR NEW YORK NY 10285, does hereby grant, sell, assign, transfer and convey, without recourse unto LPTG LLC, A DELAWARE LIMITED LIABILITY COMPANY (herein "Assignee") whose address is 3 WORLD FINANCIAL CENTER, 12TH FLOOR NEW YORK NEW YORK 10285, the mortgage loan documents identified below, hereto (the "Asset"), including all of Assignor's loan documents ("collectively, the "Loan Documents"), including documents in the possession of Assignor pertaining to the loan as evidenced by the Note, and including but not limited to, any loan agreements, guarantees, security agreements, any amendments or supplements and modifications thereto, all affidavits and certificates, tenant estoppel certificates and/or subordinations, general credit information, including letters of credit, credit records from Assignor, payment histories, signed loan applications, appraisals, property insurance policies, certificates of mortgage insurers, title insurance policies, escrow accounts and attorney' opinions.

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT recorded in the real estate records of Hudson County/jurisdiction, in the Commonwealth or State of NJ, described as follows:

Borrower Name(s):	MARBELLA TOWER ASSOCIATES, L.L.C., A NEW JERSEY LIMITED LIABILITY COMPANY
Original Lender:	LEHMAN BROTHERS HOLDINGS INC., DOING BUSINESS AS LEHMAN CAPITAL, A DIVISION OF LEHMAN BROTHERS HOLDINGS INC., A DELAWARE CORP
Trustee (if DOT):	
Date of Document:	12/08/98
Date of Recording:	12/16/98
Book/Volume:	6827 Page No.: 266 $1,985,945.25
Instr/Ref:	041352 Other #:
Township/Borough:	

Subject to the right and equity of redemption, if any there be of said mortgagor and their heirs and assigns in the same.

In the event the property securing this loan is in the state of New York, this Assignment is not subject to the requirements of Section 275 or Section 255 of the Real Property Law because it is an assignment within the secondary mortgage market. The Assignee is not acting as a nominee of the mortgagor and the Mortgage continues to secure a bona fide obligation.

RCG#: 42.1-IVMTG NP
LaSalle #: RZ82/ RZ82 LPTGL
Issuer/Pool: 1011/336 LASALLE LPTG 99-1

TO HAVE AND TO HOLD the same unto Assignee, its successors and assigns, forever, subject only to the terms and conditions of the above-described MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered, effective the 13th day of DEC, 1999

ASSIGNOR:
LEHMAN BROTHERS HOLDINGS INC., DOING BUSINESS AS LEHMAN CAPITAL, A DIVISION OF LEHMAN BROTHERS HOLDINGS INC.

By: Mary Anne Ashmore
Name: Mary Anne Ashmore
Title: Vice President

STATE OF IL)
}ss:
COUNTY OF Cook)

On the 13th day of Dec., 1999, before me, personally came Mary Anne Ashmore, personally known to me, to be the person whose name is subscribed to the within instrument, who being by me duly sworn, did depose and say that he/she resides at 3 WORLD FINANCIAL CENTER, 12TH FLOOR NEW YORK NY 10285, and that he/she is the Vice President of LEHMAN BROTHERS HOLDINGS INC., DOING BUSINESS AS LEHMAN CAPITAL, A DIVISION OF LEHMAN BROTHERS HOLDINGS INC. and who acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person or the entity on behalf of which the person acted, executed the instrument.

Witness my hand and official seal.

Notary Public: CHIKE OKAFOR [notary seal]

My Commission Expires: 01/27/2003
By: _____

"OFFICIAL SEAL"
CHIKE E. OKAFOR
NOTARY PUBLIC STATE OF ILLINOIS
My Commission Expires 01/27/2003

052868 01 FEB 14 PM 12:47

RECEIVED AND RECORDED

HUDSON COUNTY REGISTER OF DEEDS

RCG#:42.1- MTG NP
LaSalle #: RZ82 /RZ82 LPTGL
Issuer/Pool: 1011/336 LPTG 99-1

LPTG LLC, A DELAWARE LIMITED LIABILITY COMPANY
(Assignor)
and
LaSalle Bank National Association, as trustee, under the indenture, dated July 9, 1999, LPTG LLC, Commercial Asset Structured Notes, Series 1999-1
(Assignee)

RZ82

ASSIGNMENT OF MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT

DATED: 12-13-99
PROPERTY LOCATION: MARBELLA TOWER - 425 WASHINGTON BLVD
COUNTY & STATE: Hudson, NJ
NEW YORK SECTION:
BLOCK: 15
LOT: 28
PIN # (If Required):

RECORD 2nd

PREPARED BY AND RECORD AND RETURN TO:

PREPARED BY, RECORD AND RETURN TO:
DOCUMENT MANAGEMENT NETWORK
A division of HANOVER CAPITAL
WALL STREET POST OFFICE BOX 900
NEW YORK, NY 10268-0900

LPTGL

BK0969PG077

ASSIGNMENT OF MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT

For Value Received, **LPTG LLC, A DELAWARE LIMITED LIABILITY COMPANY**, the undersigned holder of a(n) MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT (herein "Assignor") whose address is 3 WORLD FINANCIAL CENTER, 12TH FLOOR NEW YORK NY 10285, does hereby grant, sell, assign, transfer and convey, without recourse unto **LaSalle Bank National Association, as trustee, under the indenture, dated July 9, 1999, LPTG LLC, Commercial Asset Structured Notes, Series 1999-1** (herein "Assignee") whose address is 135 S. LaSalle Street, 16th Floor, Attn. Mtg Custody Chicago Illinois 60674, the mortgage loan documents identified below, hereto (the "Asset"), including all of Assignor's loan documents ("collectively, the "Loan Documents"), including documents in the possession of Assignor pertaining to the loan as evidenced by the Note, and including but not limited to, any loan agreements, guarantees, security agreements, any amendments or supplements and modifications thereto, all affidavits and certificates, tenant estoppel certificates and/or subordinations, general credit information, including letters of credit, credit records from Assignor, payment histories, signed loan applications, appraisals, property insurance policies, certificates of mortgage insurers, title insurance policies, escrow accounts and attorney' opinions.

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT recorded in the real estate records of Hudson County/jurisdiction, in the Commonwealth or State of NJ, described as follows:

Borrower Name(s):	MARBELLA TOWER ASSOCIATES, L.L.C., A NEW JERSEY LIMITED LIABILITY COMPANY
Original Lender:	LEHMAN BROTHERS HOLDINGS INC., DOING BUSINESS AS LEHMAN CAPITAL, A DIVISION OF LEHMAN BROTHERS HOLDINGS INC., A DELAWARE CORP
Trustee (if DOT):	
Date of Document:	12/08/98
Date of Recording:	12/16/98
Book/Volume:	6827 Page No.: 266 $1,903,975.25
Instr/Ref:	041952 Other #:
Township/Borough:	

Subject to the right and equity of redemption, if any there be of said mortgagor and their heirs and assigns in the same.

In the event the property securing this loan is in the state of New York, this Assignment is not subject to the requirements of Section 275 or Section 255 of the Real Property Law because it is an assignment within the secondary mortgage market. The Assignee is not acting as a nominee of the mortgagor and the Mortgage continues to secure a bona fide obligation.

RCG#: 42.1-MTG NP
LaSalle #: RZ82/ RZ82 LPTGL
Issuer/Pool: 1011/336 LASALLE LPTG 99-1

TO HAVE AND TO HOLD the same unto Assignee, its successors and assigns, forever, subject only to the terms and conditions of the above-described MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered, effective the 13TH day of DEC, 1999

ASSIGNOR:
LPTG LLC, A DELAWARE LIMITED LIABILITY COMPANY

By: Mary Anne Ashmore
Name: Mary Anne Ashmore
Title: Vice President

STATE OF IL }
COUNTY OF Cook } ss:

On the 13th day of Dec., 1999, before me, personally came Mary Anne Ashmore, personally known to me, to be the person whose name is subscribed to the within instrument, who being by me duly sworn, did depose and say that he/she resides at 3 WORLD FINANCIAL CENTER, 12TH FLOOR NEW YORK NY 10285, and that he/she is the Vice President of LPTG LLC, A DELAWARE LIMITED LIABILITY COMPANY and who acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person or the entity on behalf of which the person acted, executed the instrument.

Witness my hand and official seal.

Notary Public: CHIKE OKAFOR

My Commission Expires: 01/27/2003
By: _____

[notary seal]

"OFFICIAL SEAL"
CHIKE E. OKAFOR
NOTARY PUBLIC STATE OF ILLINOIS
My Commission Expires 01/27/2003

Prepared by, Recording
Requested by and Mail
To: Document Management Network,
a division of Hanover Capital Partners Ltd.,
Wall Street Post Office BOX 980
New York, NY 10268-0980
Phone: (212) 732-5086 Fax: (212) 732-4728

HUDSON COUNTY
REGISTER OF DEEDS

Loan #1: RZ82

Loan #2: 00045700

NEW JERSEY

ASSIGNMENT OF JUNIOR MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT

Know that LaSalle Bank National Association, as Trustee, under the Indenture dated July 9, 1999, LPTG, LLC Commmercial Asset Structured Notes, Series 1999-1, a national association, with a business address of 135 South LaSalle Street, Suite 1626, Chicago, IL 60674-4107, "Assignor", for value received and other good and valuable consideration paid by LW-LP, Inc, a Delaware Corporation, whose address is 3 World Financial Center, New York, NY 10285, "Assignee", the receipt and sufficiency of which is hereby acknowledged, the Assignor does hereby grant, bargain, sell, assign, transfer and convey unto the Assignee the following described JUNIOR MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT, duly recorded in the office of real property records in the County of HUDSON, State of NEW JERSEY, together with the indebtedness or obligation described in said instrument, and the monies due and to grow due thereon with the interest, as follows:

SEE EXHIBIT "A"

To have and to hold the same unto the Assignee, and to the successors, legal representatives and assigns of the Assignee forever.

053024
RECEIVED
AND
RECORDED

This Assignment is made without recourse to Assignor and without representation or warranty by Assignor, express or implied.

IN WITNESS WHEREOF, the Assignor has hereunto set its hand effective this 9TH day of July, 2000.

In Presence of:

Witness 1: C. Fehner

LaSalle Bank National Association, as Trustee, under the Indenture dated July 9, 1999, LPTG, LLC Commmercial Asset Structured Notes, Series 1999-1

By: MaryAnne Ashmore

Its: MaryAnne Ashmore
First Vice President

01 FEB 15 AM 11:08
HUDSON COUNTY
REGISTER OF DEEDS

BK0969PG213

State of NEW YORK)
County of NEW YORK) ss.

The undersigned, a notary public in and for above-said County and State, does hereby acknowledge that MARY ANNE ASHMORE, FIRST VICE PRESIDENT for LaSalle Bank National Association, as Trustee, under the Indenture dated July 9, 1999, LPTG, LLC Commmercial Asset Structured Notes, Series 1999-1, personally appeared before me this day, and being by me duly sworn, says that s/he, being informed of the contents, voluntarily executed the foregoing and annexed instrument for and on behalf of such entity.

WITNESS my hand and official seal this 9TH day of July, 2000.

Shirley A. Gerwin

Notary Public: SHIRLEY A. GERWIN

My Commission Expires:

SHIRLEY A. GERWIN
Notary Public, State of New York
No. 01GE5042705
Qualified in New York County
Commission Expires April 29, 2001

This document was prepared by Catherine C. Fetner,
Document Management Network, Inc.,
67 Liberty Street, New York, NY 10005.

Loan #1: RZ32 Loan #2: 00045700 NJ

BK0969PG214

STATE: NJ COUNTY:

EXHIBIT "A"

LOAN #1: RZ32 LOAN #2:

MORTGAGOR/TRUSTOR: MARBELLA TOWER ASSOCIATES, L.L.C.

MORTGAGEE/BENEFICARY: LEHMAN BROTHERS HOLDINGS INC., DOING BUSINESS A LEHMAN CAPITAL, A DIVISION OF LEHMAN BROTHERS HOLDINGS INC.

DATE OF MORTGAGE/DEED OF TRUST: 12/08/98 AMOUNT: $1,90

RECORDED:

DATE	VOLUME/BOOK	PAGE/FOLIO	INSTRUMENT #
12/16/98	6827	266	041752

BK0969PG215

SEE A33061
REC. 2-14-01
INSTR. #52869
BOOK 969
PAGE 81

041753
RECEIVED
AND
RECORDED

98 DEC 16 PM 12:34

Barbara A. Donnelly
HUDSON COUNTY
REGISTER OF DEEDS

PRESENT AND ABSOLUTE
ASSIGNMENT OF LEASES

Dated: December 8, 1998

Location: Hudson County, New Jersey
Lot: 15
Block: 28

RHC

LAND TITLE AGENCY INC.
464 VALLEY BROOK AVE.
LYNDHURST, N.J. 07071
(201) 804-8844

98-LT-0618.B

RECORD AND RETURN TO:

Battle Fowler LLP
75 East 55th Street
New York, New York 10022
Attention: Kenneth J. Friedman, Esq.

747220

BK6827PG308

052869

01 FEB 14 PM 12:47

RECEIVED AND RECORDED

Barbara B. Kennedy
HUDSON COUNTY REGISTER OF DEEDS

Prepared by, Recording
Requested by and Mail
To: Document Management Network,
a division of Hanover Capital Partners Ltd.,
Wall Street Post Office BOX 980
New York, NY 10268-0980
Phone: (212) 732-5086 Fax: (212) 732-4728

Loan #1: RZ82A

Loan #2:

NEW JERSEY

ASSIGNMENT OF PRESENT AND ABSOLUTE ASSIGNMENT OF LEASES

Know that LaSalle Bank National Association, as Trustee, under the Indenture dated July 9, 1999, LPTG, LLC Commmercial Asset Structured Notes, Series 1999-1, a national association, with a business address of 135 South LaSalle Street, Suite 1626, Chicago, IL 60674-4107, "Assignor", for value received and other good and valuable consideration paid by LW-LP, Inc, a Delaware Corporation, whose address is 3 World Financial Center, New York, NY 10285, "Assignee", the receipt and sufficiency of which is hereby acknowledged, the Assignor does hereby grant, bargain, sell, assign, transfer and convey unto the Assignee the following described PRESENT AND ABSOLUTE ASSIGNMENT OF LEASES, duly recorded in the office of real property records in the County of HUDSON, State of NEW JERSEY, together with the indebtedness or obligation described in said instrument, and the monies due and to grow due thereon with the interest, as follows:

SEE EXHIBIT "A"

To have and to hold the same unto the Assignee, and to the successors, legal representatives and assigns of the Assignee forever.

This Assignment is made without recourse to Assignor and without representation or warranty by Assignor, express or implied.

IN WITNESS WHEREOF, the Assignor has hereunto set its hand effective this 9TH day of July, 2000.

In Presence of:

Witness 1: C. Johnson

LaSalle Bank National Association, as Trustee, under the Indenture dated July 9, 1999, LPTG, LLC Commmercial Asset Structured Notes, Series 1999-1

By: Mary Anne Ashmore
Mary Anne Ashmore

Its: First Vice President

BK0969PG081

This FINANCING STATEMENT is presented to a Filing Officer for filing pursuant to the Uniform Commercial Code | Maturity date (if any):

FOR OFFICE USE ONLY

Debtor(s) Name (Last Name, First) Complete Address

Marbella Tower Associates, L.L.C.
c/o Roseland Property Company
140 Eagle Rock Avenue
Roseland, NJ 07068

Maturity date (if any):

FOR OFFICE USE ONLY

Secured Party(ies) and Complete Address

Lehman Brothers Holdings Inc.,
doing business as Lehman Capital, a
division of Lehman Brothers Holdings
Inc.
Three World Financial Center
200 Vesey Street
New York, New York 10285

Assignee(s) of Secured Party and Complete Address

003654
RECEIVED AND RECORDED

This financing statement covers the following types (or items) of property:

See "Exhibit A" attached hereto and made a part hereof.

98 DEC 16 PM 12:33
HUDSON COUNTY
REGISTER

RHR

LAND TITLE AGENCY INC.
464 VALLEY BROOK AVE.
LYNDHURST, N.J. 07071
(201) 804-8844

Senior mtg 98-LT-0618.B

When collateral is crops or fixtures complete this portion of form.
a. Description of real estate (Sufficient to identify the property).

b. Name and complete address of record owner.

a. ( ) Proceeds of Collateral are also covered. b. ( ) Products of Collateral are also covered. | No. of additional sheets presented. ( )

(✓) Filed with Register of Deeds and Mortgages of HUDSON County. ( ) Secretary of State
( ) Filed with the County Clerk of County.

Signature(s) of Debtor(s) | Signature(s) of Secured Party(ies) or Assignee(s)

See Signature Rider attached hereto.

FILING OFFICER COPY — This form of statement is approved by the Secretary of State of New Jersey.
STANDARD FORM – UNIFORM COMMERCIAL CODE – FORM UCC-1. (Rev. 9/81)

REORDER FROM
Registré, Inc.
514 PIERCE ST.
P.O. BOX 218
ANOKA, MN. 55303
(612) 421-1713

STATE OF NEW JERSEY
NATIONAL UCC FINANCING STATEMENT (FROM UCC3) (TRANS) (REV. 11/19/98)

THIS SPACE FOR USE OF FILING OFFICER

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Prepared by, Recording, Requested by and Mail
To: Document Management Network,
a division of Hanover Capital Partners Ltd.,
Wall Street Post Office BOX 980
New York, NY 10268-0980
Phone: (212) 732-5086 Fax: (212) 732-4728

1a. INITIAL FINANCING STATEMENT FILE#
Date: 12/16/98, Inst#: 003654, Book: , Page:

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.

4. ☑ ASSIGNMENT ☑ FULL or ☐ PARTIAL: Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.

5. ☐ AMENDMENT (PARTY INFORMATION): This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of these two boxes.
Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.
☐ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name(if name change) in item 7a or 7b and/or new address (if address change) in item 7c.
☐ DELETE name: Give record name to be deleted in item 6a or 6b.
☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:
6a. ORGANIZATION'S NAME
OR MARBELLA TOWER ASSOCIATES, L.L.C. C/O ROSELAND PROPERTY COMPANY, 140 EAGLE ROCK AVENUE ROSELAND, NJ 07068
6b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:
7a. ORGANIZATION'S NAME
OR SEE #8 BELOW
7b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX
7c. MAILING ADDRESS SEE #8 BELOW | CITY | STATE | POSTAL CODE | COUNTRY
7d TAX ID #: SSN OR EIN | OPTIONAL ADD'NL INFO RE ORGANIZATION DEBTOR | 7e. TYPE OF ORGANIZATION | 7f. JURISDICTION OF ORGANIZATION | 7g. ORGANIZATIONAL ID#, if any ☐ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.
Describe collateral ☐ released or ☐ added, or give entire ☐ restated collateral description.

LaSalle Bank National Association, as Trustee, under the Indenture dated July 9, 1999, LPTG, LLC Commmercial Asset Structured Notes, 1999-1, 135 South LaSalle Street, Suite 1626, Chicago, IL 60674-4107 - USA

Total Assignment: All collateral listed in the original UCC 1 Financing Statement referenced above

ASSIGNMENT

$85.00 - 000572
RECEIVED AND RECORDED

9. NAME OF SECURED PARTY OF RECORD (or if this is an Assignment name of assignor).
9a. ORGANIZATION'S NAME
OR LPTG LLC, 3 WORLD FINANCIAL CENTER, 12TH FLOOR, NEW YORK, NY 10285
9b. INDIVIDUAL'S LAST NAME | FIRST NAME Christopher S. McKenna | MIDDLE NAME | SUFFIX

10. REQUIRED SIGNATURE(S)

11. OPTIONAL FILE REFERENCE DATA

01 FEB 2 AM 9:57
HUDSON COUNTY REGISTER

NATIONAL UCC AMENDMENT (FROM UCC3) (REV. 11/19/98) HUDSON RZ82GRNF

This FINANCING STATEMENT is presented to a Filing Officer for filing pursuant to the Uniform Commercial Code | Maturity date (if any):

FOR OFFICE USE ONLY

Debtor(s) Name (Last Name, First) Complete Address

Marbella Tower Associates, L.L.C.
Roseland Property Company
140 Eagle Rock Avenue
Roseland, NJ 07068

Maturity date (if any):

FOR OFFICE USE ONLY

Secured Party(ies) and Complete Address

Lehman Brothers Holdings Inc., doing business as Lehman Capital, a division of Lehman Brothers Holdings Inc.
Three World Financial Center
200 Vesey Street
New York, New York 10285

Assignee(s) of Secured Party and Complete Address

RECEIVED AND RECORDED

03655

This financing statement covers the following types (or items) of property:

See "Exhibit A" attached hereto and made a part hereof.

98 DEC 16 PM 12: 33

HUDSON COUNTY

RHR

LAND TITLE AGENCY INC.
464 VALLEY BROOK AVE.
LYNDHURST, N.J. 07071
(201) 804-8844

JR MTG. 98-LT-0618,B

When collateral is crops or fixtures complete this portion of form.
a. Description of real estate (Sufficient to identify the property).

b. Name and complete address of record owner.

a. ( ) Proceeds of Collateral are also covered. b. ( ) Products of Collateral are also covered. | No. of additional sheets presented. ( )

(✓) Filed with Register of Deeds and Mortgages of HUDSON County. ( ) Secretary of State
( ) Filed with the County Clerk of County.

Signature(s) of Debtor(s) | Signature(s) of Secured Party(ies) or Assignee(s)

See Signature Rider attached hereto.

FILING OFFICER COPY — This form of statement is approved by the Secretary of State of New Jersey.
STANDARD FORM – UNIFORM COMMERCIAL CODE – FORM UCC-1. (Rev. 9/81)

REORDER FROM
Registré, Inc.
514 PIERCE ST.
P.O. BOX 318
ANOKA, MN. 55303
(612) 421-1713

STATE OF NEW JERSEY
NATIONAL UCC FINANCING STATEMENT (FORM UCC3) (TRANS) (REV. 11/19/98)

THIS SPACE FOR USE OF FILING OFFICER

UCC FINANCING STATEMENT AMENDMENT
FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Prepared by, Recording, Requested by and Mail
To: Document Management Network,
a division of Hanover Capital Partners Ltd.,
Wall Street Post Office BOX 980
New York, NY 10268-0980
Phone: (212) 732-5086 Fax: (212) 732-4728

1a. INITIAL FINANCING STATEMENT FILE#
Date: 12/16/98, Inst#: 003655, Book: , Page:

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.

4. ☑ ASSIGNMENT ☑ FULL or ☐ PARTIAL: Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.

5. ☐ AMENDMENT (PARTY INFORMATION): This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of these two boxes.
Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.
☐ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name(if name change) in item 7a or 7b and/or new address (if address change) in item 7c.
☐ DELETE name: Give record name to be deleted in item 6a or 6b.
☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:
6a. ORGANIZATION'S NAME
OR MARBELLA TOWER ASSOCIATES, L.L.C. C/O ROSELAND PROPERTY COMPANY, 140 EAGLE ROCK AVENUE ROSELAND, NJ 07068
6b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:
7a. ORGANIZATION'S NAME
OR SEE #8 BELOW
7b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX
7c. MAILING ADDRESS SEE #8 BELOW | CITY | STATE | POSTAL CODE | COUNTRY
7d. TAX ID #: SSN OR EIN | OPTIONAL ADD'NL INFO RE ORGANIZATION DEBTOR | 7e. TYPE OF ORGANIZATION | 7f. JURISDICTION OF ORGANIZATION | 7g. ORGANIZATIONAL ID#, if any ☐ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.
Describe collateral ☐ released or ☐ added, or give entire ☐ restated collateral description.

LPTG LLC, 3 World Financial Center, 200 Vesey Street, New York, NY 10285 - USA

Total Assignment: All collateral listed in the original UCC 1 Financing Statement referenced above

ASSIGNMENT

RECEIVED AND RECORDED 000571

$85.00 - (A)

9. NAME OF SECURED PARTY OF RECORD (or if this is an Assignment name of assignor).
9a. ORGANIZATION'S NAME
OR LEHMAN BROTHERS HOLDINGS INC., DOING BUSINESS AS LEHMAN CAPITAL, A DIVISION OF LEHMAN BROTHERS HOLDINGS INC., THREE WORLD FINANCIAL CENTER, 200 VESEY STREET, NEW YORK, NY 10285
9b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

10. REQUIRED SIGNATURE(S)

11. OPTIONAL FILE REFERENCE DATA

01 FEB 22 AM 9:56
HUDSON COUNTY REGISTER RZ82GA**NF

5740

STATE OF NEW JERSEY
NATIONAL UCC FINANCING STATEMENT (FROM UCC3) (TRANS) (REV. 11/19/98)

THIS SPACE FOR USE OF FILING OFFICER

UCC FINANCING STATEMENT AMENDMENT
FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Prepared by, Recording, Requested by and Mail
To: Document Management Network,
a division of Hanover Capital Partners Ltd.,
Wall Street Post Office BOX 980
New York, NY 10268-0980
Phone: (212) 732-5086 Fax: (212) 732-4728

1a. INITIAL FINANCING STATEMENT FILE#
Date: 12/16/98, Inst#: 003655, Book: , Page:

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

4. ☑ ASSIGNMENT ☑ FULL or ☐ PARTIAL: Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.

5. ☐ AMENDMENT (PARTY INFORMATION): This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of these two boxes.
Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.
☐ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name(if name change) in item 7a or 7b and/or new address (if address change) in item 7c.
☐ DELETE name: Give record name to be deleted in item 6a or 6b.
☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:
6a. ORGANIZATION'S NAME
OR MARBELLA TOWER ASSOCIATES, L.L.C. C/O ROSELAND PROPERTY COMPANY, 140 EAGLE ROCK AVENUE ROSELAND, NJ 07068
6b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:
7a. ORGANIZATION'S NAME
OR SEE #8 BELOW
7b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX
7c. MAILING ADDRESS SEE #8 BELOW | CITY | STATE | POSTAL CODE | COUNTRY
7d. TAX ID # SSN OR EIN | OPTIONAL ADD'NL INFO RE ORGANIZATION DEBTOR | 7e. TYPE OF ORGANIZATION | 7f. JURISDICTION OF ORGANIZATION | 7g. ORGANIZATIONAL ID#, if any ☐ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.
Describe collateral ☐ released or ☐ added, or give entire ☐ restated collateral description.

LW-LP, Inc, 3 World Financial Center, New York, NY 10285 - USA

Total Assignment: All collateral listed in the original UCC 1 Financing Statement referenced above

ASSIGNMENT

000573 RECEIVED AND RECORDED

$25.00

9. NAME OF SECURED PARTY OF RECORD (or if this is an Assignment name of assignor).
9a. ORGANIZATION'S NAME
OR LASALLE BANK NATIONAL ASSOCIATION, AS TRUSTEE, UNDER THE INDENTURE DATED JULY 9, 1999, LPTG, LLC COMMERCIAL ASSET STRUCTURED NOTES, SERIES 1999-1, 135 SOUTH LASALLE STREET-SUITE 1625, CHICAGO, IL 60603
9b. INDIVIDUAL'S LAST NAME ASHMORE | FIRST NAME MARY ANNE | MIDDLE NAME | SUFFIX

10. REQUIRED SIGNATURE(S)
Maryanne Ashmore

11. OPTIONAL FILE REFERENCE DATA

01 FEB 22 AM 9:57
HUDSON COUNTY

93 JUL 16 AM

004130
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HUDSON COUNTY
REGISTER OF DEEDS

Prepared by:

William J. Crabtree

DECLARATION OF ENVIRONMENTAL RESTRICTIONS

This Declaration of Environmental Restrictions, made as of the 9th day of July, 1993, by NATIONAL BULK CARRIERS, INC., 1345 Avenue of the Americas, New York, New York 10105, together with its successors and assigns, collectively "Owner").

WITNESSETH:

WHEREAS, Owner is the owner in fee simple of certain real property (the "Property") designated as Lots 1, A-1, C-1, C-2, D-1, E, S, C-18, C-21 and C-31 in Block 15 and Lot P in Block 176 and vacated Fourth and Fifth Streets on the tax map of the City of Jersey City, Hudson County, New Jersey, more particularly described on Exhibit A attached hereto and made a part hereof; and

WHEREAS, the New Jersey Department of Environment Protection and Energy ("Department") has approved the Harsimus Cove South Remedial Plan (Update No. I) attached hereto as Exhibit B and made a part hereof, concerning the Property; and

WHEREAS, the areas described in Exhibits B and C attached hereto and made a part hereof (the "Affected Areas") contain contaminants as defined in N.J.A.C. 7:26D-1.7; and

WHEREAS, the type, concentration and specific location of the contaminants are described in Exhibits B and C attached hereto and made a part hereof; and

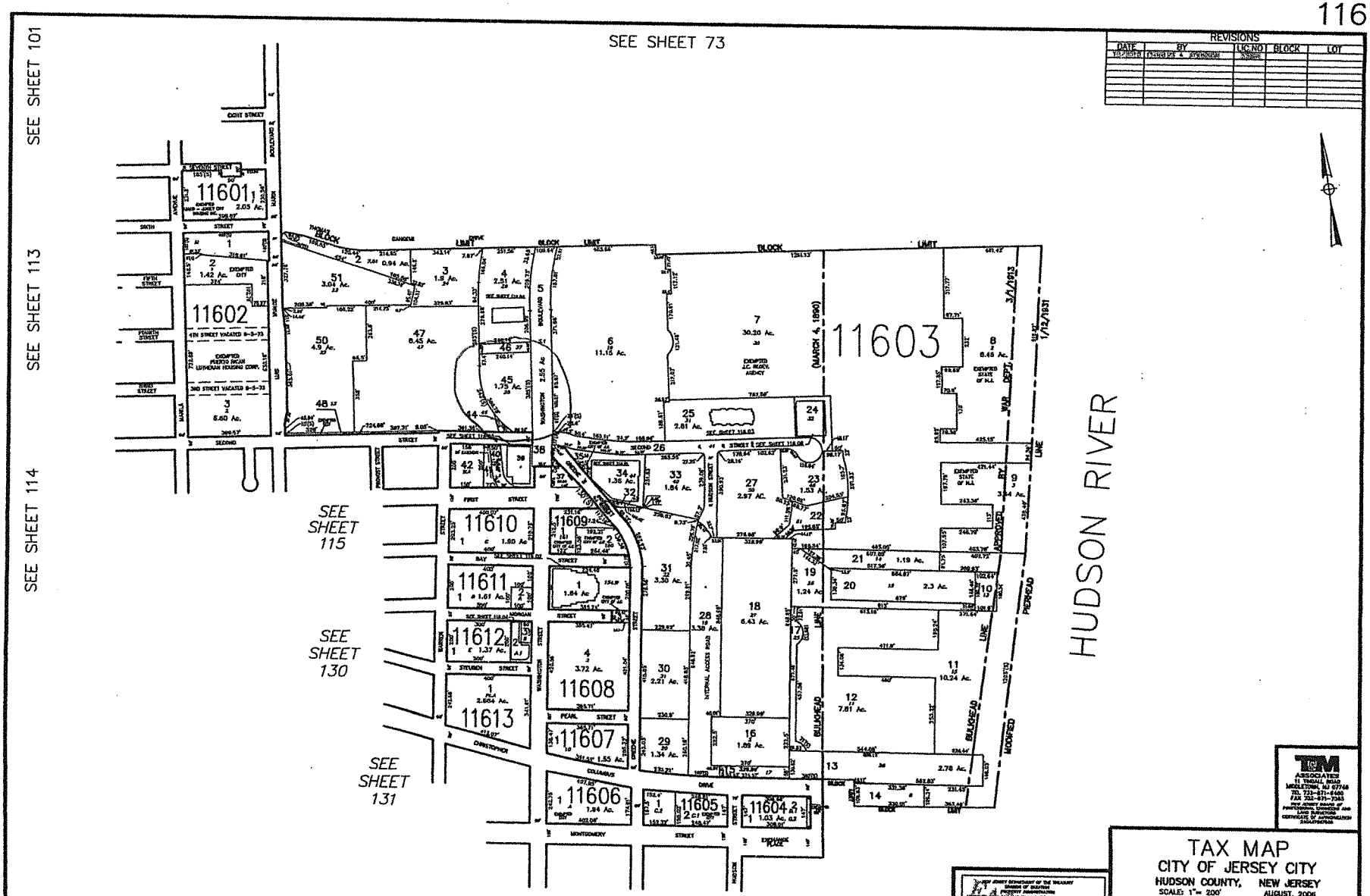
WHEREAS, in accordance with Exhibit B, and in consideration for the terms and conditions of Exhibit B and other good and valuable consideration, Owner agrees to impose certain restrictions upon the use and occupancy of the Property, to restrict certain activities at the Property, as set forth below; and

WHEREAS, Owner intends that such requirements in Exhibit B shall run with the Property, and be binding upon and enforceable against Owner and Owner's successors and assigns.

NOW, THEREFORE, Owner agrees as follows:

1. Restrictions. Owner shall not suffer or allow any development or occupancy of the Property except in compliance with the Harsimus Cove South Remedial Plan (Exhibit B).

BK 4 6 1 PG 063


SEE SHEET 73
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HUDSON RIVER
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REVISIONS
DATE
BY
LIC.NO
BLOCK
LOT
TAX MAP
CITY OF JERSEY CITY
HUDSON COUNTY, NEW JERSEY
SCALE: 1"= 200'
AUGUST, 2006
RICHARD A. MORALLE, P.E., P.L.S.
T & M ASSOCIATES
11 TINDALL ROAD, MIDDLETOWN TOWNSHIP
NEW JERSEY, 07748
Thomas S. Reilly
Santo C. DiDonato
MAY 8, 2009
ARH – COA#24GA27973300
THIS MAP HAS BEEN DRAWN USING COMPUTER AIDED DRAFTING/DESIGN (CAD/D) AND COORDINATE GEOMETRY.

EXHIBIT B-1

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

DESCRIPTION OF RESIDENTIAL LEASES
GOOD FAITH ESTIMATE OF INITIAL RENTS

1. Name of Tenant		Various	
2. Term of Lease		No less than 12 months each	
3. Number of Apartments		Studio	84
		1 Bedroom	110
		2 Bedroom	102
		3 Bedroom	15
		Total	311
		Annual	Monthly
4. Average Rent per Apartment	Studio	$27,648	$2,304
	1 Bedroom	$32,448	$2,704
	2 Bedroom	$44,568	$3,714
	3 Bedroom	$62,400	$5,200
5. Premium paid directly by Tenant Annually			
a. Fire & other insurance		N/A	
b. Real Estate Taxes of Assessments on property in project		N/A	
c. Operating and maintenance expenses ordinarily paid by tenant		N/A	
6. Renewal Option (Yes / No)			
a. Number of Years		One	
b. Renewal Rent		Market increases	
7. Special Features (step-up rents, etc.)		None	

EXHIBIT B-2

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

ESTIMATED FISCAL PLAN

Rental Income:

Apartments	Units	Annual
Studio Units x	84	$2,322,000
One Bedroom Units x	110	$3,568,800
Two Bedroom Units x	102	$4,545,600
Three Bedroom Units x	15	$ 936,000
Total Potential Residential Income		$11,372,400
Retail Income		$ 33,653
Other Income (Amenity Fees, etc.)		$ 316,200
Parking Income		$ 342,878
Total Gross Income		$12,065,131
Vacancy (5%)		$(603,257)
Effective Gross Income		$11,461,874

Property, administrative and financial expenses:	
Payment in lieu of real estate taxes - 10% + 0.7%	$ 1,226,420
Management Fee (3%)	$ 285,678
Leasing Expenses (admin)	$ 33,054
Repairs and Maintenance	$ 329,691
Insurance	$ 69,975
Utilities	$ 300,545
Labor - Payroll, Taxes & Benefits	$ 469,939
Advertising/Marketing	$ 58,676
Miscellaneous Operating Expenses	$ 42,833
Reserves	$ 93,300
Total Expenses	$ 2,910,111
Net Operating Income (before Debt Service):	$ 8,551,763
Debt Service (5.5% I/O pmt on Perm)	$ 4,627,609
NET OPERATING INCOME LESS DEBT SERVICE:	$ 3,924,154

EXHIBIT B-3

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

ANNUAL GROSS REVENUE COMPUTATION

(1)	Total Annual Gross Rental Income	$11,461,874
(2)	Real Estate Taxes and/or Assessment on Property*	$ 0
(3)	Insurance Premiums*	$ 0
(4)	Operating, Maintenance or Repair Expenses*	$ 0

*NJSA 40A:20-3(a) provides that "the financial agreement shall establish the method of computing gross revenue for the entity, and the method of determining insurance, operating and maintenance expenses paid by a tenant which are ordinarily paid by a landlord, which shall be included in gross revenue…"

Total Annual Gross Rental

Apartments		
Studio Units x	84	$2,322,000
One Bedroom Units x	110	$3,568,800
Two Bedroom Units x	102	$4,545,600
Three Bedroom Units x	15	$ 936,000
Total Potential Residential Income		$11,372,400
Retail Income		$ 33,653
Other Income (Amenity Fees, etc.)		$ 316,200
Parking Income		$ 342,878
Total Gross Income		$12,065,131
Vacancy (5%)		$(603,257)
Total		**$11,461,874**

(5) Annual Payment in Lieu of Taxes:
10.00% Years 1-10 $1,146,187

EXHIBIT C

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

Total Project Cost

Estimated Total Project Cost Calculation per N.J.S.A. 40A:20-3(h):

A. Cost of land and improvements to Urban Renewal Entity	$11,482,385
B. Architects, Engineers, surveying and Attorney Fees (paid or payable) in connection with the planning, construction and financing of the Project	$ 5,116,865
C. Projected construction cost per architect's estimate. Bids including site preparation [includes permits and hook-up fees]	$104,157,180
D. Insurance, Interest, and Finance Costs during Construction	$5,996,867
E. Cost of Obtaining Initial Permanent Financing	$0
F. Marketing and other expenses payable in connection with initial lease of units	$364,423
G. Real Estate Taxes and Assessments during Construction Period	$1,931,213
H. Developer's Overhead based on a percentage of (c) above, to be computed in accordance with percentage given in law N.J.S.A. 40A:20-3 (h)	$3,249,508
Total Project Cost	$132,298,441

EXHIBIT C-1

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

Certification of Estimated Construction Costs

On this 18 day of October 2012, the undersigned being the architect for the Project to be developed by Marbella Tower Urban Renewal Associates South, L.L.C., does hereby certify to the best of my knowledge and belief that Exhibit C accurately reflects the estimated actual construction costs of the Project proposed on part of Block 11603, Lots 44 and 45, more commonly referred to as 425 Washington Boulevard and 110 Second Street, Jersey City, New Jersey, and to be known as a new Lot within Block 11603, 401 Washington Boulevard, upon perfection of a subdivision.

By: _____

Name: LAMOS S. DAVIDSON, AIA

Title: Architect

EXHIBIT D

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

COPY OF RESOLUTIONS APPROVING SITE PLAN AND SUBDIVISION AND COPY OF SITE PLAN

RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY

APPLICANT: **MARBELLA TOWERS ASSOCIATES, LLC**

FOR: **PRELIMINARY AND FINAL MAJOR SITE PLAN APPROVAL WITH DEVIATIONS (SIDEYARD SETBACKS; OPEN SPACE; SIGNAGE)**
425 WASHINGTON BOULEVARD (110 SECOND STREET) AND THE "HUDSON RIVER"
ALSO TO BE KNOWN ON THE JERSEY CITY TAX MAPS AS BLOCK 11603, LOTS 7, 45 AND 44
(FORMERLY BLOCK 15, LOTS 30, 28 AND 46)
JERSEY CITY, NEW JERSEY

CASE NO.: **P12-009**

WHEREAS, the applicant, **MARBELLA TOWERS ASSOCIATES, LLC , (the "Applicant"),** per **CONNELL FOLEY, LLC** (Charles J. Harrington, III, Esq., appearing) made application to the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for Preliminary and Final Major Site Plan Approval with deviations (sideyard setbacks; open space; and signage), to wit: Calendar No. P12-009, to develop a thirty-nine (39) story building with 311 residential units that will be connected to the existing adjacent parking garage structure in connection with the property located at 425 Washington Boulevard and 110 Second Street, Jersey City, NJ, and also identified on the Jersey City Tax Maps as Block 11603, Lots 7, 44 and 45 (formerly known as Block 15, Lots 30, 28 and 46)(collectively the "Property"); and

WHEREAS, due notice of a hearing on the above said application before the Planning Board of the City of Jersey City, on May 15, 2012 at 5:30 p.m., was duly published as prescribed in the Zoning Ordinance of the City of Jersey City; and

WHEREAS, the applicant has submitted proof that it has complied with the applicable procedural requirements including the payment of fees and public notices; and

WHEREAS, all testimony having been formally heard for this application; and

WHEREAS, after consideration of the application and the testimony presented at the meeting, the Planning Board has made the following findings of fact:

FINDINGS OF FACT

1. The Applicant, Marbella Tower Associates, LLC, has filed an application with the Jersey City Planning Board for Preliminary and Final Major Site Plan Approval with deviations for the sideyard setbacks; open space minimum requirements and signage. The purpose of the application is to develop a thirty-nine (39) story building with 311 residential units that will be connected to the existing adjacent parking garage structure in connection with the property located at 425 Washington Boulevard and 110 Second Street, Jersey City, NJ, and also identified on the Jersey City Tax Maps as Block 11603, Lots 44 and 45 (formerly known as Block 15, Lots 28 and 46)(collectively the "Property").

2. Under a separate development application, the Applicant was granted approval to subdivide the lots (P012-008), which created a lot for the existing development ("Marbella 1") and the development lot for this project.

3. The Property is located in the Hudson Exchange Redevelopment Plan ("Redevelopment Plan") and Lot 44 (formerly Lot 28; and now subdivided) is currently developed with a forty (40) story residential tower with four hundred-twelve (412) units; ground floor commercial space; and a six (6) story parking garage.

4. The Applicant has been designated as the redeveloper of the properties by the Jersey City Redevelopment Agency ("JCRA"), and the development is a partnership between the Applicant and the JCRA. The JCRA and the Applicant have a written agreement that the rights and interests of 24,393 sf (.60 acres) of Lot 7 (JCRA Property) shall be leased to the Applicant for the purposes of using this area towards the calculation of the permitted floor area ratio (FAR) and density of the residential building to be developed on the new development Lot for the new residential building. The transfer of density and FAR rights to this lot is also permitted by the Redevelopment Plan.

5. The subdivision divides Lots 28 and 46 into two new lots by providing for a lot line that cuts through the existing parking garage/retail structure. The purpose of the location of the new lot line (through the existing parking and retail structure) is to provide the appropriate lot areas and permitted densities for the previously approved 412 residential units and the proposed residential tower with 311 residential units. Accordingly, the purpose of the new lot lines provides for the existing development lot and the new development lot.

6. There are no lot area or dimension standards in the Redevelopment Plan. There are, however, sideyards requirements in the Redevelopment Plan. As a result of the location of existing parking structure and residential tower, deviations are required as part of the subdivision application and proposed development for the resulting side yards (side yard deviations were requested and granted as part of the initial approval for the existing building/tower – "Marbella 1").

7. The required setbacks pursuant to the Redevelopment Plan are a function of the height of the building. This is a deviation that has been generally granted within this Redevelopment Plan area when the development consists of high rise buildings, and the same deviation was granted when Phase 1 ("Marbella 1") of this development was approved many years ago. A setback deviation will be required as part of the subdivision for the Phase I building because the southern lot line will now result in a zero lot line and the side yard setback had technically become smaller. Setback deviations will similarly be necessary for the new development because the existing garage structure will effectively have a zero lot line, and the residential tower cannot meet the required minimum setbacks.

8. The proposed residential building is being constructed on the development lot that is partially vacant. The proposed height of the building will require that the Applicant have yard setbacks of approximately 101 feet on three (3) sides of the building or on 75% of the building, which would be an inappropriate and impractical setback for an urban environment and make the development impossible. There is, however, an open space area between the buildings (Phase I and Phase II) above the garage base, and a separation of the proposed building from any other adjacent buildings of a minimum of ninety (90) feet; and both of which will provide for adequate light and air. Therefore, the proposed development will meet the intent of the sideyard regulation by creating separation from buildings within the Redevelopment Plan area, and will not result in any substantial detriments. The Phase 2 tower will also compliment and mirror the Phase I tower development and the proposed setbacks are consistent with sound urban design principles, and consistent with many of the buildings that have been developed within the Redevelopment Plan area.

9. The Applicant is also requesting a deviation from the minimum required open space. This is more of a technical deviation because the new development will be sharing open space with the Marbella I development, which will be renovated and restored as part of the overall

development. The open space to be shared will be located on the property occupied by the Marbella I development (on top of the existing parking deck structure). The proposed project, as calculated on its own lot, falls approximately 14,000 square feet short in meeting the minimum required open space. However, this project will be sharing open space with the Marbella 1 project, and it was noted that a large portion of the land to the rear of the existing parking structure was provided to the Hudson-Bergen Light Rail ("Light Rail" for use for its tracks, walkways and a station (a public purpose). Accordingly, this is an additional large space that has not been counted as open space towards the Marbella 1 development or the propped development, but is a contributing area to the public good and as open space for the public. It is a hardship that this area can not be developed as further open space. The access to the open space on the top of the parking garage and the area provided for the Light Rail are both mitigating factors with regard to the actual shortage of open space. However, in the aggregate when viewing the Marbella 1 and Marbella II projects together as a comprehensive development, there is adequate open space. Therefore, the development meets the intent of the Redevelopment Plan by providing for open space, and the benefits of granting this deviation outweigh any substantial detriments and can be granted.

10. The Applicant is also requesting a deviation to permit a monument sign to identify the building, and a deviation/approval for the placement of temporary leasing signs on the building. The proposed monument sign is similar to what the Planning Board approved for Marbella I, and it is submitted that it is similarly appropriate for this "sister" development. This signage is typical of the new developments along the waterfront are a benefit to the early marketing and success of the buildings. Accordingly, it submitted that these signs are essential to assisting in the success of the development.

11. The Applicant presented the testimony of Edward Kolling, a Professional Planner, in support of the requested deviations. The testimony of Mr. Kolling, as set forth on the record, established the basis and reasoning in support of the granting of the requested deviations and was not refuted. Mr. Kollings' testimony was further supported by the comments of the Division of Planning Planner, Maryann Bucci Carter, and its Director, Robert Cotter.

12. The proposed development will provide for development consistent with the purposes of the Redevelopment Plan. The requested deviations for will promote the objectives of the Master Plan and zone plan, specifically, but not limited to Section III.B, D, E, F, G and H of the Redevelopment Plan. The proposed development of the property is an appropriate development

of the property that will benefit the immediate neighborhood and will promote the general welfare. Accordingly, the benefits of granting the requested deviations outweigh any substantial detriments and the deviation can be granted. Lastly, the proposed deviations will not cause a substantial detriment to the public good, or impairment to the intent and purpose of the Jersey City Zone Plan and Zoning Ordinance.

NOW, THEREFORE, BE IT RESOLVED that the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for the foregoing reasons, approves the within application for Preliminary and Final Major Site Plan Approval with deviations (sideyard setbacks; open space; and signage), to wit: Calendar No. P12-009, to develop a thirty-nine (39) story building with 311 residential units that will be connected to the existing adjacent parking garage structure in connection with the property located at 425 Washington Boulevard and 110 Second Street, Jersey City, NJ, and also identified on the Jersey City Tax Maps as Block 11603, Lots 7, 44 and 45 (formerly known as Block 15, Lots 30, 28 and 46)(collectively the "Property"), in accordance with the plans and testimony submitted to the Planning Board of the City of Jersey City, subject to the following conditions of approval:

1. The Applicant shall have the opportunity to review and agree to a form of a "Good Neighbor" rules of engagement construction guidelines.
2. The Applicant shall comply with the comments of the Jersey City Engineering Department in its memorandum dated April 10, 2012, with the exception of comment #s 14, 15 and 17 (with regard to the placement of the transformers; the drop off area; and tree pits). The Applicant shall provide for the placement of the transformer in the bed of the street, and maintain the design of the drop off area in its plans, which are consistent with the comments of the Division of Planning staff.
3. The tree pits for this development project (Marbella 2) shall be consistent with the tree pits that were installed for the Marbella 1 development.
4. The Applicant shall work with the Hudson-Bergen light rail to propose to widen the crosswalks on the way to the Light rail and provide for a path to the Light Rail station at the southwest side of the building.
5. The Applicant shall provide for bike storage within the existing garage structure.
6. The Applicant shall provide a photo book of the material s to the Division of Planning staff.

7. The Applicant shall work with the Division of Planning staff to review the proposed type of glass on the building in an attempt to mitigate issues with the adjacent building.
8. The Applicant shall provide for required and standard window treatments for the windows.

APPLICANT: **MARBELLA TOWERS ASSOCIATES, LLC**

FOR: **PRELIMINARY AND FINAL MAJOR SITE PLAN APPROVAL WITH DEVIATIONS (SIDEYARD SETBACKS; OPEN SPACE; SIGNAGE) 425 WASHINGTON BOULEVARD (110 SECOND STREET) AND THE "HUDSON RIVER" ALSO TO BE KNOWN ON THE JERSEY CITY TAX MAPS AS BLOCK 11603, LOTS 7, 45 AND 44 (FORMERLY BLOCK 15, LOTS 30, 28 AND 46) JERSEY CITY, NEW JERSEY**

CASE NO.: **P12-009**

VOTE: **9 - 0**

COMMISSIONER:	YES	NO	ABSTAIN	ABSENT
Michael A. Ryan, Chairman	X			
Roseanna Petruzzelli, Vice Chairwoman	X			
James P. McNeill, Commissioner	X			
Madeline Romano, Commissioner	X			
Michael Sims, Commissioner	X			
Nidia Lopez, Commissioner	X			
Dr. Orlando Gonzalez, Commissioner	X			
Edwardo Torres, Commissioner	X			
Karen McIntyre, Commissioner	X			

MICHAEL RYAN, CHAIRMAN
JERSEY CITY PLANNING BOARD

ROBERT COTTER, SECRETARY
JERSEY CITY PLANNING BOARD

APPROVED AS TO LEGAL FORM:

JOHN HAMILL, ESQ.

DATE OF HEARING: May 15, 2012

DATE OF MEMORIALIZATION: June 5, 2012

RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY

APPLICANT: **MARBELLA TOWERS ASSOCIATES, LLC**

FOR: **MINOR SUBDIVISION APPROVAL WITH A DEVIATION (SIDEYARD SETBACKS)**
425 WASHINGTON BOULEVARD (110 SECOND STREET)
ALSO TO BE KNOWN ON THE JERSEY CITY TAX MAPS AS
BLOCK 11603, LOTS 45 AND 44
(FORMERLY BLOCK 15, LOTS 28 AND 46)
JERSEY CITY, NEW JERSEY

CASE NO.: **P12-008**

WHEREAS, the applicant, **MARBELLA TOWERS ASSOCIATES, LLC , (the "Applicant"),** per **CONNELL FOLEY, LLC** (Charles J. Harrington, III, Esq., appearing) made application to the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for Minor Subdivision Approval with a deviation (sideyard setbacks), to wit: Calendar No. P12-008, to subdivide and reconfigure two (2) existing lots into two (2) lots in connection with the property located at 425 Washington Boulevard and 110 Second Street, Jersey City, NJ, and also identified on the Jersey City Tax Maps as Block 11603, Lots 44 and 45 (formerly known as Block 15, Lots 28 and 46)(collectively the "Property"); and

WHEREAS, due notice of a hearing on the above said application before the Planning Board of the City of Jersey City, on May 15, 2012 at 5:30 p.m., was duly published as prescribed in the Zoning Ordinance of the City of Jersey City; and

WHEREAS, the applicant has submitted proof that it has complied with the applicable procedural requirements including the payment of fees and public notices; and

WHEREAS, all testimony having been formally heard for this application; and

WHEREAS, after consideration of the application and the testimony presented at the meeting, the Planning Board has made the following findings of fact:

FINDINGS OF FACT

1. The Applicant, Marbella Tower Associates, LLC, has filed an application with the Jersey

City Planning Board for Minor Subdivision Approval with a deviation for the sideyard setbacks. The purpose of the application is to subdivide and reconfigure two (2) existing lots into two (2) lots (60,300 sf +/- and 18,967 sf +/-) in connection with the property located at 425 Washington Boulevard and 110 Second Street, Jersey City, NJ, and also identified on the Jersey City Tax Maps as Block 11603, Lots 44 and 45 (formerly known as Block 15, Lots 28 and 46)(collectively the "Property").

2. Under a separate development application, the Applicant is proposing a development that includes a total of 311 residential units in a new thirty-nine (39) story tower that will be connected to the existing parking garage structure (P12-009).

3. The Property is located in the Hudson Exchange Redevelopment Plan ("Redevelopment Plan") and Lot 44 (formerly Lot 28) is currently developed with a forty (40) story residential tower with four hundred-twelve (412) units; ground floor commercial space; and a six (6) story parking garage. The Applicant has been designated as the redeveloper of the properties by the Jersey City Redevelopment Agency ("JCRA"), and the development is a partnership between the Applicant and the JCRA.

4. The proposed subdivision includes the subdivision of Lots 28 and 46 into two new lots. The proposed dividing lot line will cut through the existing parking garage/retail structure. The purpose of the location of the new lot line (through the existing parking and retail structure) is to provide the appropriate lot areas and permitted densities for the previously approved 412 residential units and the proposed residential tower with 311 residential units. Accordingly, the purpose of the new lot lines is to provide for the existing development lot and the new development lot.

5. There are no lot area or dimension standards in the Redevelopment Plan. There are, however, sideyards requirements in the Redevelopment Plan. As a result of the location of existing parking structure and residential tower, deviations are required as part of the subdivision application for the resulting side yards (side yard deviations were requested and granted as part of the initial approval for the existing building/tower – "Marbella 1").

6. The required setbacks pursuant to the Redevelopment Plan are a function of the height of the building. This is a deviation that has been generally granted within this Redevelopment Plan area when the development consists of high rise buildings, and the same deviation was

granted when Phase 1 ("Marbella 1") of this development was approved many years ago. A setback deviation will be required as part of the subdivision for the Phase I building because the southern lot line will now result in a zero lot line and the side yard setback had technically become smaller. Setback deviations will similarly be necessary for the new development because the existing garage structure will effectively have a zero lot line, and the residential tower cannot meet the required minimum setbacks.

7. The proposed residential building is being constructed on the development lot that is partially vacant. The proposed height of the building will require that the Applicant have yard setbacks of approximately 101 feet on three (3) sides of the building or on 75% of the building, which would be an inappropriate and impractical setback for an urban environment and make the development impossible. There is, however, an open space area between the buildings (Phase I and Phase II) above the garage base, and a separation of the proposed building from any other adjacent buildings of a minimum of ninety (90) feet; and both of which will provide for adequate light and air. Therefore, the proposed subdivision will not result in any substantial detriments. The Phase 2 tower will also compliment and mirror the Phase I tower development and the proposed setbacks are consistent with sound urban design principles, and consistent with many of the buildings that have been developed within the Redevelopment Plan area.

8. The Applicant presented the testimony of Edward Kolling, a Professional Planner, in support of the requested deviation. The testimony of Mr. Kolling, as set forth on the record, was not refuted, and supported by the comments of the Division of Planning Planner, Maryann Bucci Carter, and its Director, Robert Cotter.

9. The proposed subdivision will provide for development lots consistent with the purposes of the Redevelopment Plan. The requested deviations for will promote the objectives of the Master Plan and zone plan, specifically, but not limited to Section III.B, D, E, F, G and H of the Redevelopment Plan. The proposed subdivision of the lots and ultimate development of the property is an appropriate subdivision and development of the property that will benefit the immediate neighborhood and will promote the general welfare. Accordingly, the benefits of granting the deviation for relief from the required sideyard setbacks outweigh any substantial detriments and the deviation can be granted. Lastly, the proposed ~~variances~~ deviations will not cause a substantial detriment to the public good, or impairment to the intent and purpose of the Jersey City Zone Plan and Zoning Ordinance.

NOW, THEREFORE, BE IT RESOLVED that the Planning Board of the City of Jersey City, County of Hudson and State of New Jersey, for the foregoing reasons, approves the within application for Minor Subdivision Approval with a deviation (sideyard setbacks), to wit: Calendar No. P12-008, to subdivide and reconfigure two (2) existing lots into two (2) lots in connection with the property located at 425 Washington Boulevard and 110 Second Street, Jersey City, NJ, and also identified on the Jersey City Tax Maps as Block 11603, Lots 44 and 45 (formerly known as Block 15, Lots 28 and 46), in accordance with the plans and testimony submitted to the Planning Board of the City of Jersey City.

APPLICANT: **MARBELLA TOWERS ASSOCIATES, LLC**

FOR: **MINOR SUBDIVISION APPROVAL WITH A DEVIATION (SIDEYARD SETBACKS)**
425 WASHINGTON BOULEVARD (110 SECOND STREET)
ALSO TO BE KNOWN ON THE JERSEY CITY TAX MAPS AS
BLOCK 11603, LOTS 45 AND 44
(FORMERLY BLOCK 15, LOTS 28 AND 46)
JERSEY CITY, NEW JERSEY

CASE NO.: **P12-008**

VOTE: **9 - 0**

COMMISSIONER:	YES	NO	ABSTAIN	ABSENT
Michael A. Ryan, Chairman	X			
Roseanna Petruzzelli, Vice Chairwoman	X			
James P. McNeill, Commissioner	X			
Madeline Romano, Commissioner	X			
Michael Sims, Commissioner	X			
Nidia Lopez, Commissioner	X			
Dr. Orlando Gonzalez, Commissioner	X			
Edwardo Torres, Commissioner	X			
Karen McIntyre, Commissioner	X			

MICHAEL RYAN, CHAIRMAN
JERSEY CITY PLANNING BOARD

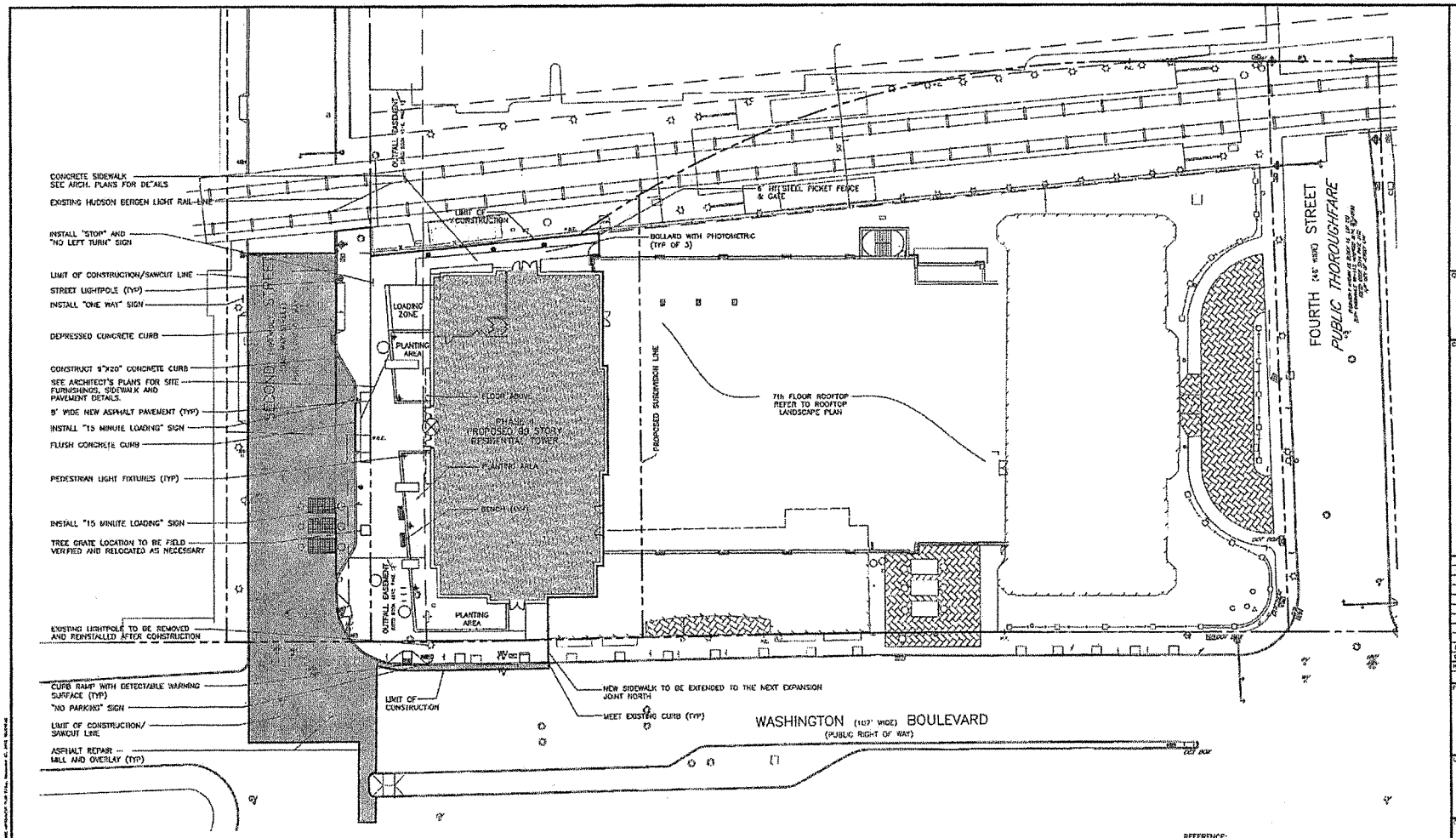
ROBERT COTTER, SECRETARY
JERSEY CITY PLANNING BOARD

APPROVED AS TO LEGAL FORM:

JOHN HAMILL, ESQ.

DATE OF HEARING: May 15, 2012

DATE OF MEMORIALIZATION: June 5, 2012



REFERENCE:

1. EXISTING CONDITIONS SHOWN HEREON IS TAKEN FROM PLAN ENTITLED "ALTA/ACSM LAND TITLE SURVEY", PREPARED BY DRESDNER ROBIN, REVISED THROUGH 4/18/11.

NOTES:

1. REFER TO ARCHITECT PLANS FOR FUTURE CONNECTION TO EXISTING ROOFTOP TERRACE.
2. REFER TO LANDSCAPE ARCHITECT PLANS FOR 7TH FLOOR ROOFTOP LAYOUT, ADDITIONAL GROUND LEVEL IMPROVEMENTS AND DETAILS.

20 10 0 20 40
HORIZONTAL SCALE: 1"=20'

PROJECT DATUMS			
HORIZONTAL	DRED MERIDIAN		
VERTICAL	NAVD 1988		

DRAWN BY: THANPA	CHECKED BY: FWW	DRAWING NUMBER: SP-2.0	
SCALE: 1"=20'			
JOB NUMBER: 00614-10	DATE: 06.06.12	SHEET 3 OF 11	

DRESDNER ROBIN
Engineering, Environmental, Planning, Surveying and Landscape Architecture

WWW.DRESDNERROBIN.COM
CONTACT@DRESDNERROBIN.COM

271 WARREN STREET
JERSEY CITY, NJ 07302
(TEL) 201.217.0200 (FAX) 201.217.9807

625 MATTISON AVENUE
ASBURY PARK, NJ 07712
(TEL) 732.988.7900 (FAX) 732.988.7902

426 MARKET STREET, SUITE 200
CAMDEN, NJ 07102
(TEL) 856.966.9400 (FAX) 856.966.0016

HANSCH ENGINEERING DIVISION
7 CODO ROAD, SUITE 1
WAYNE, NJ 07470
(TEL) 973.696.9400 (FAX) 973.696.1982

PRINCE ASLITEA DIVISION
PARKWAY CORPORATE PLAZA
4000 HACKENSACK ROAD, SUITE 115
WAYNE, NJ 07470
(TEL) 973.696.9600 (FAX) 973.696.1982

OWNER:
MARBELLA TOWER ASSOCIATES SOUTH, LLC.
233 CANOE BROOK ROAD
SHORT HILLS, NJ 07078

CONSULTANTS:
ARCHITECT
SCHUMAN LICHTENSTEIN CLAMAN EFRON ARCHITECTS
841 BROADWAY
NEW YORK, NY 10003
PHONE (212) 979-8400

LANDSCAPE ARCHITECT
MELLO & BAUER ASSOCIATES, INC.
RAMBOW EXECUTIVE CENTER
2200 HIGHWAY 34, BLDG. 2000 D-3
MANASQUAN, NJ 07736
PHONE (732) 528-0862

NO.	DATE	REVISION	BY
R1	08.15.12	CONFORMED SET	PWW
R0	06.06.12	DESIGN DEVELOPMENT ISSUE	DAG

REVISIONS

PROJECT:
MARBELLA RESIDENTIAL PHASE II

LOCATION:
BLOCK 11603
PROPOSED LOT 45.01
CITY OF JERSEY CITY
HUDSON COUNTY, NEW JERSEY

DRAWING TITLE:
CONFORMED SITE PLANS
SITE IMPROVEMENT PLAN

DRESDNER ROBIN
271 WARREN STREET
JERSEY CITY, NJ 07302
(TEL) 201.217.0200 (FAX) 201.217.9807
CERTIFICATE OF AUTHORIZATION # - 24GA27808000

FREDERICK W. WORSTELL
PROFESSIONAL ENGINEER
N.J. LICENSE NUMBER 24GE03626800

DUE TO INHERENT ERRORS IN REPRODUCTION METHODS, ERRORS MAY OCCUR WHEN SCALING THIS DRAWING

EXHIBIT E

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

CERTIFICATE OF FORMATION

State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS

FILED
JUL 1 8 2007
STATE TREASURER

JON S. CORZINE
Governor

ROBERT BASS LEVIN
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.
File # 811
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 11th day of Jul 2007 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY William M. Connolly
William M. Connolly, Director
Division of Codes and Standards

CERTIFICATE OF FORMATION
OF
MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

* *

The undersigned hereby executes the within certificate of formation in order to form a limited liability company under the New Jersey Limited Liability Company Act.

ARTICLE I
NAME

The name of the limited liability company is Marbella Tower Urban Renewal Associates South, L.L.C. (the "Company").

ARTICLE II
REGISTERED AGENT AND OFFICE

The name of the initial registered agent of the Company is Ivan Baron and the registered office of the Company is c/o Roseland Property Company, 233 Canoe Brook Road, Short Hills, New Jersey 07078.

ARTICLE III
PURPOSES OF LIMITED LIABILITY COMPANY

The purpose for which the Company is formed 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 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 a financial agreement with the City of Jersey City, 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.).

ARTICLE IV
PUBLIC PURPOSE

The Company is organized to serve a public purpose. The operations of the Company shall be directed toward: (1) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; and (2) 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.). The Company shall be subject to regulation by the City of Jersey City and subject 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.).

ARTICLE V
NO OTHER BUSINESS

For so long as the Company is obligated under a financial agreement with the City of Jersey City 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.

ARTICLE VI
RESTRICTIONS ON TRANSFERABILITY OF OWNERSHIP INTEREST

The Company shall not voluntarily transfer more than ten (10%)percent of the ownership of the Project or any portion thereof undertaken by it under P.L. 1991, C.431 (C.40A:20-1 et. seq.), unless it has first removed both itself and the Project from all restriction 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, if the Project includes housing units, has obtained the consent of the Commissioner of the Department of Community Affairs to such transfer, with the exception of transfer to another urban renewal entity, as approved by the City of Jersey City where the Project is situated, which other urban renewal entity shall assume all contractual obligations of the Company under the financial agreement with the City of Jersey City. 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. Nothing herein shall prohibit any transfer of an ownership interest in the Company, provided that such transfer, if greater

than ten (10%) percent, is disclosed to the City of Jersey City in the annual disclosure statement or in correspondence sent to the City of Jersey City in advance of the annual disclosure referred to above.

ARTICLE VII
N.J.S.A. 40A:20-18

The Company is subject to the provisions of N.J.S.A. 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.

ARTICLE VIII
SUPERVISION OF COMMISSIONER OF COMMUNITY AFFAIRS

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

ARTICLE IX
PERIOD OF EXISTENCE

The period of existence of the Company is perpetual.

ARTICLE X
EFFECTIVE DATE

This Certificate of Formation shall become effective upon its filing.

IN WITNESS WHEREOF, this Certificate has been executed this 15 day of May, 2007.

Steven Firkser, Esq.

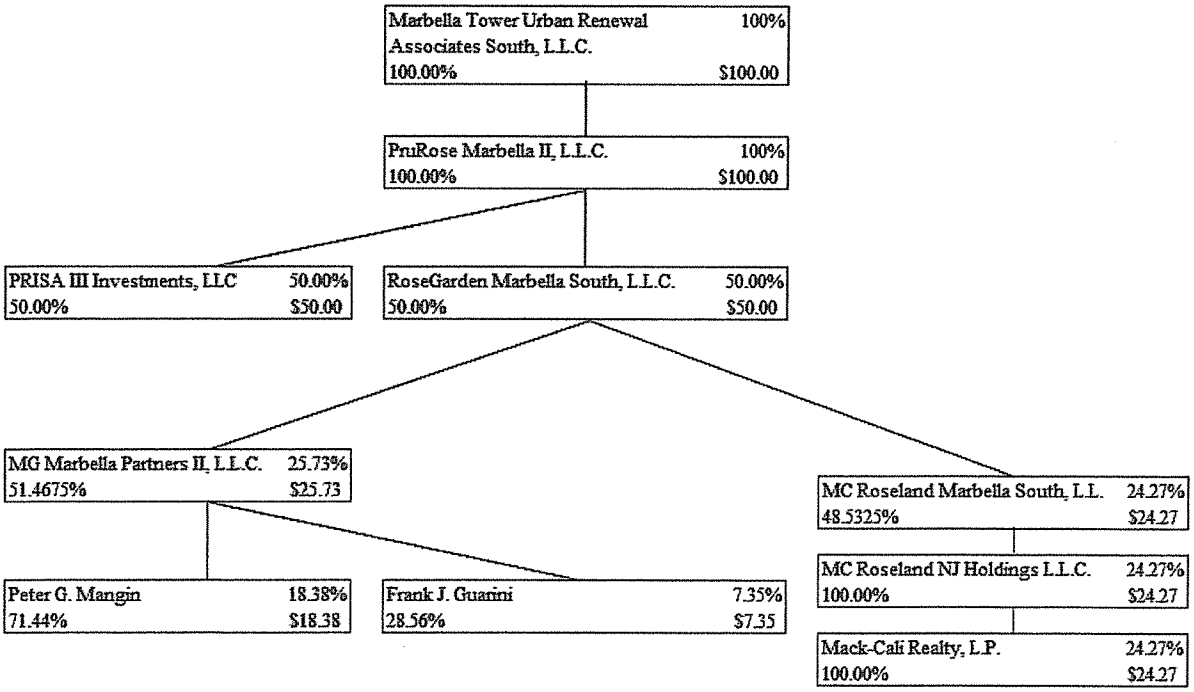
910496.02

EXHIBIT F

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

Disclosure Statement

NAME OF ENTITY:	Marbella Tower Urban Renewal Associates South, L.L.C. c/o Roseland Property Company 233 Canoe Brook Road Short Hills, New Jersey 07078
LOCATION OF PROJECT:	Block 11603, Lot 45.01 401 Washington Boulevard Jersey City, New Jersey 07302
PRINCIPAL PLACE OF BUSINESS:	233 Canoe Brook Road Short Hills, New Jersey 07078
NAME OF REGISTERED AGENT:	Ivan Baron
ADDRESS:	c/o Roseland Property Company 233 Canoe Brook Road Short Hills, New Jersey 07078



NAME	ADDRESS	PERCENT OWNED

I CERTIFY THAT THE FOREGOING LIST REPRESENTS THE NAMES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE ABOVE NAMED IS ITSELF AN ENTITY, THE APPLICANT HAS PROVIDED THE NAMES OF ANY ENTITY OWNING A 10% OR GREATER INTEREST THEREIN)

I FURTHER CERTIFY THAT NO OFFICER OR EMPLOYEE OF THE CITY OF JERSEY CITY HAS ANY INTEREST, DIRECT OR INDIRECT, IN THIS ENTITY.

I CERTIFY THAT 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.

Dated: ~~October~~ NOV. 8TH, 2012

Marbella Tower Urban Renewal
Associates South, L.L.C.

By:_____
Authorized Representative

EXHIBIT G

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

Commencement Certification

The Applicant being the developer of the Project hereby certifies that:

1. Construction of the Project will not commence prior to the final approval and execution of a financial agreement between the City and the Applicant.
2. The foregoing statement made by me this 8TH day of ~~October~~ NOV. 2012 is true to the best of my knowledge and I understand that the City of Jersey City is relying upon this Certification in considering the Application.

Marbella Tower Urban Renewal
Associates South, L.L.C.

By:_____
Authorized Representative

EXHIBIT H

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

COMPLIANCE WITH STATE AND LOCAL LAWS CERTIFICATION

Certification

The Applicant being the developer of the Project hereby certifies that:

1. The Project meets the requirements of the laws of the State of New Jersey for consideration for a tax exemption because it is located in the Hudson Exchange Redevelopment Plan Area.

2. The Project complies with the Harsimus Cove Station, formerly known as the Hudson Exchange Redevelopment Plan, apart from the approved variances, and the Master Plan for Jersey City, and the Project received preliminary and final site plan approval with deviations and minor subdivision approval with deviations from the Planning Board of the City of Jersey City on May 15, 2012.

The foregoing statements made by me on this 8TH day of ~~October~~ NOV. 2012 are true to the best of my knowledge and after it has made diligent inquiry to confirm the accuracy of all information.

Marbella Tower Urban Renewal
Associates South, L.L.C.

By:_____
Authorized Representative

EXHIBIT I

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

DILIGENT INQUIRY CERTIFICATION

The Applicant being the developer of the Project hereby certifies to the City of Jersey City that all information contained in this Application is true and correct to the best of the Applicant's knowledge, after it has made diligent inquiry to confirm the accuracy of all information.

Dated: ~~October~~ Nov. 8TH, 2012

Witnessed:

By: _____
NAN M. BANN

Marbella Tower Urban Renewal Associates South, L.L.C.

By: _____
Authorized Representative

EXHIBIT J

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

PROPOSED FINANCIAL AGREEMENT

(SEE ATTACHED)

INSERTIONS IN *ITALICS*
DELETIONS IN RED

Rev. 10-12-12
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.
(New Market Rate Res Rental FA)
401 Washington Boulevard Street

Re:

Approximately *.435* Acres
Block *11603*, Lot *45.01*
Harsimus Cove Station formerly known as Hudson Exchange Redevelopment Plan ~~or~~
~~_____ Urban Enterprise Zone~~

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the _____day of___, 20__ by and between *MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.*~~_____ URBAN RENEWAL~~, an urban renewal entity formed and 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., having its principal office *c/o Roseland Property Company, 233 Canoe Brook Road, Short Hills, New Jersey 07078* ~~at _____~~, [Entity] and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

W I T N E S S E T H:

WHEREAS, the Entity is the Owner [or Lessee] pursuant to ~~Deed [or Lease] dated _____~~, of certain property designated as Block *11603*, Lot *45.01,* more commonly known by the street address of *401 Washington Boulevard* ~~Street~~, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, this property is located within the boundaries of the *Harsimus Cove Station formerly known as Hudson Exchange* Redevelopment Plan Area ~~or _____ Urban Enterprise Zone~~; and

WHEREAS, the Entity plans to construct a *thirty-nine (39)* story building with

approximately *311* market rate residential rental units *with approximately 641 square feet of retail space and utilize an existing parking* ~~a~~ garage ~~unit~~ *of which* ~~to contain~~ approximately *one hundred sixty-three (163)* parking spaces *have been allocated to and are a part of the project*; [Project]; and

WHEREAS, on *May 15, 2012* the Project received site plan approval from the Planning Board; and

WHEREAS, on *October* _____, 20*12*, the Entity filed an Application with the City for a long term tax exemption for the Project; and

WHEREAS, by the adoption of Ordinance_____ on _____, 20__, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

WHEREAS, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. the current real estate tax generates revenue of only *$15,744.00* whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately *$1,146,187.00*;

2. the Entity has paid the City the sum of *$467,462.00*, as an affordable housing contribution pursuant to Ordinance 03-112;

3. it is expected that the Project will create approximately *400* new construction jobs and *eighteen (18) full time* new permanent full time jobs;

4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;

5. the Project will further the redevelopment objectives of the *Harsimus Cove Station formerly known as the Hudson Exchange* Redevelopment Plan ~~or _____Urban Enterprise Zone~~, which include*s* ~~[remediation or~~ development of vacant property;

6. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

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

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and

2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and

3. have a positive impact on the surrounding area.

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

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor, 02-003, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance _____ , which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

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

i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).

ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the 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 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate

on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.

iii. Annual Gross Revenue Any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants *(not including tenant security deposits)* or income or fees from third parties, including but not limited to fees or income paid or received for parking, or as user fees or for any other services. No deductions will be allowed for operating or maintenance costs, including, but not limited to gas, electric, water and sewer, other utilities, garbage removal and insurance charges, whether paid for by the landlord, tenant or a third party, *except for customary operating expenses of commercial tenants such as utilities, insurance and taxes (including payments in lieu of taxes) which shall be deducted from Gross Revenue based on the actual amount of such costs incurred.*

iv. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. ~~It shall include a payment for all annual excess profit.~~

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles *on a cash basis* and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other

financing including returns on institutional equity financing and market rate related party debt for the project for a period equal to the term of this *A*greement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean *Marbella Tower Urban Renewal Associates South, L.L.C.* ~~Urban Renewal, LLC~~, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the *P*roject is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 02-003, relating to long term tax exemption, as it may be ~~and~~ supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status and Ordinance _____, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xv. *Lease Up Period - The Lease Up Period shall begin on the date of the issuance of the Certificate of Occupancy (whether permanent or temporary) for any Unit. During the Lease Up Period, the Entity shall pay the sum equal to the estimated Annual Service Charge divided by the number of Units divided by 12 for each Unit for each month after the Unit that has received a Certificate of Occupancy, whether the Unit is actually occupied or generates revenue. The*

payment shall begin on the 1st day of the month following the issuance of the Certificate of Occupancy for that Unit. The Lease Up Period expires 18 months after the issuance of the first Certificate of Occupancy.

xvi. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the greater of:

(a) 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, or in the case of tax exempt property, the projected tax levy based upon the assessed value for the year in which the application is filed, which amount the parties agree is $15,744; or

(b) the sum of $1,146,187 per year, which sum will be prorated only during the Lease Up Period and in the years in which Substantial Completion occurs and this Agreement terminates.

The Minimum Annual Service Charge shall be paid in each year in which the Annual Service Charge, calculated pursuant to N.J.S.A. 40A:20-12 or this Agreement, would be less than the Minimum Annual Service Charge.

~~Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the higher 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, [OR IN THE EVENT THE PROPERTY WAS TAX EXEMPT, THEN the amount of the taxes that would have been assessed had the property been subject to conventional taxation], which amount the parties agree is $_____ or the estimated Service Charge~~.

xvii ~~xvi~~. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, 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 annual payments to the City 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 (utilizing the straight line method-equal annual amounts) the Total Project Cost over the term of this Agreement 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 this 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 *D*ebt *S*ervice; and

(2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of *D*ebt *S*ervice, 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 a proprietary ownership interest in the entity.

xviii ~~xvii.~~ Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xix ~~xviii.~~ Substantial Completion - The determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the first date on which the Project receives, or is eligible to receive, any Certificate of Occupancy whether temporary or permanent for any portion of the Project.

xx ~~xix.~~ Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

xxi ~~xx.~~ Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be ~~[~~**included** ~~OR excluded]~~ **i***n* ~~from~~ Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title *if applicable.* ~~The Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost~~.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law, which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block *11603*, Lot *45.01*, more commonly known by the street address *401 Washington Boulevard* ~~Street~~, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5.

Section 2.3 Improvements to be Constructed

Entity represents that it will construct a *thirty-nine (39)* story building with approximately *311* market rate residential rental units *with approximately 641 square feet of retail space and utilize an existing* ~~a _____(_____) story~~ parking garage ~~unit to contain~~ *of which* approximately *one hundred sixty-three (163)* parking spaces *have been allocated to, and are a part of the Project*; all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5, and in compliance with any Redevelopment Agreement.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is to be constructed *and that it has a perpetual easement to utilize approximately one hundred sixty-three (163) parking spaces in the existing parking garage*. Upon construction, the Entity represents that the Improvements will be used, managed and controlled for the purposes set forth in this Agreement. ~~and any Redevelopment Agreement~~.

Section 2.6 Financial Plan

The Entity represents that the Improvements shall be financed in accordance with the

Financial Plan attached hereto as Exhibit 6. The Plan sets forth a good faith estimate of Total Project Cost, the amortization rate on the 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 2.7 Good Faith Estimate of Initial Sale Prices or Rents

The Entity represents that its good faith projections of the initial rents and other revenue to the Project are set forth in Exhibit 7.

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of *20* years from the date of the adoption of Ordinance _____ on _____, 20__, which approved the tax exemption or *15* years from the original date of Substantial Completion of the Project ~~or _____20_____~~. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to *10%* of the Annual Gross Revenue ~~for the first five (5) years; _____% of the Annual Gross Revenue for the next five (5) years; and _____% of the Annual Gross Revenue for the final _____ (___) years~~. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.

iii. *The* ~~A~~ Minimum Annual Service Charge *set forth in Section 1.2 (xvi)(a)* shall be

due beginning on the effective date of this Agreement. *Beginning on the first day of the month after Substantial Completion, the Minimum Annual Service Charge set forth in Section 1.2 (xvi)(b) shall be due in any year where it exceeds the Annual Service Charge.* The City and County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Staged Adjustments

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 6th year, the Annual Service Charge shall be *10*% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 7th year following Substantial Completion until the last day of the *9*th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iii. Stage Three: Beginning on the 1st day of the *10*th year following the Substantial Completion until the last day of the *12*th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iv. Stage Four: Beginning on the 1st day of the *13*th year following Substantial Completion until the last day of the *14*th year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

v. Final Stage: Beginning on the 1st day of the *14*th year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

Section 4.3 Land Tax

The Entity is required to pay both the Annual Service Charge and the Land Tax

Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge *until the land taxes are paid in full.* No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes *until the land taxes are paid in full.* In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments / Interest

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

Section 4.5 Administrative Fee

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as two (2%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.6 Affordable Housing Contribution and Remedies

A. **Contribution**. The Entity will pay the City the sum of *$467,462.00* or *$1,500.00 per residential unit, plus* $1.50 per square foot of *retail space* as a contribution. The sum shall be due and payable as follows:

i. 1/3 on or before the effective adoption date of the ordinance approving the tax exemption;

ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Financial Agreement; and

iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Financial Agreement.

Section 4.7 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

Section 5.1 Project Employment and Contracting Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

Section 5.2 Project Labor Agreement

The Entity shall execute a Project Labor Agreement as required by Ordinance 07-123 as it exists or as it may be amended from time to time.

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City,

including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, *plus excess net profit, if any, in accordance with Article VIII hereof* ~~*the excess of which shall be paid to the City each year an excess profit is generated*~~. *Any excess net profit shall be paid to the City.*

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City 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

interests of the individual persons owning any corporate interest in the Entity.

Section 7.3 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

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

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the 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. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue. ~~Pursuant to N.J.S.A. 40A:20-14(b) there is expressly excluded from the calculation of Gross Revenue and Net Profit in the determination of Excess Profit, any gain realized by the Entity on the sale of any condominium unit, whether or not taxable under federal or state law.~~

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits

for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional *A*nnual *S*ervice *C*harge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs *included* ~~excluded~~ in the definition of Total Project Cost in Section 1.2 *(xxi)* ~~(xx)~~ of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination *of this Agreement* ~~expiration~~ or sale *of the Project* shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to ~~this~~ *S*ection *8.1* and the balance of the Excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; ~~5) the Entity is comprised of principals possessing substantially the same or better business reputation, financial qualifications and credit worthiness of the Entity;~~ and *5*) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d).

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure

statement.

Section 9.2 Transfer Application Fee

Where the consent or approval of the City is sought for approval of a ~~change in ownership or~~ sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the

Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided in Article XI herein, but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing

Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project , as of the January 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1st as a condition precedent of the voluntary termination.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the

Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the *date of the* termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the Project 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 City.

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.8 as Material Conditions.

Section 13.2 Appeal of Assessment

In calculating the amount of "staged" tax adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment *with the Hudson County Tax Board or the Superior Court of New Jersey, Tax Court* to determine the value of land and improvements.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to

terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs, through trial and all stages of any appeal, including the cost of enforcing this indemnity) arising out of Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

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

Section 16.2 Sent by City

When sent by the City to the Entity the notice shall be addressed to:

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C
~~Urban Renewal, LLC~~
c/o Roseland Property Company
233 Canoe Brook Road
Short Hills, New Jersey 07078
Attn: Ivan M. Baron

Peter Mangin
c/o Garden State Development
30 Montgomery Street, 15th Fl.
Jersey City, NJ 07032

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

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

Section 18.2 Conflicts

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

Section 18.3 Oral Representations

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

Section 18.4 Entire Document

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

Section 18.5 Good Faith

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

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

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

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial Rents;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.

~~10. Entity's Deed [or Lease]~~

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

WITNESS:

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C~~URBAN RENEWAL, LLC~~

_____

_____

ATTEST:

CITY OF JERSEY CITY

_____

ROBERT BYRNE
CITY CLERK

_____

JOHN KELLY
BUSINESS ADMINISTRATOR

EXHIBIT K

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

PROPOSED PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

(SEE ATTACHED)

7-07-05

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ~~14th~~ day of ~~September, 2007~~ 2012, between the **CITY OF JERSEY CITY** [City] and ~~**GRAND LHN H**~~ **URBAN RENEWAL, LLC**, having its principal office at ~~P.O. Box 6872, 520 Route 22, Bridgewater~~ Marbella Tower Urban Renewal Associates South, L.L.C. c/o Roseland Property Company, 233 Canoe Brook Road, Short Hills New Jersey 07078, New Jersey 08807. Recipient agrees as follows:

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.

2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.

3. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 121-125 Newark Avenue, Jersey City, NJ 07302, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.

4. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by $25,000 or more in the aggregate;

5. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.

6. "Local Business" means a bona fide business located in Jersey City.

7. Mayor Jerramiah T. Healy's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.

8. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:

a) "African-American" means a person having origins in any of the black racial groups of Africa.

b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.

c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.

d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.

9. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

10. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.

11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.

12. "Project or Project Site" means the specific work location or locations specified in the contract.

13. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.

14. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.

15. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

16. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives

an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.

17. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.

18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.

19. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.

20. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose:

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI, 2., A-J (Permanent Jobs).

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

IV. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix AZ

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____, approving the tax exemption and terminate the earlier of ~~15~~ 20 years from the date of the adoption of that Ordinance or ~~10~~ 15 years from the date of Substantial Completion of the Project.

VI. Good Faith Defined:

1. Permanent Jobs: Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

i) whether subcontractors will be used in the hiring process.
ii) the specific types of jobs that need to be filled.
iii) the qualifications needed for these particular jobs.
iv) possible training programs offered by the permanent employer.
v) the Recipient's goals and how it plans to meet these goals.
vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident, minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such

reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

2. Business Contracting

Good Faith shall mean compliance with all of the following conditions:

1) Solicitation of Businesses:

a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Acting Mayor Jerramiah T. Healy's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.

b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.

i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.

ii) No Utilization of Local and Local Minority Vendors As Conduits For Vendors That Are Not Local Or Minority Owned:

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

3. Summation of Documentation Needed For Compliance with Agreement

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and

Residential Vendors from Acting Mayor Jerramiah T. Healy's Business Cooperative Program (Appendix D)

4. Documentation of Bid Submission (Appendix D2)
5. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
6. Example of Bi-Weekly Site Visit Report (Appendix I)
7. Example of Documentation of Hiring Plan (Appendix J)
8. Example of Semi-Annual Employment Report (Appendix K)
9. Example of Semi-Annual Purchasing Report (Appendix L)

VII. Notices of Violation:

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.

2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.

3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.

4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

5. Meetings Concerning Violations: The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.

6. Interviews Relating to Violations: The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.

7. Determination of Violation: The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the

delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

VIII. Liquidated Damages:

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

a) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): an amount equal to Three (3%) percent increase in the estimated annual payment in lieu of taxes;

b) failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Two (2%) percent increase in the estimated annual payment in lieu of taxes.

c) the use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Five (5%) percent increase in the estimated annual payment in lieu of taxes.

IX. Commercial Tenants at the Project Site:

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.

2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.

3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.

4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

X. Notices

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

1. When sent by the City to the Recipient it shall be addressed to:

~~Grand LHN II Urban Renewal, LLC~~
~~P.O. Box 6872~~
~~520 Route 22~~
~~Bridgewater, New Jersey 08807~~
~~Att: David Kahan, Esq.~~

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, N.J. 07311-4029
Att: James C. McCann, Esq.

2. When sent by the Recipient to the City, it shall be addressed to:

Project Employment & Contracting Monitor
Department of Administration
Division of Economic Opportunity
121-125 Newark Avenue
3rd Floor
Jersey City, New Jersey 07302

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

XI. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

Notwithstanding anything in this Agreement to the contrary, if the Recipient has entered into a Project Labor Agreement with a Labor Organization, then any and all sections of this Agreement pertaining to construction jobs and the construction portion of any Project, are null and void and may be disregarded by the Recipient. In the event the Recipient has entered into a Project Labor Agreement, then this Agreement shall become effective upon Substantial Completion of the Project. In the event there are any conflicts between this Agreement and any Project Labor Agreement, then

the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

_____

_____
Jack Kelly
Business Administrator

WITNESS:

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

_____

By: _____
, Authorized member

EXHIBIT L

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

PROPOSED PROJECT LABOR AGREEMENT

(SEE ATTACHED)

PROJECT LABOR AGREEMENT

COVERING CONSTRUCTION

OF

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C

ARTICLE 1 - PREAMBLE

WHEREAS, AJD Construction, LLC, on behalf of itself, and as General Contractor ("GC"), and reflecting the objectives of **MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C** ("Owner") desires to provide for the efficient, safe quality and timely completion of a construction project for the construction of facilities at 401 Washington Boulevard, Jersey City, New Jersey; and

WHEREAS, Jersey City Ordinance 07-123 ("Ordinance") requires the execution of a Project Labor Agreement ("Agreement") for tax abated projects; and

WHEREAS, the Owner has advised the parties that it intends to seek a tax abatement;

NOW, THEREFORE, the Parties enter into this Agreement;

SECTION 1. PARTIES TO THE AGREEMENT

This is an Agreement entered into by and between the GC, the Hudson County Building and Construction Trades Council, AFL-CIO ("County Council"), on behalf of itself and its affiliated local union members, and the signatory Local Unions on behalf of themselves and their members, regardless of their affiliation with the County Council or lack thereof, provided that every such Local Union must qualify as a Labor Organization as that term is defined in the Ordinance.

ARTICLE 2 - GENERAL CONDITIONS

SECTION 1. DEFINITIONS

Throughout this Agreement, the signatory Local Unions and County Council are referred to singularly and collectively as "Union(s)" or "Local Unions;" the term "Contractor(s)" shall hereinafter be used to refer to all subcontractors of the GC and their sub-subcontractors of whatever tier, engaged in on-site construction work within the scope of this Agreement as defined in Article 3. The term "Contractors" shall not include the GC; AJD Construction Co., Inc. is referred to as the General Contractor or "GC;" the Hudson County Building and Construction Trades Council, AFL-CIO are referenced as the "County Council," and the work covered by this Agreement (as defined in Article 3) is referred to as the "Project."

SECTION 2. CONDITIONS FOR AGREEMENT TO BECOME EFFECTIVE

The Agreement shall not become effective unless each of the following conditions are met: (1) the Agreement is signed by the County Council, and the Local Unions working on the Project; and (2) the Agreement is signed by the GC.

SECTION 3. ENTITIES BOUND & ADMINISTRATION OF AGREEMENT

This Agreement shall be binding on all signatory Unions and the GC and all signatory Contractors performing on-site work, including staging areas, related to the Project. The Contractors shall include in any subcontract that they let, for performance during the term of this Agreement, a requirement that their subcontractors, of whatever tier, become signatory and bound by this Agreement with respect to subcontracted work performed within the scope of Article 3.

SECTION 4. SUPREMACY CLAUSE

This Agreement, together with the Ordinance and the local Collective Bargaining Agreements appended hereto as Schedule A, represent the complete understanding of all signatories and supersedes any national agreement, local agreement or other collective bargaining agreement of any type which would otherwise apply to this Project, in whole or in part. The sole exception to the preceding sentence is for work performed under the national agreement of the International Union of Elevator Constructors. As to such work, the only provisions of this Agreement which shall be deemed to supersede the Elevator Constructor's national agreement shall be Articles 7 (Work Stoppages and Lockouts), 9 (Grievance and Arbitration Procedure) and 10 (Jurisdictional Disputes). Where a subject covered by the provisions of this Agreement is also covered by a Schedule A collective bargaining agreement, the provisions of this Agreement shall prevail. It is further understood that no Contractor shall be required to sign any other agreement as a condition of performing work on this Project. Finally, it is understood that: (a) this Agreement shall have no application to any activity of any party hereto except as such activity directly relates to the performance of covered work on the Project; and (b) the execution of this Agreement shall not make any person or entity executing this Agreement a party to any of the Collective Bargaining Agreements and/or addenda attached to this Agreement, except to the extent that they perform work on the Project that is covered by a Schedule A collective bargaining agreement.

SECTION 5. LIABILITY

The liability of any Contractor and the liability of any Union under this Agreement shall be several and not joint. The Owner, GC and any Contractor shall not

be liable for any violations of this Agreement by any other Contractor; and the County Council and Local Unions shall not be liable for any violations of this Agreement by any other Union.

SECTION 6. THE GENERAL CONTRACTOR

The GC shall require in its bid specifications for all work within the scope of Article 3 that all successful bidders, and their subcontractors of whatever tier, become bound by, and signatory to, this Agreement. It is understood that nothing in this Agreement shall be construed as limiting the discretion of the Owner and/or the GC in determining which Contractors shall be awarded contracts for Project work. It is further understood that the Owner has sole discretion at any time to terminate, delay or suspend the work, in whole or in part, on this Project, subject to any contractual recourse the GC or any Contractor may have based on such termination, delay or suspension.

SECTION 7. AVAILABILITY AND APPLICABILITY TO ALL SUCCESSFUL BIDDERS

The Unions agree that this Agreement will be made available to, and will fully apply to any successful bidder to Project work who becomes signatory thereto. Any successful bidder must be current in its contributions to a signatory Local Union's Trust Funds prior to commencing work on the Project.

ARTICLE 3 - SCOPE OF THE AGREEMENT

The Project work covered by this Agreement shall be defined and limited by the following sections of this Article.

SECTION 1. THE WORK

This Agreement and any underlying Local collective bargaining agreements shall apply only to construction work for the referenced Project contracted by the Owner to the

GC and/or subcontractors and only until the earlier of: (a) issuance of a Temporary Certificate of Occupancy ("TCO") for any portion of the Project; or (b) receipt of approvals after final Building, Electrical, Fire and Plumbing inspections have been performed for any portion of the Project. At that time, this Agreement shall be deemed to have expired and shall have no further force or binding effect as to that portion of the Project. In no event shall this Agreement be construed to apply to maintenance work. The provisions of this Agreement shall not apply to the Owner and nothing contained herein shall be construed to prohibit or restrict the Owner from performing any work not covered by this Agreement. The Contractor(s) agree to be bound by this understanding and the terms of the Local collective bargaining agreements (Schedule A) of the signatory Unions, entered into between the Unions and all applicable employer associations, if any, solely for work performed on the Project, located at 18 Park Avenue, Jersey City, N.J. Schedule A is incorporated herein by reference to the extent not in conflict with this Agreement.

SECTION 2. NON-APPLICATION TO CERTAIN ENTITIES

This Agreement shall not apply to the parents, affiliates, subsidiaries or other joint or sole ventures of the Owner, the GC, or any Contractor which does not perform work at this Project. It is agreed, for the purposes of this Agreement only, that this Agreement does not have the effect of creating any joint employment, single employer or alter ego status among the Owner, the GC and/or any Contractor. As the contracts which comprise the Project work are completed and accepted, the Agreement shall not have further force or effect on such items or areas except where inspections, additions, repairs, modifications, check-out and/or warranty work are assigned in writing by the Owner.

(copy to the Local Union involved) to the Contractor(s) for performance under the terms of this Agreement.

ARTICLE 4 - UNION RECOGNITION AND EMPLOYMENT

SECTION 1. PRE-HIRE RECOGNITION

The Contractors recognize the signatory Unions as the sole and exclusive bargaining representatives of all craft employees who are performing on-site Project work within the scope of this Agreement as defined in Article 3.

SECTION 2. UNION REFERRAL

A. The Contractors agree to hire Project craft employees covered by this Agreement through the job referral systems and hiring halls and procedures established in the Local Unions' area collective bargaining agreements (Schedule A).

ARTICLE 5 - UNION REPRESENTATION

SECTION 1. UNION ACCESS

Each Local Union representing on-site Project employees shall be entitled to designate in writing (copy to Contractor involved and GC) one representative, and/or the Business Manager, who shall be afforded access to the Project.

SECTION 2. STEWARDS

See relevant provisions of documents attached as Schedule A.

SECTION 3. LAYOFF/DISCHARGE OF A STEWARD

See relevant provisions of documents attached as Schedule A.

ARTICLE 6 - MANAGEMENT'S RIGHTS

SECTION 1. RESERVATION OF RIGHTS

Unless specifically provided for in this Agreement or the underlying Local collective bargaining agreements attached as Schedule A to this Agreement, subject to Article 2, §4, no rules customs, practices or manning requirements shall be permitted or observed which limit or restrict production, cost effectiveness or limit or restrict the individual or joint working efforts of employees. The Contractor retains and shall exercise full and exclusive authority and responsibility for the management of its operations, except as expressly limited by the terms of this Agreement and the underlying Local collective bargaining agreements.

ARTICLE 7 - WORK STOPPAGES AND LOCKOUTS

SECTION 1. NO STRIKES - NO LOCK OUT

There shall be no strikes, sympathy strikes, picketing, work stoppages, slowdowns, handbilling, demonstrations or other disruptive activity at the Project for any reason by any Union or employee against the Owner, the GC, and/or any Contractor or employer while performing work at the Project. There shall be no other concerted, employee or Union activity which disrupts or interferes with the free flow of traffic in the project area. The Union is prohibited from interfering with work of any description including deliveries. Failure of any Union or employee to cross any picket line established by any union, signatory or non-signatory to this Agreement, or the picket or demonstration line of any other organization, at or in proximity to the Project site is a violation of this Article. There shall be no lockout at the Project by any signatory Contractor. Contractors and Unions shall take all steps necessary to ensure compliance

with this Section 1 and to ensure uninterrupted construction and the free flow of traffic in the project area for the duration of this Agreement.

SECTION 2. NOTIFICATION

If a Contractor contends that any Union has violated this Article, it will notify the appropriate district or area council of the Local Union involved advising of such fact, with copies of the notification to the Local Union and the County Council. The Local Union district or area council and the County Council shall each instruct, order and otherwise use their best efforts to cause the employees, agents and/or other supporters of the Local Unions to immediately cease and desist from any violations of this Article. A district or area council, or the County Council, complying with these obligations shall not be liable for the unauthorized acts of a Local Union or its members.

SECTION 3. EXPEDITED ARBITRATION

Any Contractor or Union alleging a violation of Section 1 of this Article may utilize the expedited procedure set forth below (in lieu of, or in addition to, any actions at law or equity) that may be brought.

a. A party invoking this procedure shall notify J.J. Pierson, Jr., Esq. who shall serve as Arbitrator under this expedited arbitration procedure. Copies of such notification will simultaneously be sent to the alleged violator and, if a Local Union is alleged to be in violation, its International, the Council (if the Local Union is a member or affiliate), and the GC .

b. The Arbitrator shall thereupon, after notice as to time and place to the Contractor, the Local Union involved, the Council (if the Local Union is a member or affiliate) and the GC , hold a hearing within 48 hours of receipt of the notice invoking the procedure if it is contended that the violation still exists. The hearing will not, however, be scheduled for less than 24 hours after the notice to the district or area council, if applicable, required by Section 3 above.

c. All notices pursuant to this Article may be by telephone, telegraph, hand delivery or fax, confirmed by overnight delivery, to the

arbitrator, Contractor or Union involved. The hearing may be held on any day including Saturdays or Sundays. The hearing shall be completed in one session, which shall not exceed eight hours duration (no more than four hours being allowed to either side to present their case, and conduct their cross-examination) unless otherwise agreed. A failure of any Union or Contractor to attend the hearing shall not delay the hearing of evidence by those present or the issuance of an award by the Arbitrator.

d. The sole issue at the hearing shall be whether a violation of Section 1, above, occurred. If a violation is found to have occurred, the Arbitrator shall issue a Cease and Desist Award restraining such violation and serve copies on the Contractor and Union involved. The Arbitrator shall have no authority to consider any matter in justification, explanation, or mitigation of such violation or to award damages, which is reserved solely for court proceedings, if any. The Award shall be issued in writing within three hours after the closed of the hearing, and may be issued without an Opinion. If any involved party desires an Opinion, one shall be issued within 15 calendar days, but its issuance shall not delay compliance with, or enforcement of, the Award.

e. An Award issued under this procedure may be enforced by any court of competent jurisdiction upon the filing of this Agreement together with the Award. Notice of the filing of such enforcement proceedings shall be given to the Union or Contractor involved. In any court proceeding to obtain a temporary or preliminary order enforcing the arbitrator's Award as issued under this expedited procedure, the involved Union and Contractor waive their right to a hearing and agree that such proceedings may be *ex parte*, provided notice is given to opposing counsel. Such agreement does not waive any party's right to participate in a hearing for a final court order of enforcement or in any contempt hearing.

f. Any rights created by statute or law governing arbitration procedures which are inconsistent with the procedure set forth in this Article, or which interfere with compliance thereto, are hereby waived by the Contractors and Unions to whom they accrue.

g. The fees and expenses of the Arbitrator shall be paid by the losing party.

SECTION 4. ARBITRATION OF DISCHARGE FOR VIOLATION

Procedures contained in Article 9 shall not be applicable to any alleged violation of this Article, with the single exception that an employee discharged for violation of Section 1, above, may have recourse to the procedures of Article 9 to determine only if the employee did, in fact, violate the provisions of Section 1 of this Article; but not for the purpose of modifying the discipline imposed where a violation is found to have occurred.

ARTICLE 8

LOCAL ADMINISTRATIVE COMMITTEE (LAC)

SECTION 1: MEETINGS

The LAC will meet on a regular basis to implement and oversee the Agreement procedures and initiatives; 2) monitor the effectiveness of the Agreement; and 3) identify opportunities to improve efficiency and work execution.

SECTION 2: COMPOSITION

The LAC will be co-chaired by the President of the County Council and the GC. It will be comprised of representatives of the local unions signatory to the project agreement, representatives of the Owner and the GC and other Contractors on the project.

ARTICLE 9 - GRIEVANCE AND ARBITRATION PROCEDURE

SECTION 1. PROCEDURE FOR RESOLUTION OF GRIEVANCES

Any question, dispute or claim arising out of, or involving the interpretation or application of this Agreement, other than jurisdictional disputes or alleged violations of Article 7, Section 1) shall be considered a grievance and shall be resolved pursuant to the

exclusive procedure of the steps described below; provided, in all cases, that the question, dispute or claim arose during the term of this Agreement.

STEP 1:

(a) When any employee covered by this Agreement feels aggrieved by a claimed violation of this Agreement, the employee shall, through the Local Union business representative or job steward, give notice of the claimed violation to the work site representatives of the involved Contractor. To be timely, such notice of the grievance must be given within 14 calendar days after the act, occurrence, or event giving rise to the grievance. The business representative of the Local Union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to adjust the matter within 14 calendar days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party, may, within 14 calendar days thereafter, pursue Step 2 of the grievance procedure by serving the involved Contractor and the GC with written copies of the grievance setting forth a description of the claimed violation, the date of which the grievance occurred, and the provisions of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 are nonprecedential except as to the specific Local Union, employee and Contractor directly involved unless the settlement is accepted in writing by the GC as creating precedent.

(b) Should any signatory to this Agreement have a dispute (excepting jurisdictional disputes or alleged violations of Article 7, Section 1) with any other signatory to this Agreement and, if after conferring, a settlement is not reached within 14 calendar days, the dispute shall be reduced to writing and proceed to Step 2 in the same manner as outlined in subparagraph (a) for the adjustment of employee grievances.

STEP 2.

The Business Manager or designee of the involved Local Union and, if desired, a representative from the International, together with representatives of the Council (if the Local Union is a member or affiliate), the involved Contractor, and the GC shall meet in Step 2 within 14 calendar days of service of the written grievance to arrive at a satisfactory settlement.

STEP 3.

(a) If the grievance shall have been submitted but not resolved in Step 2, any of the participating Step 2 entities may, within 21 calendar days after the initial Step 2 meeting, submit the grievance in writing (copies to other participants) to J.J. Pierson, Jr., Esq. who shall act as the Arbitrator under this procedure. The Labor Arbitration Rules of the American Arbitration Association shall govern the conduct of the arbitration hearing, at which all Step 2 participants shall be parties. The decision of the Arbitrator shall be final and binding on the involved Contractor, Local Union and employees and the fees and expenses of such arbitrations shall be borne equally by the involved Contractor and Local Union.

(b) Failure of the grieving party to adhere to the time limits set forth in this Article shall render the grievance null and void. These time limits may be extended only by written consent of the GC , involved Contractor and involved Local Union at the particular step where the extension is agreed upon. The Arbitrator shall have authority to make decisions only on the issues presented to him and shall not have the authority to change, add to, delete or modify any provision of this Agreement.

SECTION 2. <u>LIMITATION AS TO RETROACTIVITY</u>

No arbitration decision or award may provide retroactivity of any kind exceeding 60 calendar days prior to the date of service of the written grievance on the GC and the involved Contractor of the Local union.

SECTION 3. PARTICIPATION BY GC The GC shall be notified by the involved Contractor of all actions at Steps 2 and 3 and, at its election, may participate in full in all proceedings at these Steps, including Step 3 arbitration.

ARTICLE 10 - JURISDICTIONAL DISPUTE

SECTION 1. NO DISRUPTIONS

There will be no strikes, sympathy strikes, work stoppages, slowdowns, picketing or other disruptive activity of any kind arising out of any jurisdictional dispute and/or dispute related to the assignment of work by any contractor. Pending the resolution of the dispute, the work shall continue uninterrupted and as assigned by the Contractor. No jurisdictional dispute shall excuse a violation of Article 7.

SECTION 2. ASSIGNMENT

All Project construction work assignments shall be made by the Contractor according to the area practice.

SECTION 3. PROCEDURE FOR SETTLEMENT OF DISPUTES

A. Any Union having a jurisdictional dispute with respect to Project work assigned to another Union will submit the dispute in writing to the Administrator, Plan for the Settlement of Jurisdictional Disputes in the Construction Industry ("the Plan") within 72 hours and send a copy of the letter to the other Union involved, the Contractor involved, the General Contractor, the BTC, and the district or area councils of the unions involved. Upon receipt of a dispute letter from any Union, the Administrator will invoke

the procedures set forth in the Plan to resolve the jurisdictional dispute. The jurisdictional dispute letter shall contain the information described in Article IV of the Plan.

B. Within 5 calendar days of receipt of the dispute letter, there shall be a meeting of the General Contractor, the Contractor involved, the Local Unions involved and designees of the BTC and the district or area councils of the Local Unions involved for the purpose of resolving the jurisdictional disputes.

C. In order to expedite the resolution of jurisdictional disputes, the parties have agreed in advance to select Plan Arbitrators J.J. Pierson, Paul Greenberg or Walter Kardy to hear all unsolved jurisdictional disputes arising under this Agreement. The parties to the dispute shall mutually select one of the designated arbitrators to hear and resolve the dispute. All other rules and procedures of the Plan shall be followed. If Plan Arbitrators are not available to hear the dispute within the time limits of the Plan, the Plan's arbitrator selection process shall be utilized to select another arbitrator. In the event that a union involved in the dispute is not a member of the Building and Construction Trades, the dispute shall be submitted directly to one of the foregoing agreed upon Arbitrators, who has been mutually selected by the parties to the dispute.

D. The Arbitrator will render a short-form decision within 5 days of the hearing based upon the evidence submitted at the hearing, with a written decision to follow within 30 days of the close of the hearing. In no event may the Arbitrator consider or base a decision on the affiliation or lack of affiliation of a Local Union with the Hudson County Building and Construction Trades Council.

E. This Jurisdictional Dispute Resolution Procedure will only apply to work performed by Local Unions at the Project.

F. Any Local Union involved in a jurisdictional dispute on this Project shall continue working in accordance with Section 2 above and without disruption of any kind.

SECTION 4. AWARD

Any jurisdictional award pursuant to Section 3 shall be final and binding on the disputing Local Unions and the involved Contractor on this Project only, and may be enforced in any court of competent jurisdiction. Such award or resolution shall not establish a precedent on any other construction work not covered by this Agreement. In all disputes under this Article, the GC and the involved Contractors shall be considered parties in interest.

SECTION 5. LIMITATIONS

The Jurisdictional Dispute Arbitrator shall have no authority to assign work to a double crew, that is, to more employees than the minimum required by the Contractor to perform the work involved; nor to assign the work to employees who are not qualified to perform the work involved; nor to assign work being performed by non-union employees to union employees. This does not prohibit the establishment, with the agreement of the involved Contractor, of composite crews where more than one employee is needed for the job. The aforesaid determinations shall decide only to whom the disputed work belongs.

SECTION 6. NO INTERFERENCE WITH WORK

There shall be no interference or interruption of any kind with the work of the Project while any jurisdictional dispute is being resolved. The work shall proceed as assigned by the Contractor until finally resolved under the applicable procedure of this Article. The award shall be confirmed in writing to the involved parties. There shall be no strike, work stoppage or interruption in protest of any such award.

ARTICLE 11 - WAGES AND BENEFITS

SECTION 1. CLASSIFICATION AND BASE HOURLY RATE

All employees covered by this Agreement shall be classified in accordance with the work performed and paid the base hourly wage rates for those classifications as specified in the collective bargaining agreements attached hereto as Schedule A, as amended during this Agreement. Recognizing, however, that special conditions may exist or occur on the Project, the parties, by mutual agreement may establish rates and/or hours for one or more classifications which may differ from provisions set forth in a Schedule A collective bargaining agreement.

SECTION 2. TRUST FUNDS

Delinquency disputes between a benefit fund and a contractor that are related to the Project shall be submitted to binding arbitration under this Agreement. The Arbitrator shall render an opinion and award on the disputed delinquency within three (3) days of the close of the hearing. The GC agrees that upon written notice from the fund enclosing a copy of the Arbitrator's opinion and award, it will withhold up to the amount of the Award attributable to the Project from any monies then due or that thereafter become due to the Contractor, and will pay same to the Fund. The GC shall have no other involvement in or responsibility for any aspect of any delinquency dispute. This provision shall not be construed as creating a debt or any other liability on the part of the GC to any Union or fund for any delinquency payable by a Contractor.

ARTICLE 12

HOURS OF WORK, OVERTIME, AND PAYMENT OF WAGES

SECTION 1. WORK WEEK AND WORK DAY

A. The standard work week shall consist of 40 hours of work at straight time rates per the following schedule:

(1) Five-Day Work Week: Monday-Friday; five days, eight hours plus ½ hour unpaid lunch period each day.

B. The Day Shift shall commence between the hours of 6:00 a.m. and 8:00 a.m. and shall end between the hours of 2:30 p.m. and 4:30 p.m.

C. Notice - Contractor shall provide prior notice to the Local Union involved as to the work hour schedules to be worked or such lesser notice as may be mutually agreed upon.

SECTION 2. OVERTIME

Overtime pay for hours outside of the standard work week and work day, described in paragraph A above, shall be paid in accordance with the applicable Schedule A.

ARTICLE 13 - SAFETY PROTECTION OF PERSON AND PROPERTY

SECTION 1. SAFETY REQUIREMENTS

Each Contractor will ensure that applicable OSHA requirements are at all times observed on the Project and the employees and Unions agree to cooperate fully with these efforts. Employees must perform their work at all times in a safe manner and protect themselves and the property of the Contractor and Owner from injury or harm. Failure to do so will be grounds for discipline, including discharge.

SECTION 2. CONTRACTOR RULES

Employees covered by this Agreement shall at all times be bound by the safety, security, and visitor rules as established by the Contractors and the GC for this Project. Such rules will be published and posted in conspicuous places throughout the Project.

SECTION 3. INSPECTIONS

The Contractors and GC retain the right to inspect incoming shipments of equipment apparatus, machinery and construction materials of every kind.

ARTICLE 14 - NO DISCRIMINATION

SECTION 1. COOPERATIVE EFFORTS

The Contractors and the Unions agree that they will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or age in any manner prohibited by law or regulation.

SECTION 2. LANGUAGE OF AGREEMENT

The use of the masculine or feminine gender in this Agreement shall be construed as including both genders.

SECTION 3. COMPLIANCE WITH ORDINANCE

The GC and the Local Unions acknowledge that the Ordinance contains certain requirements of the Owner, the GC and the Local Unions working on tax abated projects within the City of Jersey City. The GC and the Local Unions acknowledge that the project at 225 Grand Street, Jersey City, New Jersey is a tax abated project and is subject to the following requirements of the Ordinance:

(1) The GC and the Local Unions hereby acknowledge the requirements of Section III 1-6 of the Ordinance, which is attached hereto as Exhibit B and incorporated by reference as if set forth fully herein. The GC attests that it will cooperate with the Local Unions so that the Local Unions can satisfy the terms and requirements of the Ordinance.

(2) In the event the Local Unions are unable to refer qualified Apprentices who are Jersey City residents as required by the Ordinance, the Local Unions shall obtain permission from the City to reduce the required percentage accordingly, and the GC and/or any Contractor may employ qualified applicants from any other available source, provided said applicants are paid at the applicable Apprentice rate.

(3) The Owner and the Local Unions attest to the requirements of Section III 7A-C of the Ordinance and will comply with the spirit of such section by the meeting with the Jersey City Business Administrator, advertising the Apprenticeship Program and participating in two (2) job fairs to explain the Apprenticeship Program.

(4) The Local Unions hereby agree to indemnify and hold harmless the Owner and the GC from claims or actions of any type, as well as from damages, penalties, or assessments of any type imposed under the Ordinance, that result from a failure to satisfy Section III, Paragraph 5 and/or Section IV, Paragraphs 3, 4, and 5 of the Ordinance. Liability for such claims, actions, damages, penalties and/or assessments, as between the Owner, the GC and the Local Unions, shall be subject to the contractual grievance and arbitration procedure set forth in the Agreement;

(5) The Local Unions will submit the following reports to the GC on the 15th day of each month for the previous month, for each year of construction until the Project is completed

A. Equal Employment Opportunity Reports EEO-2 and EEO-3, which are required to be filed with the United States Commission of Equal Employment Opportunity Commission by the Local Unions.

B. Apprenticeship Report, which shall list the names, addresses and contact information of all persons who were accepted to the Apprenticeship Program. The report shall also list the names, address and contact information of all persons who were rejected for admission to the Apprenticeship Program with the reasons for their rejection and, for those who failed to finish to program, and the reasons which they failed to complete the program.

(6) The Owner will submit the following reports to the Jersey City Business Administrator on the 15th day of each month for the previous month for each year of construction until the Project is completed:

1. Manning Report.

   The total hours in each construction trade or craft and the number of hours worked by City residents, including a list of minority resident and women resident workers in each trade or craft, and the work hours performed by such employees of the GC, Contractors and subcontractors during the previous quarter.

2. Certified Payroll Report.

   List the residence, gender and ethnic/racial origin of each worker, work hours, and the rate of pay and benefits provided.

(7) To the extent that any term of the CBA differs from a term set forth in this section, the term contained herein shall govern. All capitalized terms set forth herein shall have the same meaning and definition as set forth in the Ordinance;

(8) The undersigned represent that they have the authority to enter into this Agreement on behalf of their respective organizations.

(9) The Owner or the Local Unions shall furnish such reports or other documents to the City as the City may reasonably request from time to time in order to carry out the purchases of the Ordinance. Any records to support work hours stated in any of the above reports shall be maintained for a period of three (3) years after completion of the Project. All records shall be made available to the City upon ten (10) days prior written notice. The Owner shall provide the City with access to the Project in order to monitor compliance with the Ordinance.

SECTION 4. <u>HELMETS TO HARDHATS</u>

The Contractors and the Local Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Contractors and the Local Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude,

referral to apprenticeship programs or hiring halls, counseling or mentoring, support network, employment opportunities and other needs as identified by the parties.

The Local Unions and Contractors agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on the Project and of apprenticeship and employment opportunities for the Project. To the extent permitted by law, the Local Unions will give credit to such veterans for bona fide, provable past experience.

ARTICLE 15 - GENERAL TERMS

SECTION 1. PROJECT RULES

The GC and the Contractors shall establish such reasonable Project rules as are appropriate for the good order of the Project. These rules will be explained at the pre-job conference and posted at the Project site and may be amended thereafter as necessary. Failure of an employee to observe these rules and regulations shall be grounds for discipline, including discharge. The fact that no order was posted prohibiting a certain type of misconduct shall not be a defense to an employee discipline or discharge for such misconduct when the action taken is for cause

SECTION 2. COOPERATION

The GC and the Unions will cooperate in seeking any NJ Department of Labor approvals that may be required for implementation of any terms of this Agreement.

ARTICLE 16 – SAVINGS AND SEPARABILITY

SECTION 1. THIS AGREEMENT

In the event that any provision of this Agreement is enjoined, on either an interlocutory or permanent basis, or otherwise found in violation of law, the provision involved shall be rendered, temporarily or permanently, null and void but the remainder of the Agreement, if any, shall remain in full force and effect for contracts already bid and awarded or in construction where the contractor voluntarily accepts the Agreement. The parties to this Agreement will enter into negotiations in conformity with the law and the intent of the parties for contracts to be let in the future.

SECTION 2. THE BID SPECIFICATION

In the event that the GC's bid specifications, or other action, requiring that a successful bidder become signatory to this Agreement is enjoined, on either an interlocutory or permanent basis, or otherwise founding violation of law such requirement shall be rendered, temporarily or permanently, null and void but the agreement shall remain in full force and effect to the extent required by law for contracts already bid and awarded or in construction where the Contractor voluntarily accepts the Agreement. The parties will enter into negotiations to reflect the court action taken and the intent of the parties for contracts to be let in the future.

SECTION 3. NON-LIABILITY

In the event of an occurrence referenced in Section 1 or Section 2 of this Article, neither the Owner, the GC or any Contractor, or any signatory Union shall be liable, directly or indirectly, for any action taken, or not taken, to comply with any court order, injunction or determination. Project bid specifications will be issued in conformance with court orders then in effect and no retroactive payments or other action will be required if the original court determination is ultimately reversed.

SECTION 4. NON-WAIVER

Nothing in this Article shall be construed as waiving the prohibitions of Article 7 as to signatory Contractors and signatory Unions.

ARTICLE 17 – FUTURE CHANGES IN SCHEDULE A AREA CONTRACTS

SECTION 1. CHANGES TO AREA CONTRACTS

A. Schedules A to this Agreement shall continue in full force and effect until the Contractor and/or Union parties to the Collective Bargaining Agreements which are the basis for Schedules A notify the GC in writing of the mutually agreed upon changes in provisions of such agreements which are applicable to the Project, and their effective dates.

B. It is agreed that any provisions negotiated into Schedules A collective bargaining agreements will not apply to work on this Project if such provisions are less favorable to this Project than to other work covered by those agreements.

C. Any disagreement between signatories to this Agreement over the incorporation into Schedules "A" of provisions agreed upon in the renegotiation of Collective Bargaining Agreements shall be resolved in accordance with the procedure set forth in Article 9 of this Agreement.

SECTION 2. LABOR DISPUTES DURING AREA CONTRACT NEGOTIATIONS

The Unions agree that there will be no strikes, work stoppages, sympathy actions, picketing, slowdowns or other disruptive activity or other violations of Article 7 affecting the Project by any Local Union involved in the renegotiation of Area Local Collective

Bargaining Agreements nor shall there be any lockout on this Project affecting a Local Union during the course of such renegotiations.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and effective as of the _____ day of _____ 2012.

_____
GENERAL CONTRACTOR

_____
NAME AND TITLE (PRINTED)

_____
NAME AND TITLE (SIGNATURE)

IN WITNESS WHEREOF the parties have caused this Agreement to be executed and effective as of the _____ day of _____, 2012.

General Contractor

_____

Hudson County Building and Construction Trades Council AFL-CIO

_____

Union Affiliates:

Asbestos Workers, Local 32

_____

Bricklayers and Allied Crafts, Local 4

_____

Carpenters, Locals 6 and 15

_____

Dockbuilders, Local 1456

_____

Electrical Workers, Local 164

_____

Elevator Constructors, Local 1

_____

Operating Engineers, Local 825

_____

Ironworkers, Local 45

_____

Pipefitters, Local 274

_____

Laborers, Local 325

_____

Heavy Construction Laborers, Local 472

_____

Painters and Allied Trades; District Council Local 711

_____

Plumbers, Local 14

_____

Roofers, Local 10

_____

Sheet Metal Workers, Local 25

_____

Sprinkler Fitters, Local 696

_____

Tile/Marble/Terrazzo Workers, Local 7

_____

Teamsters, Local 560

_____

Cement Masons and
Operative Plasterers, Local 29

_____

SHEET METAL CRAFT ADDENDUM

The GC and all signatory Contractors and their subcontractors of whatever tier agree that when subcontracting for prefabrication of HVAC duct and other related sheet metal, such prefabrication shall be subcontracted to fabricators who pay their employees engaged in such fabrication not less than the prevailing wage for comparable sheet metal fabrication as established under agreement between local affiliates of Sheet Metal Workers International Association and local sheet metal fabricators. Nothing in this Addendum shall prohibit the Owner, the GC or any signatory Contractor from obtaining from any source incidental parts and materials related to HVAC duct or other prefabricated sheet metal, or parts and materials needed to repair defective or non-conforming HVAC duct or other prefabricated sheet metal.

Agreed to and accepted this _____ day
of_____, 2012.

For the GC:

_____

For Sheet Metal Workers
International Association, Local 25

_____

TEAMSTERS LOCAL 560 ADDENDUM

1. For as long as this PLA remains in effect, the work jurisdiction of Local 560 on the Project shall be deemed to include on-site trucking that involves vehicles for which a Class A commercial drivers' license is required.

2. Deliveries by over-the-road carriers shall be allowed whether performed by union or non-union drivers.

3. No deliveries shall be obstructed in any way for any reason.

Agreed to and accepted this _____day
of_____, 2012 .

For the GC:

_____

For Teamsters Local 560

_____

EXHIBIT M

MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, L.L.C.

CROSS EASEMENT ABSTRACT

Document: Reciprocal Cross Easement Agreement.

Properties: Block 11603, Lot 45.02 - (Marbella I) and Block 11603, Lot 45.01 (Marbella II).

Grantees: Marbella Tower Associates, L.L.C., a New Jersey limited liability company as land owner and ground lessor and Marbella Tower Urban Renewal Associates, L.L.C, a New Jersey limited liability company, as improvement owner and ground lessee under a Ground Lease dated August 3, 1999 (both as to Marbella I).

Grantor: Marbella Tower Urban Renewal Associates South, L.L.C., as owner of Block 11609, Lot 45.01 (as to Marbella II).

Easement Granted: Grantees shall have the exclusive right to use the Grantor's land to encumber a portion of Grantor's property with a portion of an existing structure that contains commercial/retail space and a parking garage. Grantor shall have the non-exclusive right along with Grantees to the use of Grantees' roof top amenities and garage including but not limited to the use of 163 parking spaces, drive aisles and designated means of ingress and egress and all required means of emergency egress from such parking spaces and rooftop amenities to and from the public right of way.

Revenue and Fees: Any revenue or other fees generated by the aforementioned 163 parking spaces shall be deemed to pass directly to Marbella II and shall at all times be the property of the Grantor. In the event Marbella II receives a tax exemption from the City of Jersey City such revenue shall be subject to inclusion as part of the annual gross revenue of Grantor.

Real Estate Taxes, Maintenance and Insurance: All maintenance, repair and replacements necessary and appropriate for the areas which are subject to the easement shall be performed by Marbella I. The costs attributable to such maintenance, repair, and replacement and the cost of insurance and real estate taxes shall be apportioned between the parties based upon the percentage of residential units each party owns relative to the total number of residential units in both projects.

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ATTORNEYS AT LAW

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GEORGE W. CONNELL (2005)
ADRIAN M. FOLEY, JR.
GEORGE J. KENNY*
KENNETH F. KUNZMAN
SAMUEL D. LORD
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RICHARD J. BADOLATO*
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SYDNEY J. DARLING*
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NEIL V. SHAH*
STEPHEN R. TURANO*
TARA L. TOULOUMIS*
MICHAEL J. CREEGAN*

*ALSO ADMITTED IN NEW YORK
+ALSO ADMITTED IN PENNSYLVANIA
-ONLY ADMITTED IN NEW YORK
PLEASE REPLY TO JERSEY CITY, NJ

November 28, 2012

Via Hand Delivery

Honorable Mayor Jerramiah T. Healy
c/o All Cameron, Deputy Director
Department of Housing, Economic Development
and Commerce
30 Montgomery Street, 9th Floor
Jersey City, New Jersey 07302

Re: Letter Application Requesting Amendment to Financial Agreement by and between Marbella Tower Urban Renewal Associates, L.L.C. and City of Jersey City for Project At 525 Washington Boulevard, Jersey City, NJ Known as Marbella I now located on new Lot 45.02 in Block 11603

Dear Mr. Cameron:

This firm represents Marbella Tower Urban Renewal Associates, L.L.C. in connection with the above captioned Financial Agreement.

The purpose of this letter is to respectfully request an amendment to the above-referenced Financial Agreement, which: (1) deletes the existing metes and bounds description for the Project and replaces it with the new metes and bounds description attached hereto as Amended Exhibit 1; (2) reduces the 423 parking spaces in the Project by 163 spaces to 260 parking spaces; (3) discloses that the aforementioned 163 parking spaces have now become part of the Marbella II Project pursuant to a perpetual easement and that any revenue received from the use of such 163 parking spaces will be paid to Marbella South Urban Renewal Associates, L.L.C.; and (4) discloses that a portion of the Project's improvements will now be located on Lot 45.01 in Block 11603, pursuant to a perpetual easement.

These amendments are made necessary by the pending development of Marbella II.

In light of the fact that this letter application is being submitted simultaneously and in conjunction with the Marbella II Tax Abatement application for the sole purpose of conforming the Project description of the Marbella I Project to the Marbella II Project, I ask that if any fee is required for this amendment that it be waived.

If you have any questions, please feel free to contact this office.

Very truly yours,

JAMES C. McCANN, ESQ.
On Behalf of the Firm

JCM/mg
Encs.
cc: Marbella Tower Urban Renewal Associates, L.L.C.
Attn.: Ivan Baron, Esq. (w/enc. Via e-mail)
Mayor Jerramiah Healy, Attn.: Rosemary McFadden, Chief of Staff (w/o encs.)
Carl Czaplicki, Director of Housing & Economic Development (w/o encs.)

AMENDED EXHIBIT 1

July 23, 2012 Job No. 614-24

Deed Description
Proposed Block 11603, Lot 45.02
situated in the
City of Jersey City
Hudson County, New Jersey

DRESDNER ROBIN
Engineering · Environmental · Planning · Surveying · Landscape Architecture

Jersey City
Corporate Office
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PHONE: 201-217-9200
FAX: 201-217-9607

Asbury Park Office
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Asbury Park, NJ 07712
PHONE: 732-988-7020
FAX: 732-988-7032

Pennsauken Office
Perks Ruetter Division
Fairway Corporate Center
4300 Haddonfield Road, Suite 115
Pennsauken, NJ 08109
PHONE: 856-488-6200
FAX: 856-488-4302

Wayne Office
Hanson Engineering Division
7 Doig Road, Suite 1
Wayne, NJ 07470
PHONE: 973-696-2600
FAX: 973-696-1362

www.dresdnerrobin.com

Beginning at a point in the westerly sideline of Washington Boulevard, 107 feet wide, a public right of way, said point being distant the following two courses along the same from its intersection with the northerly sideline of Second Street, 60 feet wide, a public right of way:

A. Northerly, along a curve to the left having a radius 2146.48 feet, an arc length of 63.68 feet to a point of tangency subtending an interior angle of 1 degree 42 minutes 00 seconds and having a chord bearing of North 6 degrees 36 minutes 24 seconds East, chord length of 63.68 feet; thence

B. North 5 degrees 45 minutes 24 seconds East, 49.72 feet to the point of BEGINNING and running; thence

1. Leaving the westerly sideline of Washington Boulevard, North 83 degrees 35 minutes 00 seconds West, 185.10 feet through existing Block 11603, Lot 45 crossing the easterly sideline of the 50 foot wide Hudson-Bergen Light Rail Transit System Operating Easement, to a point in the easterly line of Block 11603, Lot 47 as shown on the current Tax Assessment Map of the City of Jersey City; thence

2. Northerly along said easterly line of Block 11603, Lot 47, along a curve to the left having a radius 400.00 feet, an arc length of 215.65 feet to a point of tangency subtending an interior angle of 30 degree 53 minutes 20 seconds and having a chord bearing of North 08 degrees 38 minutes 25 seconds West, a chord length of 213.04 feet; thence

CERTIFIED TO

3. Still along said easterly line of Block 11603, Lot 47, North 06 degrees 48 minutes 23 seconds East, 57.40 feet to a point where it is intersected by the southerly sideline of Fourth Street, 46 feet wide, a public thoroughfare, known as Block 11603, Lot 46 as shown on the current Tax Assessment Map of the City of Jersey City; thence

4. Along said southerly sideline of Fourth Street, South 85 degrees 13 minutes 58 seconds East, 240.14 feet to a point where it is intersected by the westerly sideline of the aforementioned westerly sideline of Washington Boulevard; thence

5. Along said westerly sideline of Washington Boulevard, South 06 degrees 48 minutes 23 seconds West, 118.66 feet to a point of curvature; thence

6. Southerly along said westerly sideline of Washington Boulevard, along a curve to the right having a radius 5503.50 feet, an arc length of 100.83 feet to a point of tangency subtending an interior angle of 01 degree 02 minutes 59 seconds and having a chord bearing of South 06 degrees 16 minutes 53 seconds West, a chord length of 100.83 feet; thence

7. Still along said westerly sideline of Washington Boulevard, South 05 degrees 45 minutes 24 seconds West, 50.55 feet to the point or place of BEGINNING.

Containing 60,300 square feet or 1.384 acres.

Subject to all easement, rights of way and agreements of record.

This description was prepared in accordance with a map entitled "Minor Subdivision, Marbella Tower Associates, Existing Lot 44 and Lot 45, Proposed Lot 45 and Lot 45.01, City of Jersey City, Hudson County, New Jersey" prepared by Dresdner Robin, Hanson Engineering Division, dated 12-23-11 and revised to 7-23-12, Job No. 614-24.

Greg S. Gloor
Professional Land Surveyor
New Jersey License No. 37189

Re: 425 Washington Boulevard
Approximately 1.7 Acres within
Block 11603, Lot 45.02 (formerly part of
Block 15, Lot 28)
Harsimus Station Redevelopment Plan
formerly know as Exchange Place Redevelopment Plan

AMENDMENT TO FINANCIAL AGREEMENT

THIS AMENDMENT TO FINANCIAL AGREEMENT, [Amendment] is made as of this _____ day of _____2013, by and between MARBELLA TOWER URBAN RENEWAL ASSOCIATES, L.L.C, an urban renewal Entity formed and 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., having its principal office at c/o Roseland Property Company, 233 Canoe Brook Road, Short hills, NJ 07078, [Entity], and the City of Jersey City, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity and the City entered into a certain financial agreement dated as of January 31, 2001 ("Financial Agreement') whereby the City granted the Entity a tax exemption for certain property then designated as Block 15, Lot 28 and more commonly known by street address of 425 Washington Boulevard, Jersey City, New Jersey ("Financial Agreement"); and

WHEREAS, the Entity and the City now seek to enter into an amendment to the Financial Agreement; and

WHEREAS, all capitalized terms used in this Amendment are used as defined in the Financial Agreement; and

NOW THEREFORE, in consideration of the foregoing and for such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Entity and the City agrees as follows:

1. The metes and bounds description set forth as Exhibit 1 to the Financial Agreement is hereby deleted in its entirety and replaced with the new metes and bounds description attached hereto as Amended Exhibit 1.

3. Any and all references throughout the Financial Agreement to 423 parking spaces is hereby deleted and replaced with 260 parking spaces.

4. The Financial Agreement is supplemented with the following provision:

A portion of the Project is now located on Lot 45.01 in Block 11603 pursuant to a perpetual reciprocal easement between the Entity and Marbella Tower South Urban Renewal Associates, L.L.C. Pursuant to such easement 160 of the parking spaces located in the garage of the Project are now being used by Marbella Tower South Urban Renewal Associates, L.L.C. and are hereby deemed to be a part of the Marbella II project.

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

ATTEST

MARBELLA TOWER URBAN RENEWAL ASSOCIATES, L.L.C.
By: Roseland/Jersey City II L.L.C.
Its Managing Member

_____

_____
Marshall B. Tycher, Manager

ATTEST:

CITY OF JERSEY CITY

_____
ROBERT BYRNE
CITY CLERK

_____
JACK KELLY
BUSINESS ADMINISTRATOR