

**THIS FINANCIAL AGREEMENT AND THE ORDINANCE ATTACHED HERETO AS
EXHIBIT B SECURES BONDS OR OTHER OBLIGATIONS ISSUED IN
ACCORDANCE WITH THE PROVISIONS OF THE "REDEVELOPMENT AREA
BOND FINANCING LAW" AND THE LIEN HEREOF IN FAVOR OF THE OWNERS
OF SUCH BONDS OR OTHER OBLIGATIONS IS A MUNICIPAL LIEN SUPERIOR
TO ALL OTHER NON-MUNICIPAL LIENS HEREAFTER RECORDED**

Record and return to:

Joseph P. Baumann, Jr., Esq.
McManimon & Scotland, L.L.C.
One Riverfront Plaza
Newark, New Jersey 07102

Financial Agreement

By and Between

The Borough of Carteret

and

Camelot at Carteret Urban Renewal, L.L.C.

31st THIS FINANCIAL AGREEMENT (hereinafter, the "Agreement"), made this day of July, 2007, by and between Camelot at Carteret Urban Renewal, L.L.C., an urban renewal entity, along with its successors and/or assigns, qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1, *et seq.* (the "Long Term Tax Exemption Law"), with offices at 433 River Road, Highland Park, New Jersey 08904 (the "Entity") and the Borough of Carteret, a municipal corporation in the County of Middlesex and the State of New Jersey (the "Borough", and together with the Urban Renewal Entity, the "Parties").

WITNESSETH:

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (the "Act"), as amended and supplemented, provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, pursuant to the Act, the Borough designated certain areas of the Borough, constituting Block 243, Lots 1-5, Block 252, Lots 1-5, Block 253, Lots 1-7, Block 254, Lots 1, 2, 3.01, 3.02, 4.01, 6-10 and 12-14, Block 260, Lots 7-15, Block 261, Lots 1-8, Block 272, Lots 1-6, 6.01 and 7-16, Block 273, Lots 10-12 and Block 292, Lots 1-3, all as identified on the official tax maps of the Borough, as an "area in need of redevelopment" (the "Redevelopment Area"); and

WHEREAS, on February 6, 2003 the Governing Body adopted ordinance no. 03-02, approving and adopting a redevelopment plan, entitled "The Lower Roosevelt Avenue Redevelopment Plan", superseding the provisions of the Borough Zoning Ordinance for the Redevelopment Area (the "Redevelopment Plan"); and

WHEREAS, on February 18, 2003, the Borough adopted Resolution number 03-113, designating Kaplan at Carteret, L.L.C. (the "Redeveloper" and predecessor in interest to the Entity) as the redeveloper of the Redevelopment Area and authorizing the negotiation of a redevelopment agreement with the Redeveloper; and

WHEREAS, pursuant to a redevelopment agreement entered into by and between the Borough and the Redeveloper dated February 25, 2004, as amended and supplemented (the "Redevelopment Agreement"), the Redeveloper agreed to redevelop the Redevelopment Area; and

WHEREAS, on January 27, 2005, the Borough adopted Resolution No. 05-48 designating the Carteret Redevelopment Agency (the "Redevelopment Agency") as the redevelopment entity to implement the Redevelopment Plan; and

WHEREAS, on February 10, 2006, the Redeveloper created the Entity by filing a Certificate of Formation with the Department of Treasury, State of New Jersey, under N.J.S.A. 42:2B-1 *et seq.*, the New Jersey Limited Liability Company Act, for the purposes of initiating and conducting 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 by the Long Term Tax Exemption Law; and

WHEREAS, the Redevelopment Area is to be developed with various components, including, on a portion of the Redevelopment Area comprised of Block 253, Lots 1-7, Block 243, Lots 1-5, and Block 254, Lots 1, 2, 3.01, 3.02, 4.01, 4.02 and 5-14 (hereinafter, the "Property"), components comprised of two hundred eight (208) apartments and up to forty-two thousand nine hundred (42,900) square feet of retail space to be constructed by the Entity (the "Project", which Project qualifies as a "project" as defined in N.J.S.A. 40A:20-(e)); and

WHEREAS, despite the Redeveloper's investment of equity and borrowed funds, such amounts are insufficient to pay for all of the costs associated with the development and construction of the Project; and

WHEREAS, pursuant to the Redevelopment Agreement, the Borough and the Redeveloper are to share pre-development costs, including, but not limited to the cost of acquiring the Redevelopment Area, Relocation Costs, costs of demolishing existing structures on the Redevelopment Area and costs incurred in connection with environmental remediation of the Redevelopment Area in accordance with New Jersey Department of Environmental Protection standards (collectively, the "Shared Pre-Development Costs"); and

WHEREAS, pursuant to the Redevelopment Agreement, the Borough will reimburse the Entity for one hundred percent (100%) of documented Shared Pre-Development Costs in excess of \$11,400,000 but less than \$13,900,000, and fifty percent (50%) of documented Shared Pre-Development Costs incurred in excess of \$13,900,000 (collectively, the "Borough Pre-Development Cost Contribution"); and

WHEREAS, the Entity wishes to have a Long Term Tax Exemption granted for the redevelopment project located on the Property and has requested that the Borough grant such tax exemption; and

WHEREAS, the Borough is agreeable to granting a Long Term Tax Exemption and, in connection therewith, the Borough, the Redevelopment Agency and the Entity will utilize provisions of the Long Term Tax Exemption Law, the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 *et seq.* (the "RAB Law") and such other statutes as may be sources of relevant authority, if any, to facilitate the financing of the redevelopment project that the Entity proposes to undertake on the Property; and

WHEREAS, the provisions of the Long Term Tax Exemption Law, the RAB Law, and such other statutes as may be sources of relevant authority, if any, authorize the Borough to

accept, in lieu of real property taxes, an annual service charge paid by the Entity to the Borough as set forth in such laws; and

WHEREAS, pursuant to the RAB Law and such other statutes as may be sources of relevant authority, if any, the Borough intends to pledge, to the extent required, the annual service charge paid to the Borough by the Entity for debt service on the Bonds that the Redevelopment Agency will issue to finance, in part, the redevelopment project, provided, however, that the County Share (as defined herein) shall not be subject to such pledge; and

WHEREAS, the Borough and the Entity have agreed that any additional annual service charges paid by the Entity to the Borough, which are not needed for debt service on the Bonds shall be for the Borough's use in its sole discretion; and

WHEREAS, the Borough and the Entity have entered into this Agreement to memorialize the terms and conditions by which the Entity will pay annual service charges in lieu of real property taxes; and

WHEREAS, the Borough, on July 12, 2007 adopted Ordinance 07-09 approving the Exemption Application, including the Annual Service Charge (as defined herein), and authorized the execution of this Agreement (the "Ordinance"); and

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 1 GENERAL PROVISIONS

Section 1.01 Governing Law – This Agreement shall be governed by the laws of the State of New Jersey, including the provisions of the Long Term Tax Exemption Law, the Act, the RAB Law and such other statutes as may be the sources of relevant authority, if any. It is expressly understood and agreed by the Parties that the Borough expressly relies upon the facts, data, and representations contained in the Exemption Application in granting this tax exemption.

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

Act

Agreement

Borough

Entity

Long Term Tax Exemption Law

Ordinance

Parties

Project

Property

RAB Law

Redeveloper

Redevelopment Agency

Redevelopment Agreement

Redevelopment Area

Redevelopment Plan

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

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

Allowable Profit Rate – The Allowable Profit Rate for the purposes of this Agreement will be calculated as set forth in *N.J.S.A. 40A:20-3(b)*. For the purpose of determining the specific Allowable Profit Rate, the annual interest percentage rate shall be the interest rate payable on the Entity's initial permanent mortgage financing for the Improvements. If there is no permanent mortgage financing, the interest rate per annum as referenced above shall, for the purposes of the Project, be based upon what the Parties agree is the prevailing rate on mortgage financing on comparable improvements in the County.

Annual Service Charge – The payment by the Entity to the Borough pursuant to Section 4.01 hereof.

Auditor's Report – A complete financial statement outlining the financial status of the Project (for a period of time as indicated by context), the contents of which have been prepared in a manner consistent with generally accepted accounting principles and that fully details all items as required by the applicable statutes, including the Allowable Net Profit for the period as defined in *N.J.S.A. 40A:20-15*, and that has been certified as to its conformance with such standards by a certified public accountant who is, or whose firm is, licensed to practice that profession in the State.

Bondholder – Any person who is the registered owner of any outstanding Bonds.

Bonds – One or more series of taxable or tax-exempt non-recourse bonds to be authorized and issued by the Borough pursuant to the Act, the RAB Law and such other statutes as may be sources of relevant authority, if any, to finance certain costs included in the Project as further set forth in the first sentence of Section 10.01 of the Redevelopment Agreement. Such Bonds will be paid from and secured by an assignment of the Annual Service Charge and/or the Special Assessment.

Certificate of Completion – shall mean a certificate or certificates, issued by the Borough authorizing occupancy of a building, in whole or in part, and certifying that the Redeveloper has performed its duties and obligations under the Redevelopment Agreement and the Redevelopment Plan with respect to the Improvements, or any portion thereof.

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

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

County – shall mean the County of Middlesex.

County Share – shall mean five percent (5%) of the Annual Service Charge received, which shall be deposited into the County Share Account established under the Trust Indenture and payable to the County as provided therein.

Debt Service – The installments of principal and interest due on the Bonds.

Debt Service Account – shall mean the Debt Service Account established under the Trust Indenture for the payment of Debt Service.

Default – The failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement after notice and opportunity to cure as provided herein.

Exemption Application – The application filed by the Entity with the Borough for a long term tax exemption for the Project, a copy of which is attached hereto as Exhibit A.

Gross Revenue – The Annual Gross Revenue of the Entity will be calculated as follows:

Improvements – The Rental Improvements and Retail Improvements, collectively.

In Rem Tax Foreclosure – A summary proceeding by which the Borough may enforce the lien for taxes due and owing by a tax sale. Said foreclosure is governed by N.J.S.A. 54:5-1 *et seq.*

Land Taxes – The amount of taxes assessed on the value of the land portion of the Property.

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

Majority of Bondholders – Bondholders owning more than a certain percentage of the aggregate principal amount of all outstanding Bonds, which term will be defined in more detail and which percentage will be established in the Trust Indenture.

Minimum Annual Service Charge - shall be as defined in Section 4.02 hereof.

Net Profit – As defined in N.J.S.A. 40A:20-3(c).

Property – shall mean, collectively, the Rental Property and the Retail Property.

Project Completion Date(s) – The respective dates on which the Rental Improvements, the Retail Improvements and/or the Improvements in their entirety, shall be completed, as evidenced by the issuance of a Certificate of Completion(s).

Rental Improvements – The approximately two hundred eighty-eight (288) apartments to be constructed on the Rental Property.

Rental Property – The land described in Exhibit D hereto, upon which the Rental Improvements are to be constructed.

Retail Improvements – The approximately forty-two thousand nine hundred (42,900) square feet of space, which will be rented out retail entities, to be constructed on the Retail Property.

Retail Property – The land described in Exhibit D hereto, upon which the Retail Improvements are to be constructed.

Special Assessments – shall mean the assessment by the Borough against the Property with the consent of the Entity as authorized by the New Jersey Local Improvement Law, N.J.S.A. 40:56-1 *et seq.*, as amended and supplemented.

State – shall mean the State of New Jersey.

Tax Assessor – shall mean the Borough tax assessor.

Tax Collector – shall mean the Borough tax collector.

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

Temporary Certificate of Occupancy – shall mean a document issued by the Borough authorizing temporary occupancy of a building on the Property.

Total Project Cost – shall include each of the categories included in N.J.S.A. 40A:12A-3, except to the extent that the parties otherwise agree in this Agreement that certain costs are to be excluded, where authorized by the Long Term Tax Exemption Law.

Trust Indenture – shall mean the Trust Indenture to be executed by the Borough and the Trustee in connection with the Bonds, as amended or supplemented.

Trustee – shall mean the bank named in the Trust Indenture.

To the extent that terms are used in this Agreement and are not defined herein, they shall have the meaning ascribed to such terms in the Redevelopment Agreement.

Section 1.03. Exhibits Incorporated – All exhibits referred to in this Financial Agreement and attached hereto are incorporated herein and made part hereof.

ARTICLE 2 APPROVAL

Section 2.01. Approval of Tax Exemption - Pursuant to the Ordinance, all Improvements owned by the Entity shall be exempt from taxation as provided in the Long Term Tax Exemption Law. The Project shall be as described in the Exemption Application. The Entity represents and covenants that, effective as of the completion of the Project, the Project shall be used, managed and operated for the purposes set forth in the Exemption Application, and the land use applications filed with, and as approved by, the Borough in connection with this Project.

Section 2.02 Approval of Project to be Undertaken by the Entity - Approval hereunder is granted to the Entity for the contemplated Project, which shall in all respects materially comply and conform to all applicable statutes of the State, and the lawful regulations made pursuant thereto, governing land, building(s) and the use thereof, and which Project is more particularly described in the Exemption Application. Attached as Exhibit C is a true copy of the formation documents of the Entity.

Section 2.03 Improvements to be Constructed - The Entity represents that it will construct the Improvements in accordance with the Redevelopment Plan and the Redevelopment Agreement, the use of which is more specifically described in the Exemption Application attached hereto as Exhibit A.

Section 2.04 Construction Schedule - The Entity agrees to make commercially reasonable efforts to complete the Project in accordance with the schedule set forth in the Exemption Application.

ARTICLE 3 DURATION OF AGREEMENT

Section 3.01 Term - It is understood and agreed by the Parties that this Agreement, including the obligation to pay the Annual Service Charges required under Article 4 hereof and the tax exemption granted and referred to in Section 2.01 hereof, shall remain in full force and effect until the earlier of (i) thirty-five (35) years from the date of execution hereof, or (ii) thirty (30) years from the Project Completion Date. In the event that such date is later than the date on which no Bonds remain "outstanding" within the meaning of the Trust Indenture, the Annual Service Charges shall no longer be pledged to the Trustee but shall be paid directly to and retained by the Borough. This Agreement shall constitute evidence of a lien securing such obligation, which lien shall survive any termination hereof. At the expiration of the term hereof the tax exemption for the Project shall expire and the Improvements shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Borough. After expiration of the term hereof, all restrictions and limitations upon the Entity shall terminate upon the Entity's rendering and the Borough's acceptance of its final accounting, pursuant to N.J.S.A. 40A:20-13.

Section 3.02 No Voluntary Termination - Neither the Entity nor the Borough may at any time terminate this Agreement during the period when any Bond remains "outstanding" within the meaning of the Trust Indenture. At such time as the Bonds are no longer "outstanding", the Entity shall have such termination rights as are provided under the Long Term Tax Exemption Law.

Section 3.03 Date of Termination - Upon any Termination of the tax exemption described in Section 2.01 hereof, the date of such Termination shall be deemed to be the end of the fiscal year of the Entity.

ARTICLE 4 ANNUAL SERVICE CHARGE

Section 4.01 Annual Service Charge - The total Annual Service Charge that the Entity shall pay to the Borough shall be equal to 10% of the Annual Gross Revenue of the Entity in connection with Improvements (the "Annual Service Charge(s)"). The Annual Service Charge shall be paid to the Borough (but which payment shall be directed to the Trustee in accordance with Section 5.02 hereof).

Section 4.02 Minimum Annual Service Charge - In the event that the Project is unable to generate sufficient Annual Service Charges to meet the Debt Service, the Entity hereby expressly agrees and covenants to make payments to the Borough of a Minimum Annual Service Charge. The Minimum Annual Service Charge shall be the difference between the Annual Service Charges then being collected from the Project and the amount needed to make the requisite Debt Service Payments. Such payments shall be credited against the total amount due hereunder as Annual Service Charge in successive years (but which shall not relieve the Entity from paying successive installments as and when they come due). Any credit given pursuant to the immediately preceding sentence shall only be applied when adequate funds are available under this Agreement and/or any other financial agreement (which utilizes Annual Service Charges for Debt Service) to satisfy Debt Service for the Bonds. The Parties hereto acknowledge that Gateway at Carteret, LLC ("Gateway"), an Urban Renewal Entity formed and wholly owned by the Redeveloper, will construct townhouses and condominiums to be sold to third parties under the Redevelopment Agreement and a financial agreement between the Borough and Gateway (the "Gateway Financial Agreement"). In the event that the Entity makes such Minimum Annual Service Charge payments under this Section, such payments shall be credited against the total amount due under the Camelot Financial Agreement to the same extent that such payments are credited hereunder. In the event that Camelot makes such payments under the Camelot Financial Agreement, such payments shall be credited against the total amount due hereunder to the same extent that such payments are credited under the Camelot Financial Agreement.

Section 4.03 Quarterly Installments - The Entity expressly agrees that installments of the aforesaid Annual Service Charge shall be paid quarterly in a manner consistent with the Borough's tax collection schedule. The first installment of the Annual Service Charge shall be paid on the date of substantial completion of the Improvements or any portion thereof, if the

Improvements are completed in phases. In the event that the Improvements have not been substantially completed, or they have been substantially completed but the entity has not yet begun to receive rental payments from tenants, by the time the requirement to pay Debt Service commences or as otherwise provided in the Redevelopment Agreement, the Entity shall pre-pay installments of the Annual Service Charge to the extent required to cover the Debt Service ("Pre-Paid Annual Service Charge"). The Pre-Paid Annual Service Charge will be paid in accordance with Article V hereof and will be due no less than thirty (30) days before any principal and/or interest payments, as applicable, are due. Such pre-payment shall be credited against the total amount due hereunder as Annual Service Charge (but which shall not relieve the Entity from paying successive installments as and when they come due). Any credit given pursuant to the immediately preceding sentence shall only be applied when adequate funds are available under this Agreement and/or any other financial agreement (which utilizes annual service charges for Debt Service) to satisfy Debt Service for the Bonds. The Parties hereto acknowledge that Gateway at Carteret, LLC ("Gateway"), an Urban Renewal Entity formed and wholly owned by the Redeveloper, will construct townhouses and condominiums to be sold to third parties under the Redevelopment Agreement and a financial agreement between the Borough and Gateway (the "Gateway Financial Agreement"). In the event that the Entity pays Pre-Paid Annual Service Charge under this Section, such pre-payments shall be credited against the total amount due under the Camelot Financial Agreement to the same extent that such pre-payments are credited hereunder. In the event that Camelot makes such pre-payments under the Camelot Financial Agreement, such pre-payments shall be credited against the total amount due hereunder to the same extent that such pre-payments are credited under the Camelot Financial Agreement. In the event that the Entity fails to timely pay any installment, the amount past due shall bear the highest rate of interest permitted under New Jersey law in the case of unpaid taxes or tax liens on the land until paid.

Section 4.04 Land Taxes – It is the intent of the Parties that the land portion of the Property on which the Rental Improvements will be conducted shall be exempt from taxation pursuant to the terms of this Agreement and as permitted by N.J.S.A. 40A:20-12. Because the land portion of the Retail Property is not permitted to be exempt pursuant to N.J.S.A. 40A:20-12, the Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity and the Borough agree that the Land Tax Payments will never be less than the taxes on the Land for the 2007 tax year using the 2007 assessment on the Property as set forth in Exhibit A hereto and the 2007 tax rate of 4.62. The Entity shall be entitled to a credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. However, in any year that the Entity fails to make any Land Tax Payments if and when due and owing, such delinquency shall render the Entity ineligible for any credits for Land Tax Payments that would otherwise be applied against the Annual Service Charge. No credit will be applied against the Annual Service Charge for partial payments of Land Taxes. In addition, the Borough 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.

Section 4.05 Material Conditions - It is expressly agreed and understood that all payments of the Annual Service Charge, the Special Assessments and any interest payments, penalties or costs of collection due thereon, are material conditions of this Agreement ("Material

Conditions"). If any other term, covenant or condition of this Agreement or the Exemption Application, as to any person or circumstance shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term, covenant or condition of this Agreement shall be valid and enforced to the fullest extent permitted by law.

Section 4.06. Payments – Neither the Entity nor the Borough may alter the amounts or dates as established by Section 4.01, 4.02 or 4.03 hereof.

Section 4.07. Annual Service Charge as Municipal Lien – As provided in the RAB Law, specifically N.J.S.A. 40A:12A-68, and such other statutes as may be sources of relevant authority, if any, the Annual Service Charge shall be a continuous, municipal lien (as such term is defined and used in the Tax Sale Law) on the Property and the Improvements.

ARTICLE 5 PLEDGE OF ANNUAL SERVICE CHARGE TO BONDS

Section 5.01. Entity's Consent - The Entity hereby consents and agrees to the amount of the Annual Service Charge and/or Special Assessments and to the liens established in this Agreement, and the Entity shall not contest the validity or amount of any such Annual Service Charge or lien. The Entity's remedies shall be limited to those specifically set forth herein and as otherwise as provided by law.

Section 5.02. Security for the Bonds - As security for the full and timely payment of Debt Service on the Bonds, and subject to the priority of amounts on deposit in the County Share Account (as defined below) for the payment from time to time of the County Share, the Borough and the Entity agree to and hereby assign all of their interest in each payment of the Annual Service Charge and any Special Assessments, including interest, penalties and costs of collection, to the extent necessary and for the purpose of meeting their obligations to the Trustee. Each installment payment of the Annual Service Charge, as set forth in Section 4.02 hereof, is to be made to the Trustee and clearly identified as the "Annual Service Charge Payment for the Lower Roosevelt Redevelopment Area Rental Project".

If any installment of the Annual Service Charge is not paid to the Trustee in accordance with this Agreement, the Entity hereby waives any objection or right to challenge the use by the Borough (or the Trustee as assignee and agent of the Borough) of the enforcement of remedies to collect such installment of the Annual Service Charge as are afforded the Borough by law, including the Tax Sale Law, provided, however, that in no event shall there be any acceleration of any amounts due and owing to repay the Bonds, and such remedies shall be limited solely to the collection of delinquent and unpaid amounts past due for payment, including interest, penalties and costs of collection provided for by the Tax Sale Law.

Other than as set forth in this section, the Borough hereby pledges and assigns the installments of the Annual Service Charges and any Special Assessments to the Trustee, to secure payment of the Bonds. This pledge constitutes an absolute unconditional assignment of the Annual Service Charges or Special Assessments. There shall not be any pledge of the Annual Service Charges or Special Assessments to the extent same are required for Debt Service by the Borough to any person other than the Trustee.

Pursuant to the RAB Law and such other statutes as may be of relevant authority, if any, the Annual Service Charges and/or the Special Assessments to the extent same are required for Debt Service shall not be included within the general funds of the Borough. The Borough's pledge of the Annual Service Charges and/or the Special Assessments to the Trustee for the Bonds shall be a limited obligation of the Borough payable to the extent of payments received from the Entity and shall not constitute a general obligation of the Borough.

If received by the Borough, the Borough's Chief Financial Officer shall forward all installments of the Annual Service Charges and/or Special Assessments to the Trustee in accordance with this Agreement.

Any payment of the Annual Service Charges that is in excess of the amount required to be paid to the Trustee for Debt Service in any Bond Year (as defined in the Trust Indenture) shall be returned to the Borough and retained and used by the Borough for any lawful purpose.

After the Bonds are retired, the Borough shall receive, retain and use the installments of the Annual Service Charge or Special Assessments, if any, for any lawful purpose.

Section 5.03 Use of Annual Service Charge, Including the Payment of Debt Service – Flow of Funds under the Trust Indenture - Concurrently with the issuance of Bonds contemplated by this Financial Agreement and the Redevelopment Agreement, the Borough and the Trustee shall enter into the Trust Indenture in order to establish, among other things, the terms and conditions for the application of the Annual Service Charge, payment of debt service, and the relative rights and responsibilities of the Borough to the holders of the Bonds. Upon receipt of the Annual Service Charge, the same shall be transmitted to the Trustee, who shall apply the Annual Service Charge as provided in the Trust Indenture. The Trust Indenture shall, in accordance with this Section, provide for the application of the amounts on deposit under the Trust Indenture in the following order, priority and rank:

- (1) *First*, to the county share account (the "County Share Account"), five (5%) percent of the Annual Service Charge received (the "County Share"), payable to the County, to the extent required under Applicable Laws;
- (2) *Second*, to the Debt Service Account, in an amount equal to the Annual Debt Service on the Bonds;
- (3) *Third*, to replenish any reserves, but not including such amounts as are released to the Borough as a result of a reduction in the amounts on deposit in the debt service reserve by reason of amortization of the principal amount of the Bonds;

- (4) *Fourth*, to pay any other necessary amounts due under the Bond Resolution(s), Trust Indenture, or other agreements to be negotiated (including trustee fees and any federal income tax rebate obligation); and
- (5) *Fifth*, the balance to the Borough, to be utilized for any lawful government purpose, in the Borough's sole discretion.

ARTICLE 6 REMEDIES

SECTION 6.01. Remedies – In the event of a breach of this Agreement by any of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, other than those items specifically included as Material Conditions herein, any party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the Long Term Tax Exemption Law and the RAB Law, as amended and supplemented. In the event the Superior Court shall not entertain jurisdiction or, in the event of a breach of Material Condition, 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 said laws. Costs for said arbitration shall be paid by the non-prevailing party. In the event of a default on the part of the Entity to pay any installment of the Annual Service Charges, and/or any Special Assessments required by Article IV above, the Borough, the Trustee acting as assignee and agent of the Borough or the Agency, as third-party beneficiary of this Agreement, in addition to their other remedies, reserve the right to proceed against the Entity's land and premises, in the manner provided by law, including the Tax Sale Law, and any act supplementary or amendatory thereof; provided, however, that in no event shall there be any acceleration of any future Annual Service Charges or Special Assessments. Whenever the word "taxes" appears, or is applied, directly or implied, to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as it is pertinent to this Agreement, as if the Annual Service Charges were taxes or municipal liens on land.

ARTICLE 7 CERTIFICATE OF OCCUPANCY

Section 7.01 Certificate of Occupancy - It is understood and agreed that the Entity shall remain obligated to make application for and make all good faith efforts which are reasonable to obtain Certificates of Occupancy for the Project in a timely manner as identified in the Exemption Application.

Section 7.02 Filing of Certificate of Occupancy - It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor, the Tax Collector and the Chief Financial Officer of the Borough a copy of each Certificate of Occupancy.

ARTICLE 8 ANNUAL AUDITS

Section 8.01 Accounting System - The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles consistently applied, and as otherwise prescribed in the Long Term Tax Exemption Law during the term of this Agreement.

Section 8.02 Periodic Reports - Annually, within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis, that this Agreement shall continue in effect, the Entity shall submit its Auditor's Report certified by an independent certified public accountant for the preceding fiscal or calendar year to the Mayor, the Borough Council and the Borough Clerk, who shall advise those municipal officials required to be advised, and to the Director of the Division of Local Government Services in the New Jersey Department of Community Affairs pursuant to N.J.S.A. 40A:20-9(d). The Auditor's Report shall include, but not be limited to, the terms and interest rate on any mortgage(s) associated with the Project, the Allowable Net Profit for the period shown, and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Long Term Tax Exemption Law and this Agreement.

Section 8.03 Inspection - Upon the request of the Borough, the Trustee or the State, the Entity shall permit the inspection of property, equipment, buildings and other facilities of the Entity by the requesting party or its agents. It shall also permit, upon request of the Borough or the State, reasonable examination and audit of its books, contracts, records, documents and papers by representatives duly authorized by such Borough or State. Such inspection, examination or audit shall be made during normal business hours, in the presence of any officer or agent of the Borough.

Section 8.04 Limitation on Profits and Reserves - During the period of tax exemption as provided herein, the Allowable Net Profit limitation shall apply to the Entity pursuant to the provisions of N.J.S.A. 40A:20-1 *et seq.* Pursuant to N.J.S.A. 40A:20-15, the calculation of Net Profit shall be cumulative for the period commencing at the time the Project is completed.

Section 8.05 Payment of Dividend and Excess Profit Charge - Whenever the Net Profit of the Entity for the period, taken as one accounting period, commencing upon the substantial completion of the Improvements and terminating at the end of the last full fiscal year, shall exceed the Allowable Net Profits for the period, the entity shall, within 90 days of the close of that fiscal year, pay the excess Net Profit to the Borough as an additional service charge, provided, however, that the Entity may maintain any reserves permitted by N.J.S.A. 40A:20-3(c)(1) or 40A:20-15.

ARTICLE 9 ASSIGNMENT AND/OR ASSUMPTION

SECTION 9.01 Approval - The Entity may sell all or a portion of the Project provided that the sale is (i) in accordance with the provisions of the Redevelopment Agreement, (ii) to another urban renewal entity organized under and in full compliance with the provisions of the Long Term Tax Exemption Law imposed on "urban renewal entities", as defined therein, including successors and assigns of the Entity, which is not unacceptable to a Majority of Bondholders, provided that the obligations of the Entity under this Agreement are, to the extent those obligations relate to the portion of the Property acquired by the transferee, fully assumed by the transferee, and (iii) only in the event that the Entity has delivered to the Borough and the Trustee an opinion of nationally-recognized bond counsel to the effect that the sale will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on any tax-exempt Bonds. Any purported sale or other transfer of all or any portion of the Project in violation of the preceding sentence shall be void *ab initio*. The Trustee and a Majority of Bondholders each shall be deemed to be a third-party beneficiary of this Section 9.01 for as long as any Bonds remain outstanding. Upon such conditions being met and subject to the satisfaction of the provisions of the Redevelopment Agreement, the Borough will consent to a transfer of the Project by the Entity to another urban renewal entity organized under N.J.S.A. 40A:20-1 *et seq.*, their successors and assigns, and the transfer of the Financial Agreement to such urban renewal entity, all owning no other project at the time of the transfer. Further, the Borough will consent that upon assumption by the transferee urban renewal entity of the Entity's obligations, to the extent those obligations relate to the portion of the Property acquired by the transferee under this Agreement, the tax exemption for the Project shall continue and inure to the transferee urban renewal entity and its respective successors or assigns.

SECTION 9.02 [Intentionally omitted].

SECTION 9.03 Operation of Project – The Project shall be operated in accordance with law.

SECTION 9.04 Subordination of Fee Title – It is expressly understood and agreed that the Entity has the right, subordinate to the lien of the Annual Service Charge, and to the rights of the Borough and the Trustee hereunder, to encumber the fee title to the Property, and that any such encumbrance or assignment shall not be deemed to be a violation of this Agreement.

ARTICLE 10 WAIVER

SECTION 10.01 Waiver - Nothing contained in this Agreement or otherwise shall constitute a waiver or relinquishment by the Borough, the Entity or the Trustee of any rights and remedies provided by law except for the express waiver herein of certain rights of acceleration and certain rights to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit any right of recovery that

the Borough, the Entity or the Trustee has under law, in equity, or under any provision of this Agreement.

ARTICLE 11 NOTICE

SECTION 11.01 Notice – Any notice required hereunder to be sent by any party to another party shall be sent to all other parties hereto simultaneously by certified or registered mail, return receipt requested, as follows:

When sent to the Entity it shall be addressed as follows:

Camelot at Carteret Urban Renewal Entity, LLC
433 River Road
Highland Park, New Jersey 08904

When sent to the Borough, it shall be addressed to the Borough Clerk, Borough Hall, 61 Cooke Avenue, Carteret, New Jersey 07008, with copies sent to the Borough Attorney, Tax Collector, Tax Assessor, the Chief Financial Officer and McManimon & Scotland, LLC, Bond Counsel to the Borough, at One Riverfront Plaza, 4th Floor, Newark, New Jersey 07102, unless prior to the giving of notice the Borough shall have notified the Entity otherwise. The notice to the Borough shall identify the subject with the tax account numbers of the tax parcels comprising the Property.

The Trustee shall receive copies of all notices given hereunder at the address listed in the Trust Indenture

ARTICLE 12 COMPLIANCE

SECTION 12.01 Statutes and Ordinances - The Entity hereby agrees at all times prior to the expiration or other termination of this Agreement to remain bound by the provisions of Federal and State Law and any lawful ordinances and resolutions of the Borough, including, but not limited to, the Long Term Tax Exemption Law. The Entity's failure to comply with such statutes or ordinances shall constitute a violation and breach of the Agreement.

ARTICLE 13 CONSTRUCTION

SECTION 13.01 Construction - This Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid or any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn

since counsel for both the Entity and the Borough have combined in their review and approval of same.

ARTICLE 14 INDEMNIFICATION

SECTION 14.01 Indemnification - It is understood and agreed that in the event the Borough shall be named as party defendant in any action brought against the Entity by reason of any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of the Long Term Tax Exemption Law by the Entity, the Entity shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Entity or the Redeveloper and/or by reason of any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of the Long Term Tax Exemption Law by virtue of the action or inaction of the Entity or the Redeveloper, except for any acts or omissions or misconduct by the Borough or any of its officers, officials, employees or agents, and the Entity shall defend the suit at its own expense. However, the Borough maintains the right to intervene as a party thereto, to which intervention the Entity hereby consents. The expense of the Borough's intervention shall be borne by the Entity.

ARTICLE 15 DEFAULT

SECTION 15.01 Default - A Default shall be deemed to have occurred if the Entity fails to conform with the terms of this Agreement or fails to perform any obligation imposed upon the Entity by statute, ordinance or lawful regulation.

SECTION 15.02 Cure Upon Default - Should the Entity be in Default of any obligation under this Agreement, the Borough or the Trustee shall notify the Entity and any mortgagee of the Entity, in writing, of said default. Said notice shall set forth with particularity the basis of said default. Except as otherwise limited by law, the Entity shall have thirty (30) days to cure any default (other than a default in payment of any installment of the Annual Service Charges or Special Assessments in which case there shall be no cure period). Subsequent to the thirty (30) days, the Borough (or the Trustee as its assignee and agent) shall have the right to proceed against the Property pursuant to applicable provisions of the law, including N.J.S.A. 40A:12A-58 and -68, but subject to the aforementioned limitations on acceleration, including as set forth in §§ 5.02 and 6.01 hereof. No default hereunder by the Entity shall terminate the long term tax exemption described herein and its obligation to make Annual Service Charges, which shall continue in effect for the duration of this Agreement.

SECTION 15.03 Remedies Upon Default Cumulative; No Waiver - Subject to the provisions of Article 15, Section 6.01 and the other terms and conditions of this Agreement, all of the remedies provided in this Agreement to the Borough (and the Trustee), and all rights and

remedies granted to them by law and equity shall be cumulative and concurrent and no determination of the invalidity of any provision of this Agreement shall deprive the Borough (or the Trustee) of any of their remedies or actions against the Entity because of the Entity's failure to pay the Annual Service Charges and/or any applicable water and sewer charges and interest payments. This right shall only apply to arrearages that are due and owing at the time, and the bringing of any action for Annual Service Charges, Special Assessments or other charges, or for breach of covenant or the resort of any other remedy herein provided for the recovery of Annual Service Charges or other charges shall not be construed as a waiver of the right to proceed with an In Rem Tax Foreclosure action consistent with the terms and provisions of this Agreement.

SECTION 15.04 Bondholder Remedies – Bondholders (as defined in the Trust Indenture) shall have the right to direct action of the Trustee and take action on behalf of themselves and/or the Trustee, to the same extent as their rights under the Trust Indenture.

ARTICLE 16 MISCELLANEOUS

SECTION 16.01 Conflict - The Parties agree that in the event of a conflict between (i) the Exemption Application and this Agreement or (ii) the Redevelopment Agreement and this Agreement, the provisions of this Agreement shall govern and prevail.

SECTION 16.02 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 of the Borough authorizing this Agreement, and the Exemption Application constitute the entire agreement between the Parties and there shall be no modifications thereto other than by a written instrument executed by the Parties and delivered to each of them.

SECTION 16.03 Entire Document - All conditions in the Ordinance of the Borough Council approving this Agreement are incorporated in this Agreement and made a part hereof.

SECTION 16.04 Good Faith - In their dealings with each other, the Parties agree that they shall act in good faith.

SECTION 16.05 Recording - This entire Agreement will be filed and recorded with the Middlesex County Clerk by the Entity at the Entity's expense.

SECTION 16.06 Municipal Services - The Entity shall make payments for municipal services, including water and sewer charges and any services that create a lien on a parity with or superior to the lien for the Annual Service Charges, as required by law. Nothing herein is intended to release the Entity from its obligation to make such payments.

SECTION 16.07 Portion of Annual Service Charge Paid to County – Pursuant to N.J.S.A. 40A:20-12, the Borough shall remit upon receipt five percent (5%) of the Annual Service Charge to Middlesex County, as further described in Section 5.03 hereof.

SECTION 16.08 Financing Matters - The financial information required by the final paragraph of *N.J.S.A.* 40A:20-9 are set forth in the Exemption Application.

SECTION 16.09 Municipal Determinations – The Borough hereby finds and determines that this Agreement is to the direct benefit of the health, welfare and financial well-being of the Borough because it allows for redevelopment of an under-utilized area into productive, useful and job-creating property, and further:

(a) The costs associated with the tax exemption granter herein are minor compared to the total Project cost of \$35,319,893 and the benefit created by approximately ten (10) new jobs.

(b) Without the tax exemption granted herein, it is highly unlikely that the Entity would have proceeded with the Project, and a source of debt service for the Bonds is not otherwise available.

SECTION 16.10 Counterparts - This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 16.11 Amendments - This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the parties hereto.

ARTICLE 17

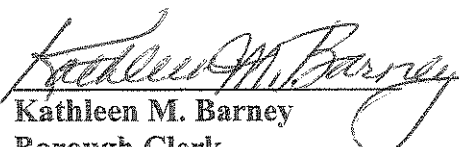
EXHIBITS

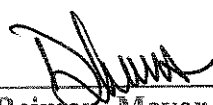
Exhibit A	Exemption Application
Exhibit B	Ordinance Authorizing the Execution of this Agreement
Exhibit C	Formation Documents of Urban Renewal Entity
Exhibit D	Legal Description of the Property

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

ATTEST:

BOROUGH OF CARTERET


Kathleen M. Barney
Borough Clerk

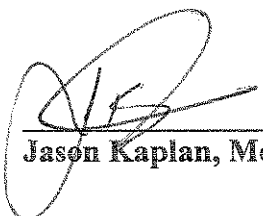
By: 
Daniel J. Reiman, Mayor

By: Camelot at Carteret Urban Renewal, L.L.C.

By: KAPLAN AT CARTERET, LLC

Sole Member

By: JMK ASSOCIATES, LLC, Member

By: 
Jason Kaplan, Member

By: KAPLAN FAMILY LLC, Member

By: 
Michael Kaplan, Manager

ACKNOWLEDGEMENT

STATE OF NEW JERSEY :
: SS.
COUNTY OF MIDDLESEX :

BE IT REMEMBERED that on July 25, 2007 before me the subscriber, personally appeared JASON KAPLAN, who by me duly sworn on his oath, depose and makes proof to my satisfaction that he is a Member of JMK ASSOCIATES, L.L.C., one of the members of KAPLAN AT CARTERET, L.L.C., the Sole Member of CAMELOT AT CARTERET URBAN RENEWAL, L.L.C., and thereupon he acknowledged that he executed, signed, sealed and delivered the foregoing instrument as and for his voluntary act and deed and that of the said limited liability company for the uses and purposes thereof.

Patricia Ann DiSorio
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 9/22/2009

Patricia Ann DiSorio

STATE OF NEW JERSEY :
: SS.
COUNTY OF MIDDLESEX:

BE IT REMEMBERED that on July 25, 2007 before me the subscriber, personally appeared MICHAEL KAPLAN, who by me duly sworn on his oath, depose and makes proof to my satisfaction that he is the Managing Member of KAPLAN FAMILY, L.L.C., one of the Members of KAPLAN AT CARTERET, L.L.C., the Sole Member of CAMELOT AT CARTERET URBAN RENEWAL, L.L.C., and thereupon he acknowledged that he executed, signed, sealed and delivered the foregoing instrument as and for his voluntary act and deed and that of the said limited liability company for the uses and purposes thereof.

Patricia Ann DiSorio
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 9/22/2009

Patricia Ann DiSorio

EXHIBIT A

Exemption Application

APPLICATION AND
CERTIFICATION ON BEHALF OF THE APPLICANT TO THE
BOROUGH OF CARTERET
IN THE COUNTY OF MIDDLESEX
IN CONJUNCTION WITH THE SUBMISSION OF A
LONG TERM TAX EXEMPTION APPLICATION

THE UNDERSIGNED ON BEHALF OF THE APPLICANT HEREBY CERTIFIES TO THE TOWNSHIP RESPECTING A SUBMISSION FOR LONG TERM TAX EXEMPTION AS FOLLOWS:

1. Name of Applicant is: Camelot at Carteret Urban Renewal, LLC

2. Address of Applicant is: c/o Kaplan Companies, 433 River Road, Highland Park, New Jersey 08904

3. Identification of Property
 - a. The Street address of the proposed project site, according to latest tax map is:
Roosevelt Avenue

 - b. The block(s) and lot number(s) according to latest tax map is:
Block 253, Lots 1-7
Block 243, Lots 1-5
Block 254, Lots 1, 2, 3.01, 3.02, 4.01, 4.02, 5-14

 - c. Attached as Exhibit A is a copy of the overall dimension plan which contains therein a metes and bounds description of property.

4. The Property Assessment with Current Tax Status Follows:

a. CURRENT ASSESSMENT

<u>BLOCK</u>	<u>LOT</u>	<u>LAND</u>	<u>IMPROVEMENT</u>	<u>TOTAL</u>
253	1	\$47,300	\$151,700	\$199,000
253	2, 4-7	\$32,800	\$247,300	\$283,100
253	3	\$53,700	\$130,100	\$183,800
254	3.02	\$25,100	\$56,100	\$81,200
254	4.01	\$25,100	\$56,100	\$81,200
254	4.02	\$25,100	\$57,500	\$82,600
254	6	\$22,300	\$115,300	\$137,600
254	7	\$41,100	\$101,400	\$146,500

<u>BLOCK</u>	<u>LOT</u>	<u>LAND</u>	<u>IMPROVEMENT</u>	<u>TOTAL</u>
254	5&8	\$25,200	\$109,200	\$134,400
254	9	\$36,800	\$170,600	\$207,400
254	10	\$37,900	\$42,000	\$79,900
254	12	\$28,100	\$40,800	\$68,900
254	13	\$26,300	\$62,100	\$88,400
254	1	\$56,600	\$0	\$56,600
254	2 and 11	\$50,400	\$0	\$50,400
254	14	\$47,600	\$0	\$47,600

CURRENT TAX STATUS

<u>BLOCK</u>	<u>LOT</u>	<u>REAL PROPERTY BALANCE</u>	<u>WATER/SEWER</u>	<u>TOTAL</u>
253	1	\$0	\$3,413.34	\$3,413.34
253	2	\$0	\$525.34	\$525.34
253	3	\$7,265.61	\$3,567.59	\$10,833.20
254	6	\$1,688.25	\$8,382.16	\$10,070.41
254	7	\$0	\$1,320.00	\$1,320.00
254	8	\$7,073.30	\$2,273.27	\$9,346.57
254	9	\$11,756.35	\$4,276.29	\$16,032.64
254	10	\$3,111.16	\$1,852.40	\$4,963.56
254	12	\$3,570.11	\$1,852.40	\$3,570.11
254	13	\$1,082.51	\$6,734.13	\$7,816.64
254	1	\$1,363.78	\$0	\$1,363.78
254	2 and 11	\$13,680.33	\$0	\$13,680.33
254	14	\$2,306.93	\$0	\$2,306.93

- b. If the site of the proposed project covers more than one lot on the current tax assessment map, the Applicant hereby represents to the Mayor and Council that the Applicant will simultaneously herewith apply to the Tax Assessor or planning board upon site plan approval in writing for a merger of the lots into one or more lots, as proper land assessment requires. Applicant's failure to make such petition shall permit the assessor to make a merger of lots in a manner deemed appropriate to him/her and the Applicant shall be bound thereby and to the merger's effective date and the valuation of the land.

5. Type of Abatement requested is:

- a. Long Term Commercial/ Industrial Project with an annual service charge equal to 15% of annual gross revenue (NJSA 40A:20-12), subject to the provisions in the Financial Agreement.
- b. Long Term Commercial/Industrial Project with an annual service charge equal to 2% of total project cost (NJSA 40A:20-12). (Owner Occupied only), subject to the provisions in the Financial Agreement.
- c. Long Term Commercial/industrial Project with an annual service charge as set forth on Exhibit subject to the provisions in the Financial Agreement.
- d. Long Term Residential and Commercial Project with an annual service charge based on the formula pursuant to N.J.S.A. 40A:20-12(b)(1), subject to the provisions in the Financial Agreement attached hereto as Exhibit.
- e. X Long term Residential/Commercial Project with an annual service charge as set forth in the Financial Agreement attached hereto as Exhibit B.
- f. Long Term Residential Condominium with an annual service charge based on the formula pursuant to N.J.S.A. 40A:20-12(b) (1), subject to the provisions in the Financial Agreement.
- g. Long Term Residential/Condominium Project with an annual service charge as set forth on Exhibit C, subject to the provisions in the Financial Agreement.

6. The requested duration of Tax Abatement is for 35 years.

7. The purpose of project and detailed description of improvements to be made to the property follows:

208 Rental Apartments and 42,900 square feet of Retail Rental Space.

8. A break down of estimated total project cost or estimated total annual Gross Revenue follows pursuant to N.J.S.A. 40A:20 3 (h):

See Exhibit C

9. Method of financing project is as follows:

Equity, construction loan/permanent loan, and Shared Pre-Development Cost Contribution.

10. Schedule for project completion date is:

Parcel E – 6/08
Parcels F – 12/09

11. Disclosure Statement:

a. Name of Corporation, Partnership or Entity:

Camelot at Carteret Urban Renewal, LLC

b. Principal place of business: c/o Kaplan Companies, 433 River Road, Highland Park, New Jersey 08904

c. Name of statutory agent and address, but if applicant is not a corporation the one with related address upon whom legal process may be served is: Michael Kaplan, c/o Kaplan Companies, 433 River Road, Highland Park, New Jersey 08904

d. Incorporated or formed as an urban renewal l.l.c. on February 10, 2006. See Exhibit D. Its Certificate of Incorporation was reviewed and approved by the Commissioner of the Department of Community Affairs on February 10, 2006 pursuant to N.J.S.A. 40A:20-5. Attached as Exhibit D.

e. Camelot at Carteret Urban Renewal, LLC was formed to serve a public purpose to redevelop the Lower Roosevelt Avenue Redevelopment Area pursuant to and in accordance with the Lower Roosevelt Avenue Redevelopment Plan.

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

<u>Name of Owner(s)</u>	<u>Address</u>	<u>Percent Owned</u>
Gateway at Carteret, LLC	433 River Road Highland Park, NJ 08904	100%

SEE ATTACHED DISCLOSURE

12. All parties of the applicant who have interest in any other tax exemption agreement in force and effect with the Borough are: N/A

Name

Name of Urban Renewal

Name

Name of Contract or Agreement

13. The number and type of jobs to be created by the project during the term of its construction and the number and type of permanent jobs and level of skill to be created by the project within one year after its completion are:

Construction Jobs: 10 (approx)

Permanent Jobs: 10 (approx)

14. The proposed project complies with the redevelopment plan as adopted and on file with the Borough Planning Board.
15. The undertaking conforms to all applicable municipal ordinances; that its completion will meet an existing need, and that the project accords with the current master plan of the Borough or as will be amended
16. No office or employee of the Borough has any interest, direct or indirect in the project which is the subject of this application.
17. I certify that all the foregoing statements made by me are true. I am aware that if of the foregoing statements made by me are willfully false, I am subject to punishment.

Date:

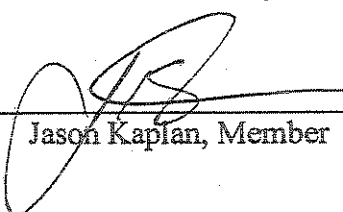
4/2/07

CAMELOT AT CARTERET URBAN
RENEWAL, LLC

By: Gateway at Carteret, LLC

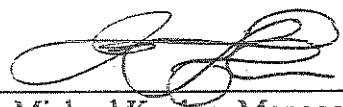
Sole Member

By: JMK ASSOCIATES, LLC, Member

By: 

Jason Kaplan, Member

By: KAPLAN FAMILY, LLC, Member

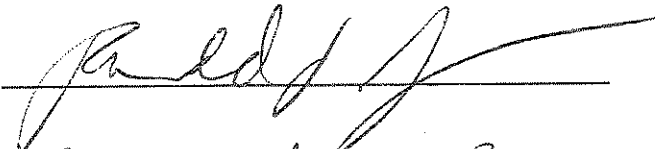
By: 

Michael Kaplan, Manager

STATE OF NEW JERSEY

COUNTY OF MIDDLESEX

I CERTIFY that on April 12, 2007 Jason Kaplan and Michael Kaplan personally came before me and stated under oath to my satisfaction that these persons were the makers of the attached Application and this Application was signed by them in their indicated capacities on behalf of Camelot at Carteret Urban Renewal, LLC, the entity name in this Application and that they were fully authorized to and did execute this Application on behalf of the Applicant.



Ronald S. Blumstein
An Attorney at Law

EXHIBIT B

Ordinance Authorizing the Execution of this Agreement

Ordinance

No. 07-09

of the Borough of Carteret, N. J.

Councilman _____ Presents the following Ordinance Seconded by Councilman _____

THIS ORDINANCE SECURES BONDS OR OTHER OBLIGATIONS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THE 'REDEVELOPMENT AREA BOND FINANCING LAW' AND THE LIEN HEREOF IN FAVOR OF THE OWNERS OF SUCH BONDS OR OTHER OBLIGATIONS IS A MUNICIPAL LIEN SUPERIOR TO ALL OTHER NON-MUNICIPAL LIENS HEREAFTER RECORDED.

ORDINANCE APPROVING THE EXECUTION OF FINANCIAL AGREEMENTS WITH GATEWAY AT CARTERET URBAN RENEWAL, LLC AND CAMELOT AT CARTERET URBAN RENEWAL, LLC AND OTHER APPLICABLE DOCUMENTS RELATED TO THE ISSUANCE BY THE CARTERET REDEVELOPMENT AGENCY OF REDEVELOPMENT AREA BONDS (NON-RECOURSE TO THE FULL FAITH AND CREDIT OF THE BOROUGH) AND DETERMINING VARIOUS OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (the "Act"), as amended and supplemented, provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, pursuant to the Act, the Borough of Carteret, in the County of Middlesex, New Jersey (the "Borough") designated certain areas of the Borough, constituting Block 243, Lots 1-5, Block 252, Lots 1-5, Block 253, Lots 1-7, Block 254, Lots 1, 2, 3.01, 3.02, 4.01, 6-10 and 12-14, Block 260, Lots 7-15, Block 261, Lots 1-8, Block 272, Lots 1-6, 6.01 and 7-16, Block 273, Lots 10-12 and Block 292, Lots 1-3, all as identified on the official tax maps of the Borough, as an "area in need of redevelopment" (the "Redevelopment Area"); and

WHEREAS, on February 6, 2003 the Governing Body adopted Ordinance No. 03-02, approving and adopting a redevelopment plan, entitled "The Lower Roosevelt Avenue Redevelopment Plan", superseding the provisions of the Borough Zoning Ordinance for the Redevelopment Area (the "Redevelopment Plan"); and

WHEREAS, the Redevelopment Plan provides for, among other things, the construction of mixed use improvements, consisting of for sale and rental residential components and a retail component on the Redevelopment Area; and

WHEREAS, on February 18, 2003, the Borough adopted Resolution number 03-113, designating Kaplan at Carteret, L.L.C. (the "Redeveloper", and predecessor in interest to the Entities (as defined herein)) as the redeveloper of the Redevelopment Area and authorizing the negotiation of a redevelopment agreement with the Redeveloper; and

WHEREAS, the Redeveloper has agreed to implement the Redevelopment Plan and develop, design, finance and construct a mixed-use project including approximately forty-eight (48) townhouses (the "Townhouse Component"), up to one hundred thirty-eight (138) condominiums (the "Condominium Component"), approximately two hundred eight (208) rental apartments (the "Rental Component") and approximately forty-two thousand nine hundred (42,900) square feet of retail space (the "Retail Component" and, together with the Townhouse Component, the Rental Component and the Retail Component, the "Project") and in connection therewith, the Redeveloper has agreed to devote substantial cash assets and borrowed funds to the completion of the Project; and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Project, the Borough entered into a redevelopment agreement with the Redeveloper dated February 25, 2004, as amended by the First Amendment to the Redevelopment Agreement, dated July 13, 2004, the Second Amendment to the Redevelopment Agreement, dated February 16, 2005 and the Third Amendment to the Redevelopment Agreement, dated February 16, 2005 (collectively, the "Redevelopment Agreement"), which Redevelopment Agreement specifies the rights and responsibilities of the Borough and the Redeveloper with respect to certain aspects of the Project; and

WHEREAS, by Resolution No. 05-48, adopted by the Borough Council on January 27, 2005, pursuant to Section 4 of the Act (N.J.S.A. 40A:12A-4), the Borough designated the Carteret Redevelopment Agency (the "Agency") to act as the "Redevelopment Entity" (as such term is defined in the Act at N.J.S.A. 40A:12A-3) for the Redevelopment Area to exercise the powers contained in the Act to facilitate the development and redevelopment of the Redevelopment Area; and

WHEREAS, despite the Redeveloper's investment of equity and borrowed funds, such amounts are insufficient to pay for all of the costs associated with the development and construction of the Project; and

WHEREAS, pursuant to the Redevelopment Agreement, the Borough and the Redeveloper are to share pre-development costs, including, but not limited to the cost of acquiring the Redevelopment Area, Relocation Costs, costs of demolishing existing structures on the Redevelopment Area and costs incurred in connection with environmental remediation of the Redevelopment Area in accordance with New Jersey Department of Environmental Protection standards (collectively, the "Shared Pre-Development Costs"); and

WHEREAS, pursuant to the Redevelopment Agreement, the Borough will reimburse the Redeveloper for one hundred percent (100%) of documented Shared Pre-Development Costs in excess of \$11,400,000 but less than \$13,900,000, and fifty percent (50%) of documented Shared Pre-Development Costs incurred in excess of \$13,900,000 (collectively, the "Borough Pre-Development Cost Contribution"); and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Project, on February 10, 2006, the Redeveloper formed two urban renewal entities under the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 *et seq.* (the "Long Term Tax Exemption Law") and the New Jersey Limited Liability Company Act, N.J.S.A. 42:2B-1 *et seq.*, known as Gateway at Carteret Urban Renewal, LLC ("Gateway") and Camelot at Carteret Urban Renewal, LLC ("Camelot" and, together with Gateway, the "Entities"); and

WHEREAS, Gateway will be responsible for implementing the development, financing, construction, operation and management of the Townhouse Component and the Condominium Component and Camelot will be responsible for implementing the development, financing, construction, operation and management of the Rental Component and the Retail Component; and

WHEREAS, the provisions of the Long Term Tax Exemption Law and such other statutes as may be sources of relevant authority, authorize the Borough to accept, in lieu of real property taxes, annual service charges paid by the Entities to the Borough as set forth in such laws ("Annual Service Charges"); and

WHEREAS, in accordance with the provisions of the Long Term Tax Exemption Law, on April 12, 2007, the Entities filed applications with the Borough seeking tax exemptions in connection with the Project (the "Applications"); and

WHEREAS, the Borough is agreeable to granting such tax exemptions to the Entities and, pursuant to the Long Term Tax Exemption Law and such other statutes as may be sources of relevant authority, the Borough desires to enter into Financial Agreements with the Entities to memorialize the terms and conditions by which the Entities will pay the Annual Service Charges; and

WHEREAS, to assist the Borough in financing the Borough Pre-Development Cost Contribution and certain other Borough costs as set forth in the Redevelopment Agreement, the Redevelopment Agency, as redevelopment entity, will issue bonds (the "Bonds") pursuant to the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12-64, *et seq.*, (the "Bond Financing Law"); and

WHEREAS, pursuant to the Bond Financing Law and such other statutes as may be sources of relevant authority, if any, the Borough intends to pledge, to the extent required, the Annual Service Charges paid to the Borough by the Entity for debt service on the Bonds, provided, however, that five percent (5%) of the Annual Service Charges shall not be subject to such pledge in accordance with N.J.S.A. 40A:20-12 (the "County Share"); and

WHEREAS, Borough and the Entities have agreed that any portion of the Annual Service Charges paid by the Entities to the Borough in excess of the amount needed to pay the County Share and Debt Service on the Bonds shall be returned to the Borough and retained and used by the Borough for any lawful purpose; and

WHEREAS, the Borough made the following findings:

A. Relative Benefits of the Project:

- i. The Project will provide new residential units in the Borough.

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

- i. Exemption permits private development of residential units in the Redevelopment Area.
- ii. Redevelopment of the Area will cause the creation of construction employment opportunities for local residents.

WHEREAS, the Entities are qualified to do business under the provisions of the Long Term Tax Exemption Law and have submitted to the Mayor tax exemption applications which are on file with the Borough Clerk (the "Applications"), requesting tax exemptions for the Project; and

WHEREAS, the Entities also submitted financial agreements to the Mayor, which are on file with the Borough Clerk (the "Financial Agreements") (capitalized terms not defined herein shall have the meaning assigned to such terms in the Financial Agreements); and

WHEREAS, the Mayor has submitted the Applications and Financial Agreements to the Borough Council with his recommendation of approval (the "Mayor's Recommendation"), a copy of which is on file with the Borough Clerk; and

WHEREAS, the Financial Agreements contemplate that the Annual Service Charges will be dedicated to debt service on the Bonds pursuant to the Bond Financing Law; and

WHEREAS, in order to set forth the terms and conditions under which the Entities and the Borough (the "Parties") shall carry out their respective obligations with respect to payment of the Annual Service Charges by the Entities, in lieu of real property taxes, in connection with the Project and with the issuance of the Bonds by the Agency, the Parties have determined to execute these Financial Agreements; and

WHEREAS, the Bond Financing Law requires the approval of the State Local Finance Board prior to the issuance of financial instruments, such as the Bonds, where such financial instruments are to be secured by payments in lieu of taxes such as the Annual Service Charges; and

WHEREAS, the Borough Council has also determined to authorize the execution of certain agreements, including without limitation, the Financial Agreements, in connection with the exemption of the Project from taxation and the financing described herein; and

WHEREAS, the Borough finds that the Project will result in the redevelopment of the Borough and will revitalize the Borough and bring new growth because it will (a) provide additional housing, retail and community space; (b) increase mobility by acting as a draw for residents and renters from the surrounding communities; (c) assist in the redevelopment of the Borough by providing modern and efficient retail, living and amenity space; and (d) improve the quality of life by providing greater retail and housing options for the citizens of the State; and

WHEREAS, the Borough believes that (a) it is in the public interest to undertake the Project; (b) the Project is for the health, welfare, convenience or betterment of the inhabitants of the Borough; and (c) the Project is an efficient and feasible means of providing services for the needs of the inhabitants of the Borough and will not create an undue financial burden to be placed upon the Borough.

NOW, THEREFORE, BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF CARTERET, NEW JERSEY AS FOLLOWS:

1. The Applications are hereby approved in accordance with the Mayor's Recommendation.

2. Exemption from taxation is hereby granted to the Entities for their respective portions of the Project for the term set forth in the Financial Agreements, but in no event shall the tax exemptions exceed the earlier of (i) thirty-five (35) years from the date of execution of the respective Financial Agreements or (ii) to the extent permitted by N.J.S.A. 40A:20-13, thirty (30) years from the commencement of the Annual Service Charges and only so long as the Entities remain subject to and comply with the Financial Agreements and the Long Term Tax Exemption Law and upon the further condition that neither Entity files a petition of tax appeal for the premises on which any portion of the Project is to be located, excepting any appeal filed prior to the adoption of this Ordinance.

3. The Mayor is hereby authorized to execute, on the Borough's behalf, the Financial Agreements and any other related documents substantially in the forms on file with the Borough Clerk, subject to such necessary additions, deletions, modifications or alterations deemed necessary by the Mayor in consultation with the Borough's general counsel and/or bond counsel.

4. Executed copies of the Financial Agreements shall be certified by the Borough Clerk and filed with the Office of the Borough Clerk.

5. The Project, when completed, shall conform with all Federal and State law and ordinances and regulations of the Borough relating to its construction and use.

6. The Entities shall, in the operation of their respective portions of the Project, comply with all laws so that no person shall, because of race, religious principles, color, national origin or ancestry, be subject to any discrimination.

7. The Entities shall pay the Annual Service Charges as set forth in the Financial Agreements.

8. The following occurrences are express conditions to the grant of these tax exemptions to be performed by the Entities:

(a) The Entities shall pay full real estate taxes on the land for the portions of the Redevelopment Area on which the Retail Improvements will be constructed.

(b) The Entities shall not, without prior consent of the Borough as set forth in the Financial Agreements, convey, mortgage or transfer all or any part of their respective portions of the Project which would sever, disconnect or divide the improvements being tax exempted under the Financial Agreements from the land underlying the exempted improvements.

(c) Camelot shall be deemed to impliedly agree that if it operates, controls or manages the Rental Component of the Project, it will, in good faith, assist the Borough in its goal of having all new jobs arising out of the businesses conducted on the Redevelopment Area after substantial completion thereof offered to Borough residents first.

(d) Camelot shall, concomitantly with the submission of the auditors' reports required by N.J.S.A. 40A:20-9(d), where applicable, attach employment reports under oath, with particulars, stating the manner and the extent to which it has complied with 10(c) above. The employment reports, like the auditors' reports, shall be filed with both the Borough's Chief Financial Officer and the Borough Clerk.

(e) Each Entity shall pay any outstanding real estate taxes and all outstanding water and sewer charges on the portions of the Redevelopment Area it owns within one year of the adoption of this ordinance.

(f) The Entities shall complete their respective components of the Project as set forth in the Applications.

9. The Mayor is hereby authorized to take all necessary and appropriate steps to assist the Agency in its application to the State Local Finance Board for approval to issue the Bonds for the funding of the Borough Pre-Development Cost Contribution.

10. After receipt of the approval from the State Local Finance Board for the Agency financing described herein, the Mayor is hereby authorized to take all necessary and appropriate steps for the Borough to assist the Agency to cause the issuance of the Bonds, including the pledge or assignment of the Annual Service Charges to secure payment on the Bonds and the execution of the Financial Agreements and any other documents necessary to facilitate such financing.

11. The Mayor is hereby authorized to draft, amend, modify or make such necessary changes to the Applications, the Mayor's Recommendation, the Financial Agreements or any other necessary documents to effectuate the issuance of the Bonds by the Agency that will be secured by the Annual Service Charges, provided that any and all such documents are in compliance with the provisions of the Bond Financing Law and the terms of the Trust Indenture governing the Bonds to be issued.

12. This ordinance shall take effect twenty (20) days after the first publication thereof after final adoption as provided by the Bond Financing Law.

DO NOT USE SPACE BELOW THIS LINE

RECORD OF COUNCIL VOTE

COUNCILMAN	YES	NO	NV	A.B.	COUNCILMAN	YES	NO	NV	A.B.
BELLINO	X				NAPLES				X
DIAZ				X	RIOS	X			
KRUM	X				SITARZ	X			

X - Indicate Vote AB - Absent NV - Not Voting XOR - Indicates Vote to Override Veto

Adopted on first reading of the Council of the Borough of Carteret, N.J., on April 12, 2007

Adopted on second reading after hearing on July 12, 2007

APPROVED BY

ON

MAYOR

MUNICIPAL CLERK

EXHIBIT C

Formation Documents of Urban Renewal Entity

Fax: FEB 10 2006 10:13 Feb 14 2006 02:47pm P002/004

Feb-10-06 01:32pm From: ARCHER GREINER

+856 785 8077

T-548 P 004/005 F-154

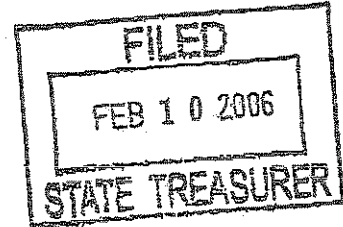
DEPARTMENT OF COMMUNITY AFFAIRS
BUREAU OF HOMEOWNER PROTECTION
ATTN: KAREN SCHWACHA
PO BOX 805
TRENTON, NJ 08625-0805



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS

JON S. CORZON
GOVERNOR

SUSAN BASS LEVIN
COMMISSIONER



DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: CAMELOT AT CARTERET URBAN RENEWAL, LLC
File # 698
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 6TH day of FEBRUARY 2006 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

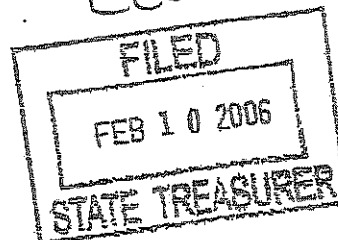
BY

Archer Greiner
Deputy Director for
William M. Connolly, Director
Division of Codes and Standards

CERTIFICATE OF FORMATION

OF

CAMELOT AT CARTERET
URBAN RENEWAL, LLC



To : Department of the Treasury
State of New Jersey

THE UNDERSIGNED, for the purpose of forming a Limited Liability Company pursuant to the provisions of NJSA 42:2B-1 et. seq., the New Jersey Limited Liability Company Act, hereby executes the following Certificate of Formation.

1. The name of the Limited Liability Company is CAMELOT AT CARTERET URBAN RENEWAL, LLC

2. The address of the initial registered office of the company in the State of New Jersey is 433 River Road, Highland Park, NJ 08904.

And the name of the initial registered agent for service of process at that address is
Michael Kaplan

3. The names and addresses of the initial members are as follows:

a. Kaplan at Carteret, LLC 433 River Road
Highland Park, NJ 08904

4. The purposes for which this 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 financial agreement with the municipality, to acquire, plan, develop, construct, alter, maintain or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L. 1991, C. 431 (C. 40A:20-1 et seq.).

5. So long as CAMELOT AT CARTERET URBAN RENEWAL, LLC is obligated under a financial agreement with the Borough of Carteret, made pursuant to P.L. 1991, C. 431 (C. 40A:20-1 et seq.) to engage in no business other than the ownership, operation and management of the project.

5-11-9821-715091

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6. CAMELOT AT CARTERET URBAN RENEWAL, LLC has been organized to serve a public purpose, 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; (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.); and (3) that it shall be subject to regulation by the municipality in which its project is situated, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as it remains the owner of a project to P.L. 1991, C. 431 (C. 40A:20-1 et seq.).

7. CAMELOT AT CARTERET URBAN RENEWAL, LLC 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 the Community Affairs to such transfer, with the exception of transfer to another urban renewal entity, as approved by the Borough of Carteret in which the project is situated, which other urban renewal entity shall assume all contractual obligations of the transferor entity under the financial agreement with the Borough of Carteret. The CAMELOT AT CARTERET URBAN RENEWAL, LLC shall file annually with the Borough of Carteret's 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 the ownership interest in the urban renewal entity itself provided that the transfer, if greater than 10 percent, is disclosed to the municipal governing body in the annual disclosure statement or in correspondence sent to the Borough of Carteret in advance of the annual disclosure statement referred above.

8. CAMELOT AT CARTERET URBAN RENEWAL, LLC is subject to the provisions of section 18 of P.L. 1991, C. 431 (C. 40A:20-18) with respect to the powers of the Borough of Carteret to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

9. Any housing units constructed or acquired by CAMELOT AT CARTERET URBAN RENEWAL, LLC shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs.

The undersigned attests that this filing complies with the requirements detailed in NJSA 42:2B-1 et seq., and that he/she is authorized to sign this certificate on behalf of the Limited Liability Company.

Dated: 11/16/05
2/6/06


Bret Kaplan

EXHIBIT D

Legal Description of the Property

Please see paragraph 3b of the Tax Exemption Application attached as Exhibit A to this Financial Agreement