

MIDDLESEX COUNTY CLERK

Return To:

ROYAL ABSTRACT
500 5TH AVE *Suite 1540*
NY, NEW YORK 10110

Index DEED BOOK
Book 05863 Page 0334
No. Pages 0123
Instrument DEED W/O ABSTRA
Date : 8/31/2007
Time : 8:52:44
Control # 200708310020
INST# DE 2007 013599
Employee ID RECKJ

TITAN-PDC CARTERET URBAN RENEW
AL, LLC

RECORDING	630.00
DARM	366.00
NUPRPA	244.00
- - - -	.00
- - - -	.00
- - - -	.00
- - - -	.00
- - - -	.00
- - - -	.00

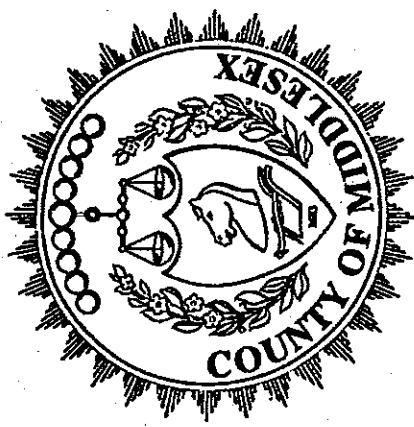
Total: \$ 1,240.00

STATE OF NEW JERSEY
MIDDLESEX COUNTY CLERK

ELAINE FLYNN
COUNTY CLERK



200708310020



Cover sheet is part of Middlesex County filing record
Retain this page for future reference
Not part of the original submitted document

DO NOT REMOVE THIS PAGE.
TO ACCESS THE IMAGE OF
THE DOCUMENT RECORDED
HEREUNDER BY BOOK AND
PAGE NUMBER, USE THE
BOOK AND PAGE NUMBER
ABOVE.

805863P0334

MIDDLESEX COUNTY REGISTRY

Return To:

ROYAL ABSTRACT
500 5TH AVE
NY, NY, 10110

Index DEED BOOK
Book 05712 Page 0001
No. Pages 0125 122
Instrument DEED W/O ABSTRA
Date : 8/28/2006
Time : 10:36:45
Control # 200608280224
INST# DE 2006 015259
Employee ID MALTBS

TITAN-PDC CARTERET URBAN RENEW
AL, LLC
CARTERET PDC, LLC

HAGAN INVESTMENTS, LLC

CARTERET BOROUGH OF

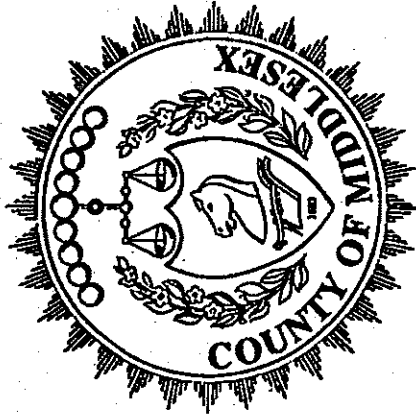
RECORDING	610.00
DARM	354.00
NJPRPA	236.00
.....	.00
	.00
	.00
	.00
	.00
	.00
	.00
Total:	1,200.00

STATE OF NEW JERSEY
MIDDLESEX COUNTY REGISTRY

ELAINE FLYNN
COUNTY CLERK



200608280224



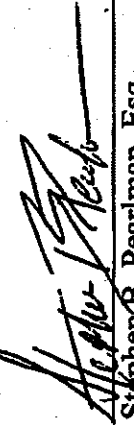
DO NOT REMOVE THIS PAGE.
TO ACCESS THE IMAGE OF
THE DOCUMENT RECORDED
HEREUNDER BY BOOK AND
PAGE NUMBER, USE THE
BOOK AND PAGE NUMBER
ABOVE.

Cover sheet is part of Middlesex County filing record
Retain this page for future reference
Not part of the original submitted document

805863P0335

Record and Return to:

RE-RECORDED


Stephen B. Pearlman, Esq.
DeCotiis, FitzPatrick, Cole & Wisler, LLP
500 Frank W. Burr Boulevard
Teaneck, New Jersey 07666

RE-RECORDATION OF FINANCIAL AGREEMENT

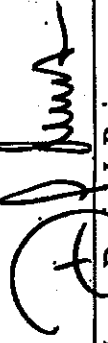
1. The Signatories hereto expressly acknowledge, consent and agree to the re-recording of the Financial Agreement, dated August 18, 2006, by and between the Borough Carteret, a municipal corporation of the State of New Jersey, and Titan-PDC Carteret Urban Renewal, LLC, a Delaware limited liability company, attached hereto and originally recorded by the Middlesex County Clerk on August 28, 2006, as reflected on Book # 05712, Pages 00001-00119, on each and every parcel of land as set forth in Exhibit D of the Financial Agreement, as originally contemplated in Section 4.02 of the Financial Agreement, in order to substitute Schedule 1 of the Financial Agreement, entitled "Debt Service Portion of Pledged Annual Service Charge", to reflect the actual Debt Service Portion of the Pledged Annual Service Charge that corresponds to the actual and final debt service of the Carteret Redevelopment Agency's "Agency Conduit Loan Bonds", issued by the Carteret Redevelopment Agency to the New Jersey Environmental Infrastructure Trust and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection, respectively.
2. The Signatories hereto expressly acknowledge, consent and agree that Schedule 1 of the Financial Agreement, as set forth in the attached Financial Agreement, is the actual and final Debt Service Portion of the Pledged Annual Service Charge.
3. The Signatories hereto expressly acknowledge, consent and agree that the Annual Service Charges, as set forth in the attached Financial Agreement, constitute a municipal lien with the meaning, and for all purposes, of law, and shall be senior in priority to all other non-municipal liens currently or hereafter recorded.
4. The Signatories hereto expressly acknowledge, consent and agree that Financial Agreement is and shall be deemed as recorded as of the original date thereof and the re-recording of the Financial Agreement shall in no way alter, modify, revise, or otherwise impair, the perfection of the lien, which shall have deemed to be perfected as of the date of the original recording of the Financial Agreement.

805863P0336

12

THE BOROUGH OF CARTERET

By:



Name: David J. Reiman

Title: Mayor

TITAN-PDC CARTERET URBAN RENEWAL,
LLC, a Delaware limited liability company

By:

Carteret PDC, LLC, a Delaware
Limited Liability Company,
Manager

By:

Hagan Investments, LLC, a Colorado
Limited Liability Company,
Managing Member

By:



Name: David Hagan

Title: Sole Member

BANK OF AMERICA, N.A.,
AS ADMINISTRATIVE AGENT, ON BEHALF
OF ITSELF AND EACH OF THE LENDERS

By:

Name: John H. Reynolds

Title: Senior Vice President

805863P0337

THE BOROUGH OF CARTERET

By: _____

Name: Daniel J. Reiman

Title: Mayor

TITAN-PDC CARTERET URBAN RENEWAL,
LLC, a Delaware limited liability company

By: _____

Carteret PDC, LLC, a Delaware
Limited Liability Company,
Manager

By: _____

Hagan Investments, LLC, a Colorado
Limited Liability Company,
Managing Member

By: _____

Name: David Hagan

Title: Sole Member

BANK OF AMERICA, N.A.,
AS ADMINISTRATIVE AGENT, ON BEHALF
OF ITSELF AND EACH OF THE LENDERS

By: _____

Name: John H. Reynolds

Title: Senior Vice President

B05863P0338

FINANCIAL AGREEMENT 2006 AUG 28 AM 10:42

1190

Record and Return to:


Stephen B. Pearlman, Esq.
DeCotiis, FitzPatrick, Cole & Wisler, LLP
500 Frank W. Burr Boulevard
Teaneck, New Jersey 07666

BOOK # _____

PAGE # _____

OF PAGES _____

RE-RECORDED

FINANCIAL AGREEMENT

THIS FINANCIAL AGREEMENT (hereinafter "Agreement" or "Financial Agreement"), made this 18th day of August, 2006 by and between TITAN-PDC CARTERET URBAN RENEWAL, LLC, a Delaware limited liability company qualified to do business under the provisions of the Long Term Tax Law, with offices at c/o Panattoni Development Company, 180 Raritan Center Parkway, First Floor, Edison New Jersey 08837 (the "Redeveloper Urban Renewal Entity") and the **BOROUGH OF CARTERET**, a municipal corporation in the County of Middlesex and the State of New Jersey (the "Borough").

WITNESSETH:

WHEREAS, on August 1, 1995, pursuant to and in accordance with the provisions of the Landfill Reclamation Improvement District Law, constituting Chapter 173 of the Pamphlet Laws of 1995 of the State of New Jersey (the "State"), and the acts amendatory thereof and supplemental thereto (the "Landfill Law", as codified in N.J.S.A. 40A:12A-50 et seq.), the Borough finally adopted Ordinance 95-40 which established a landfill reclamation improvement district consisting of certain real property in the Borough as identified in such ordinance (the "Initial District"); and

WHEREAS, pursuant to the Landfill Law, the Borough was deemed to have adopted a redevelopment plan at the time the Initial District was established; and

WHEREAS, on November 2, 1995, the Borough Council adopted Resolution 95-346 relating to a redevelopment plan for the Initial District; and

WHEREAS, on June 6, 1996, pursuant to the 1995 Landfill Law, the Borough finally adopted Ordinance 96-14, which expanded the boundaries of the Initial District to include those properties identified in such ordinance (as expanded, the "District"); and

WHEREAS, on March 7, 1997, the Borough and the Bellemead Development Corp. ("Bellemead") entered into a redevelopment agreement relating to the District (the "Bellemead Agreement"); and

WHEREAS, on March 7, 2002, by Ordinance 02-05, the Borough finally adopted an Amended and Restated Redevelopment Plan to govern the development of the District (the "Amended and Restated Redevelopment Plan"); and

WHEREAS, on February 5, 2004, the Borough adopted Resolution #04-53 authorizing the Borough to enter into a redevelopment agreement with regards to, inter alia, the

05712-00002

B05863P0339

118

redevelopment of the Phase I Project Site (as such term is defined in the hereinafter defined Redevelopment Agreement and as is described in Exhibit D attached hereto); and

WHEREAS, on February 6, 2004, Bellemead and the Borough executed that certain "Mutual Release", which among other things, terminated the Bellemead Agreement and released each of the Borough and Bellemead from all claims arising out of the Bellemead Agreement (the "Bellemead Release"); and

WHEREAS, on February 6, 2004, the Borough, acting in the capacity of a redevelopment entity pursuant to and in accordance with the Redevelopment and Housing Law, constituting Chapter 79 of the Pamphlet Laws of 1992 of the State, and the acts amendatory thereof and supplemental thereto (the "Redevelopment Law", as codified in N.J.S.A. 40A:12A-1 et seq.), and TITAN-PDC CARTERET, LLC, a Delaware limited liability company (the "Redeveloper"), entered into that certain redevelopment agreement, as amended and supplemented, (the "Redevelopment Agreement") governing, among other things, the redevelopment of the Phase I Project Site (the "Phase I Redevelopment Project"); and

WHEREAS, on May 6, 2004, the Borough adopted Resolution #04-160 declaring the Phase I Project Site as an area in need of redevelopment, all in accordance with the Redevelopment Law; and

WHEREAS, on October 7, 2004, the Borough finally adopted Ordinance #04-24, further amending and restating the Amended and Restated Redevelopment Plan, all in accordance with the Redevelopment Law; and

WHEREAS, pursuant to and in accordance with the provisions of the Redevelopment Area Bond Financing Law, constituting Chapter 310 of the Pamphlet Laws of 2001 of the State, and the acts amendatory thereof and supplemental thereto (the "Redevelopment Bond Law", as codified in N.J.S.A. 40A:12A-64 et seq.), specifically N.J.S.A. 40A:12A-66(a), the Borough is authorized to provide for tax abatement within a redevelopment area and for payments in lieu of taxes ("PILOTS") in accordance with certain applicable provisions of the Long Term Tax Exemption Law, constituting Chapter 431 of the Pamphlet Laws of 1991 of the State, and the acts amendatory thereof and supplemental thereto (the "Long Term Tax Law", as codified in N.J.S.A. 40A:20-1 et seq.); and

WHEREAS, pursuant to and in accordance with the provisions of the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-67(a), the Borough may issue, or cause to be issued, bonds for the purpose of financing all or a portion of the costs of a redevelopment project, which bonds may be secured by PILOTS; and

WHEREAS, pursuant to and in accordance with the provisions of the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-67(f), and the Local Bond Law, constituting Chapter 169 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "Local Bond Law", as codified in N.J.S.A. 40A:2-1 et seq.), the Borough may provide for a full faith and credit guaranty of any bonds issued, whether by the Borough or any other authorized governmental entity, including without limitation, a redevelopment agency established in accordance with the Redevelopment Law, for the purposes of financing all or a portion of the costs of a redevelopment project; and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, the Borough shall issue, or shall cause to be issued, bonds for the purpose of financing certain remediation costs of

the Phase I Redevelopment Project, including without limitation, the cost of investigation, remediation and related creek relocation, wetlands mitigation and other activities for the removal, treatment or containment of hazardous substances, the closure and post closure of any landfill located on the Phase I Project Site, and the construction of the necessary remedial systems, including the foundations of any buildings to be constructed on the Phase I Project Site, related thereto (the "Phase I Remediation Project"), all of which shall constitute a Redevelopment Project, as such term is defined in the Redevelopment Bond Law; and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, and in accordance with the Redevelopment Law, Redevelopment Bond Law and Long Term Tax Law, as applicable, the Redeveloper has created and established Redeveloper Urban Renewal Entity, as an urban renewal entity pursuant to and in accordance with the Redevelopment Agreement, Redevelopment Law, Redevelopment Bond Law, Long Term Tax Law and other applicable law; and

WHEREAS, the Redeveloper Urban Renewal Entity has submitted an application to the Borough for the approval of an urban renewal project, as such term is used in the Long Term Tax Law, all in accordance with N.J.S.A. 40A:20-8 (the "Exemption Application", a copy of which is attached hereto as Exhibit A) and the Exemption Application was accepted and approved pursuant to resolution of the Borough Council duly adopted on February 2, 2006; and

WHEREAS, on February 16, 2006, the Borough Council finally adopted Ordinance No. 06-08 entitled "An Ordinance of the Borough of Carteret Authorizing the Execution and Delivery of a Financial Agreement by and between the Borough of Carteret and Titan-PDC Carteret Urban Renewal, LLC in Connection with the Phase I Redevelopment Project" (the "Ordinance", a copy of which is attached hereto as Exhibit B); and

WHEREAS, pursuant to the terms of this Financial Agreement, certain of such Annual Service Charges, as such term is defined herein, shall be pledged to the payment of the principal of and interest on any bonds issued, whether by the Borough or any other authorized governmental entity, including without limitation a redevelopment agency established in accordance with the Redevelopment Law, to finance all or a portion of the costs of the Phase I Remediation Project; and

WHEREAS, pursuant to the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-68, Annual Service Charges to be made by the Redeveloper Urban Renewal Entity pursuant to the terms of this Financial Agreement shall, upon the recordation of the Financial Agreement and the Ordinance, constitute a municipal lien within the meaning, and for all purposes, of law; and

WHEREAS, pursuant to the provisions of the New Jersey Environmental Infrastructure Trust Financing Program (the "Program"), established pursuant to the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State (the "Trust Act", as codified in N.J.S.A. 58:11B-1 et seq.), funds may be available for the purpose of financing certain water quality improvement projects eligible for inclusion in the Program ("Program Eligible Projects"); and

WHEREAS, as a project that provides water quality improvements, all or a portion of the Phase I Remediation Project may qualify under the Program and the Trust Act as a Program Eligible Project, subject to a final determination made by New Jersey Environmental

B05863P0341

3

05712-00004

Infrastructure Trust (the "Trust") and the New Jersey Department of Environmental Protection (the "DEP"); and

WHEREAS, in order to take advantage of the Program, a local government entity must act as the project sponsor (the "Project Sponsor") for the Redeveloper Urban Renewal Entity in connection with the Redeveloper Urban Renewal Entity's implementation of the Phase I Remediation Project; and

WHEREAS, on February 1, 2001, and in accordance with the Redevelopment Law, specifically N.J.S.A. 40A:12A-11, the Borough finally adopted Ordinance No. 01-1, which established the Carteret Redevelopment Agency (the "Agency") as an instrumentality of the Borough; and

WHEREAS, on March 3, 2005, the Agency, acting as Project Sponsor for the Redeveloper Urban Renewal Entity at the direction of the Borough, submitted the "New Jersey Environmental Infrastructure Financing Program Application for Financial Assistance" to the Trust and DEP, respectively; and

WHEREAS, the Agency desires to finance all or a portion of the costs of the Phase I Remediation Project, on a non-recourse basis to the Agency and acting solely as Project Sponsor on behalf of the Redeveloper Urban Renewal Entity, from (i) the proceeds of a loan (the "Trust Loan") from the Trust to the Agency, the terms of which shall be established pursuant to a loan agreement by and between the Trust and the Agency (the "Trust Loan Agreement"), such Trust Loan to be secured by a bond issued by the Agency to the Trust (the "Trust Loan Bond"), and (ii) the proceeds of a loan (the "Fund Loan") from the State, acting by and through the DEP (the "Fund") to the Agency, the terms of which shall be established pursuant to a loan agreement by and between the State, acting by and through the DEP, and the Agency (the "Fund Loan Agreement" and together with the Trust Loan Agreement, the "Program Loan Agreements"), such Fund Loan to be secured by a bond issued by the Agency to the Fund (the "Fund Loan Bond" and together with the Trust Loan Bond, the "Agency Conduit Loan Bonds"); and

WHEREAS, the Agency will in turn (i) lend the proceeds from the Trust Loan Bond to the Redeveloper Urban Renewal Entity (the "Redeveloper Trust Loan"), the terms of which shall be established pursuant to a loan agreement by and between the Agency and the Redeveloper Urban Renewal Entity (the "Redeveloper Trust Loan Agreement"), such Redeveloper Trust Loan to be secured by a promissory note issued by the Redeveloper Urban Renewal Entity to the Agency (the "Redeveloper Trust Note") and (ii) lend the proceeds of the Fund Loan Bond to the Redeveloper Urban Renewal Entity (the "Redeveloper Fund Loan"), the terms of which shall be established pursuant to a loan agreement by and between the Agency and the Redeveloper Urban Renewal Entity (the "Redeveloper Fund Loan Agreement"), such Redeveloper Fund Loan to be secured by a promissory note issued by the Redeveloper Urban Renewal Entity to the Agency (the "Redeveloper Fund Note"); and

WHEREAS, prior to, and in anticipation of, the issuance of the Agency Conduit Loan Bonds, the Agency may issue short-term notes directly to the Trust, which short-term notes shall bear interest at zero percent (0%), as permitted under the Program (the "Trust Interim Note", and together with the Agency Conduit Loan Bonds, the "Project Sponsor Conduit Loan Bonds"); and

WHEREAS, the Agency will in turn lend the proceeds from the Trust Interim Note to the Redeveloper Urban Renewal Entity (the "Redeveloper Trust Interim Loan", and together

B05863P0342

4

~~05712-00005~~

with the Redeveloper Trust Loan and the Redeveloper Fund Loan, the "Redeveloper Loan"), the terms of which shall be established pursuant to a loan agreement by and between the Agency and the Redeveloper Urban Renewal Entity (the "Redeveloper Interim Trust Loan Agreement" and together with the Redeveloper Trust Loan Agreement and the Redeveloper Fund Loan Agreement, the "Redeveloper Loan Agreements"), such Redeveloper Interim Trust Loan to be secured by a promissory note issued by the Redeveloper Urban Renewal Entity to the Agency (the "Redeveloper Interim Trust Note" and together with the Redeveloper Trust Note and the Redeveloper Fund Note, the "Redeveloper Notes"); and

WHEREAS, the Trust Interim Note is anticipated to be paid from the proceeds of the Agency Conduit Loan Bonds; and

WHEREAS, the Project Sponsor Conduit Loan Bonds shall be issued pursuant to an indenture of trust, dated August 18, 2006, as may be amended or supplemented (the "Trust Indenture"), by and between the Agency and North Fork Bank, (the "Trustee"); and

WHEREAS, pursuant to the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-67(c), the Borough shall assign, for the benefit of the Agency and as security for the Project Sponsor Conduit Loan Bonds, all of the Borough's right, title and interest in and to the Pledged Annual Service Charges, as such term is defined herein (the "Borough Assignment"); and

WHEREAS, any amounts received by the Agency pursuant to the Borough Assignment shall be credited against any amounts due and owing by the Redeveloper Urban Renewal Entity to the Agency pursuant to the Redeveloper Loan Agreements; and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, Panattoni Investments, LLC, a California limited liability company (the "Guarantor"), who has an equity ownership interest, whether direct or indirect in the Redeveloper Urban Renewal Entity, shall enter into one or more agreements with the Agency, to which the Borough shall be a third-party beneficiary, whereby the Guarantor shall fully and unconditionally guaranty the full, prompt and unconditional payment when due of any payments of the Redeveloper Urban Renewal Entity, or any successor of the Redeveloper Urban Renewal Entity, due and owing to the Agency pursuant to the Redeveloper Loan Agreements (the "Panattoni Agency Guaranty Agreements"); and

WHEREAS, as additional security for the Project Sponsor Conduit Loan Bonds and as authorized pursuant to the Redevelopment Law, specifically N.J.S.A. 40A:12A-41, the Borough shall contribute, donate, grant or otherwise pay to the Agency the Borough Incremental Land Taxes, as such term is defined herein, pursuant to the terms of an agreement by and between the Borough and the Agency (the "Contribution Agreement"); and

WHEREAS, the Borough shall fully, unconditionally and irrevocably guaranty, the punctual payment, when due, of the principal of, redemption premium, if any, and interest on the Project Sponsor Conduit Loan Bonds in a total original aggregate principal amount not to exceed \$38,500,000 at any one time outstanding in accordance with (i) the terms of the guaranty ordinance finally adopted by the Borough Council on February 16, 2006 (the "Guaranty Ordinance") and (ii) a guaranty certificate to be executed by an authorized officer of the Borough on the face of each Project Sponsor Conduit Loan Bond (the "Guaranty Certificate" and together with the Guaranty Ordinance, the "Borough Guaranty" and together with the Borough Assignment, the Redeveloper Loan Agreements, the Redeveloper Notes, the Trust Indenture, the Panattoni Agency Guaranty Agreements and the Contribution Agreement, the "Financing

805863P0343

5

05712-00006

Documents”), all pursuant to the Redevelopment Law, Redevelopment Bond Law and the Local Bond Law; and

WHEREAS, in consideration for the Borough Guaranty, the Redeveloper Urban Renewal Entity shall pay to the Borough a fee (the “Borough Guaranty Fee”) pursuant to the terms of an agreement by and between the Borough and the Redevelopment Urban Renewal Entity (the “Borough Guaranty Fee Agreement”); and

WHEREAS, the Project Sponsor Conduit Loan Bonds shall be special, limited obligations of the Agency, payable solely from and secured by the Agency’s interest in the Financing Documents; and

WHEREAS, on June 22, 2005, as a condition precedent to the issuance of any and all of the Project Sponsor Conduit Loan Bonds and in accordance with all applicable law, including without limitation, N.J.S.A. 40A:5A-6, N.J.S.A. 58:11B-9(a) and N.J.S.A. 40A:12A-67(g), the Agency submitted an application (the “Local Finance Board Application”) to the Local Finance Board in the Division of Local Government Services of the State’s Department of Community Affairs (the “Local Finance Board”) for the Local Finance Board’s approval of the issuance of the Project Sponsor Conduit Loan Bonds and related financial instruments; and

WHEREAS, the Local Finance Board, at a meeting held on August 10, 2005, did issue favorable findings with respect to the Project Sponsor Conduit Loan Bonds and the Borough Guaranty; and

WHEREAS, pursuant to the terms of the Redevelopment Agreement that certain Sewer Line Indemnification Agreement, by and between the Borough and the Redeveloper, dated August 18, 2006 (the “Indemnification Agreement”), the Guarantor shall enter into an Agreement with the Borough whereby the Guarantor shall fully and unconditionally guaranty the full, prompt and unconditional payment and performance, when due, of (i) any buffer or deductible required on any Remediation Performance and Payment Bond, Cost Cap Insurance or any and all other insurance to be provided by the Redeveloper in accordance with the Redevelopment Agreement, (ii) the payment and performance of each and every duty, obligation, responsibility and liability of the Redeveloper pursuant to Section 15.03(h) of the Redevelopment Agreement, (iii) each and ever duty, obligation, responsibility and liability of the Redeveloper pursuant to the terms of the Indemnification Agreement and (iv) any liabilities of any successor of the Redeveloper under (i), (ii) and (iii) above owed to the Borough (the “Panattoni Borough Guaranty Agreement”); and

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

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

805863P0344

6

05712-00007

ARTICLE I
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 Law, the Redevelopment Law, the Redevelopment Bond Law and such other statutes as may be sources of relevant authority, if any. It is expressly understood and agreed by the parties hereto that the Borough expressly relies upon the facts, data and presentations contained in the Exemption Application in granting this tax exemption.

SECTION 1.02

General Definitions

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

Allowable Net Profit - The amount arrived at by applying the Allowable Profit Rate to 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 purpose 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 Phase I Redevelopment Project Improvements. If there is no permanent mortgage financing, the interest rate per annum as referenced above shall, for the purposes of this project, be based upon 7.5% which the parties agree is the prevailing rate on mortgage financing on comparable improvements in the County.

Annual Service Charge - the Pledged Annual Service Charge and the Unpledged Annual Service Charge.

Annual Service Charge Start Date - the date that the first Certificate of Occupancy is issued for any portion of the Phase I Redevelopment Project Improvements.

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 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 of New Jersey.

Base Land Tax - the aggregate amount of taxes assessed on the value of the land portion of the Phase I Redevelopment Site during the calendar year 2005, such amount being equal to \$ 110,222.07.

Bondholder - Any person who is the registered owner of any outstanding Project Sponsor Conduit Loan Bonds.

Borough Land Tax Report - an accounting, certified by the Chief Financial Officer of the Borough, provided by the Borough to the Redeveloper Urban Renewal

805863P0345

05712-00008

Entity, which shall be provided on an annual basis no less than thirty (30) days prior to date that the first quarterly annual installment of any Pledged Annual Service Charge is due by the Redeveloper Urban Renewal Entity, setting forth (i) the amount of Land Taxes paid by the Redeveloper Urban Renewal Entity to the Borough in the last four (4) preceding quarterly installments, (ii) the calculation and amount of the Incremental Land Taxes, including the amounts paid, distributed, dispersed or otherwise shared with each of the County and the School District by the Borough in accordance with applicable law, and (iii) the calculation and amount of the Borough Incremental Land Tax.

Borough Incremental Land Tax - that portion of the Incremental Land Tax that the Borough retains in its general fund and that is not otherwise paid, distributed, dispersed, or otherwise shared with the County or the School District in accordance with applicable law regarding the allocation of Land Taxes by and among the Borough, the County and the School District.

Borough Portion - That portion of the Unpledged Annual Service Charge, as set forth in Schedule 2 hereof, to be paid by, or on behalf of, the Redeveloper Urban Renewal Entity to the Borough pursuant to Section 4.04(a) hereof.

Certificate of Occupancy - Document issued by the Borough authorizing occupancy of a building on the Phase I Project Site.

County - County of Middlesex, New Jersey.

County Portion - That portion of the Unpledged Annual Service Charge, to be paid by, or on behalf of, the Redeveloper Urban Renewal Entity to the Borough for remittance to the County pursuant to Section 4.04(b) hereof, which in accordance with N.J.S.A. 40A:20-12 shall be equal to five percent (5%) of the Annual Service Charge due hereunder.

Debt Service Portion - the principal of and interest on the Project Sponsor Conduit Loan Bonds as set forth in Schedule 1 attached hereto.

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

GAAP - generally accepted accounting principles as in effect from time to time in the United States of America.

Gross Revenue - The annual gross revenue of the Redeveloper Urban Renewal Entity as defined in N.J.S.A. 40A:20-3(a).

Incremental Land Tax - that portion of Land Taxes, over and above the Base Land Tax, paid by the Redeveloper Urban Renewal Entity in the last four (4) preceding quarters immediately prior to the date that each of the first quarterly installments of the Pledged Annual Service Charge is due hereunder.

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.

B05863P0346

3 - The amount of taxes assessed on the value of the land portion of the
ment Site, consisting of the Base Land Tax and the Incremental Land

f Bondholders - Bondholders owning more than a certain percentage of
cipal amount of all outstanding Project Sponsor Conduit Loan Bonds,
defined in more detail and which percentage will be established in the

- As defined at N.J.S.A. 40A:20-3(c).

Annual Service Charge - That portion of the Annual Service Charge to
behalf of, the Redeveloper Urban Renewal Entity pursuant to Section
Pledged Annual Service Charge shall be calculated in accordance with
ula:

Annual Service Charge = annual Debt Service Portion, as set forth in
attached hereto, plus (+) an amount equal to Land Taxes paid by the
ment Urban Renewal Entity in the last four (4) preceding quarters
ly prior to the date that each of the first quarterly Pledged Annual
arge is due hereunder, minus (-) the Borough Incremental Land Tax.

development Project Completion Date - That date on which the Phase I
project is completed, as evidenced by the issuance of a final Certificate

development Project Improvements - Any building, structure or fixture,
t limitation any remedial systems, piles and building foundation,
ed to the Phase I Project Site and owned by the Redeveloper Urban
nstituting the Project Site Improvements (as such term is defined in the
greement).

strict - shall have the meaning ascribed thereto in P.L. 1967, c.271
-1) that serves the population of the Borough.

aw - N.J.S.A. 54:5-1 et seq.

v Certificate of Occupancy - Document issued by the Borough
rary occupancy of a building on the Phase I Project Site

se I Redevelopment Project Cost - The project costs for the Phase I
Project Cost included in each of the categories set forth in N.J.S.A.

Annual Service Charge - That portion of the Annual Service Charge
orough Portion and the County Portion, respectively, to be paid by, or
Redeveloper Urban Renewal Entity pursuant to Section 4.04 hereof.

tent that terms are used in this Agreement and are not defined herein,
e meaning ascribed to such terms in the Redevelopment Agreement.

05863P0347

SECTION 1.03 Exhibits Incorporated

All exhibits referred to in this Financial Agreement and attached hereto are incorporated herein and made part hereof.

ARTICLE II **APPROVAL**

SECTION 2.01 Approval of Tax Exemption

Pursuant to the Ordinance, all Phase I Redevelopment Project Improvements constructed by the Redeveloper Urban Renewal Entity shall be exempt from taxation as provided in the Long Term Tax Law. The Phase I Redevelopment Project shall be as described in the Exemption Application. The Redeveloper Urban Renewal Entity represents and covenants that, effective as of the completion of the Phase I Redevelopment Project, the Phase I Redevelopment 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 Phase I Redevelopment Project.

SECTION 2.02 Approval of Phase I Redevelopment Project to be Undertaken by the Redeveloper Urban Renewal Entity

Approval is hereby granted to the Redeveloper Urban Renewal Entity for the contemplated Phase I Redevelopment Project on the Phase I Project Site, which shall in all respects materially comply and conform to all applicable statutes of the State of New Jersey, and the lawful regulations made pursuant thereto, governing land, building(s) and the use thereof, and which Phase I Redevelopment Project is more particularly described in the Exemption Application. Attached hereto as Exhibit C is a true copy of the formation documents of the Redeveloper Urban Renewal Entity.

ARTICLE III **DURATION OF AGREEMENT**

SECTION 3.01 Term

It is understood and agreed by the parties that this Agreement, including the obligation to pay Annual Service Charges required under Article IV hereof and the tax exemption granted and referred to in Section 2.01 hereof, shall remain in effect until the earlier of (i) thirty-five (35) years from the date of execution hereof, (ii) thirty (30) years from the Phase I Redevelopment Project Completion Date or (iii) the date on which no Project Sponsor Conduit Loan Bonds remain "outstanding" within the meaning of the Trust Indenture. At the expiration of the term hereof the tax exemption for the Phase I Redevelopment Project shall expire and the Phase I Redevelopment Project 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 Redeveloper Urban Renewal Entity shall terminate upon the Redeveloper Urban Renewal Entity's rendering and the Borough's acceptance of its final accounting.

B05863P0348

SECTION 3.02

No Voluntary Termination

Neither the Redeveloper Urban Renewal Entity nor the Borough may at any time terminate this Agreement during the period when any Project Sponsor Conduit Loan Bond remains "outstanding" within the meaning of the Trust Indenture.

SECTION 3.03

Date of Termination

Upon any termination of the tax exemption described in Section 3.01 hereof, the date of such termination shall be deemed to be the end of the fiscal year of the Redeveloper Urban Renewal Entity.

ARTICLE IV

ANNUAL SERVICE CHARGE

SECTION 4.01

Annual Service Charge

The Annual Service Charge shall be paid as set forth herein.

SECTION 4.02

Pledged Annual Service Charge

Notwithstanding anything herein to the contrary, the Redeveloper Urban Renewal Entity shall pay to the Borough (but which payment shall be directed to the Trustee in accordance with Section 5.02 hereof) the Pledged Annual Service Charge. It is expressly understood, and hereby acknowledged by the Borough and the Redeveloper Urban Renewal Entity, respectively, that the Debt Service Portion set forth in the attached Schedule 1 is based upon current market conditions and is for informational purposes only and that the actual Debt Service Portion will be dependent, in part, upon the market conditions present at the time the Authority Conduit Loan Bonds are issued. Upon the issuance of the Authority Conduit Loan Bonds, which are anticipated to be issued in November, 2006, Schedule 1 shall automatically be updated to reflect the actual Debt Service Portion and such updated Schedule 1 shall be deemed to be a part of this Agreement as if originally set forth herein without any further action of the Borough or the Redeveloper Urban Renewal Entity.

The Redeveloper Urban Renewal Entity shall be entitled to a credit against the Pledged Annual Service Charge for the amount, without interest, of all Land Taxes paid by it in the last four preceding quarterly installments in accordance with N.J.S.A. 40A:20-12(b).

The Trustee shall invest the Pledged Annual Service Charges pursuant to the investment criteria set forth in the Trust Indenture. In the event that investment income is earned from the investment of any Pledged Annual Service Charge, the Redeveloper Urban Renewal Entity shall be entitled to a credit against the Pledged Annual Service Charges in such amounts, and at such times, as the Redeveloper Urban Renewal Entity shall be entitled to under the Redeveloper Loan Agreements. The Borough shall bear no obligation in the event of any loss resulting from the investment of any Pledged Annual Service Charge and in the event of any such loss, the Redeveloper Urban Renewal Entity shall not be entitled to a credit or deduction in the amount of the Pledged Annual Service Charge due hereunder.

In the event that any or all of the proceeds of the Project Sponsor Conduit Loan Bonds are not spent or otherwise drawn upon for purposes of the Phase I Redevelopment Project and are credited against any payments due and payable by the Redeveloper Urban Renewal Entity to the Agency pursuant to the terms of the Redeveloper Urban Agreements, the Redeveloper Urban Renewal Entity shall be entitled to a credit against the Pledged Annual Service Charges in such amounts, and at such times, as the Redeveloper Urban Renewal Entity shall be entitled to under the Redeveloper Loan Agreements.

SECTION 4.03 Pledged Annual Service Charge Installments

(a) The Redeveloper Urban Renewal Entity expressly agrees that installments of the aforesaid Pledged Annual Service Charge shall be paid quarterly in accordance with the dates set forth in Schedule 1 in a manner consistent with the Borough's tax collection schedule. In the event that the first installment date of the Pledged Annual Service Charge shall arise prior to the Annual Service Charge Start Date, the Redeveloper Urban Renewal Entity shall pre-pay installments of the Pledged Annual Service Charge as they come due, which pre-payment shall be credited against the total amount due hereunder as Pledged Annual Service Charges (but which shall not relieve the Redeveloper Urban Renewal Entity from paying successive installments, that have not been credited as set forth above, as and when they come due). In the event that the Annual Service Charge Start Date shall arise prior to the date of the first installment of the Pledged Annual Service Charge as set forth in Schedule 1 attached hereto, the Pledged Annual Service Charge shall be due and payable in accordance with dates and amounts as set forth in Schedule 1 attached hereto. In the event that the Redeveloper Urban Renewal 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 Unpledged Annual Service Charge

The Redeveloper Urban Renewal Entity shall pay installments of the Unpledged Annual Service Charge quarterly to the Borough in accordance with subsections (a) and (b) herein. In the event that the Redeveloper Urban Renewal Entity fails to timely pay any installment thereof, 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.

(a) Borough Portion of Unpledged Service Charge. The Redeveloper Urban Renewal Entity shall pay the Borough Portion of the Unpledged Service Charge quarterly, in the amounts and in a manner consistent with the Borough's tax collection schedule, all in accordance with Schedule 2 hereof. Year 1 of Schedule 2 hereof shall begin on the Annual Service Charge Start Date. As set forth in Schedule 2 hereof, the Borough Portion due and payable by the Redeveloper Urban Renewal Entity for the years twenty-one (21) through the term of this Agreement, if applicable, shall equal the amount that, if not for the exemption from taxation as provided for herein, would otherwise be assessed against the Phase I Redevelopment Project Improvements in accordance with the general law applicable to non-exempt property in the Borough in those respective years. For the years twenty-one (21) through the term of this

805863P0350

Agreement, the Redeveloper Urban Renewal Entity shall be entitled to a credit against the Borough Portion, when due, in an amount equal to the County Portion and the Pledged Annual Service Charge paid by it for such time period.

(b) County Portion of Unpledged Service Charge. (i) The Redeveloper Urban Renewal Entity shall pay the County Portion of the Unpledged Service Charge to the Borough on the same dates that the Borough Portion, as set forth in Schedule 2 hereof, is due hereunder. The County Portion shall equal five percent (5%) of the Annual Service Charge due hereunder.

(ii) In accordance with N.J.S.A. 40A:20-12 and upon receipt by the Borough of the County Portion paid by the Redeveloper Urban Renewal Entity, the Borough shall promptly remit such County Portion to the County.

SECTION 4.05 Land Taxes

Land Taxes shall be separately assessed for each parcel comprising the Phase I Project Site, and shall be assessed only on the land portion of the Phase I Project Site.

SECTION 4.06 Material Conditions

It is expressly agreed and understood that all payments of Land Taxes and Annual Service Charges 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 Financial Agreement or the Exemption Application, as to any person or circumstance shall, to any extent, 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 Financial Agreement shall be valid and enforced to the fullest extent permitted by law.

SECTION 4.07 Borough Land Tax Report

For purposes of determining the Pledged Annual Service Charge and the County Portion, the Borough shall provide to the Redeveloper Urban Renewal Entity the Borough Land Tax Report on an annual basis no less than thirty (30) days prior to the date that the first quarterly annual installment of any Pledged Annual Service Charge is due to the Borough by the Redeveloper Urban Renewal Entity.

SECTION 4.08 Payments

Except as provided for in Sections 4.02 and 4.04 hereof with regards to the calculation of the Pledged Annual Service Charge and the County Portion, neither the Redeveloper Urban Renewal Entity nor the Borough may alter the amounts or dates for which the Annual Service Charges shall be due hereunder.

SECTION 4.09 Annual Service Charges as Municipal Lien

As provided in the Redevelopment Bond Law and such other statutes as may be sources of relevant authority, if any, the Annual Service Charge shall be a continuous, municipal lien on the Phase I Project Site and Phase I Redevelopment Project Improvements.

805863P0351

SECTION 4.10 Annual Service Charge as Percentage of Total Phase I Redevelopment Project Costs

As provided for in the Long Term Tax Law, the Annual Service Charge shall be a percentage of Total Phase I Project Costs; however, the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-66, provides that the minimum or maximum percentages as established in the Long Term Tax Law are not applicable to redevelopment projects financed with bonds. As such, the estimated percentage of Total Phase I Redevelopment Project Costs to which the Annual Service Charge is equal is set forth on Schedule 3 hereof.

ARTICLE V
PLEDGE OF ANNUAL SERVICE CHARGE TO PROJECT SPONSOR
CONDUIT LOAN BONDS

SECTION 5.01 Redeveloper Urban Renewal Entity's Consent

The Redeveloper Urban Renewal Entity hereby consents and agrees to the amount of Annual Service Charges and to the liens established in this Agreement, and the Redeveloper Urban Renewal Entity shall not contest the validity or amount of any such lien. The Redeveloper Urban Renewal Entity's remedies shall be limited to those specifically set forth herein and otherwise provided by law.

SECTION 5.02 Security for the Project Sponsor Conduit Loan Bonds

(a) As security for the Project Sponsor Conduit Loan Bonds, the Borough and the Redeveloper Urban Renewal Entity agree to and hereby assign all of their interest in each payment of the Pledged Annual Service Charge, including interest, penalties and costs of collection, to the extent necessary and for the purpose of meeting their obligations to the Agency, or alternatively, through the Agency to the Trustee as part of the pledge of the trust estate under the Indenture.

(b) Each installment payment as set forth in Section 4.02 is to be made to the Trustee and shall be clearly identified as "Pledged Annual Service Charge Payment for the Carteret Phase I Redevelopment Project".

(c) Each installment payment as set forth in Section 4.04(a) is to be made to the Borough and shall be clearly identified as "Borough Portion of the Unpledged Annual Service Charge Payment for the Carteret Phase I Redevelopment Project".

(d) Each installment payment as set forth in Section 4.04(b) is to be made to the Borough and clearly identified as "County Portion of the Unpledged Annual Service Charge Payment for the Carteret Phase I Redevelopment Project".

(e) If any installment of the Annual Service Charge is not paid to the Trustee or the Borough, respectively, in accordance with this Agreement, the Redeveloper Urban Renewal Entity hereby waives any objection or right to challenge the use by the Borough, the Agency or the Trustee 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

805863P0352

acceleration of any amounts due and owing to repay the Project Sponsor Conduit Loan 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.

(f) The Borough hereby pledges and assigns the installments of the Pledged Annual Service Charge to the Agency, or alternatively, the Trustee, to secure payment of the Project Sponsor Conduit Loan Bonds. This pledge constitutes an absolute unconditional assignment of the Pledged Annual Service Charge. There shall not be any pledge of the Pledged Annual Service Charge by the Borough to any person or entity other than the Agency, or alternatively, the Trustee.

(g) Pursuant to the Redevelopment Bond Law and such other statutes as may be of relevant authority, if any, the Pledged Annual Service Charge shall not be included within the general funds of the Borough. The Borough's pledge of the Pledged Annual Service Charge to the Agency, or alternatively, the Trustee, shall be a limited obligation of the Borough payable to the extent of payments received from the Redeveloper Urban Renewal Entity and shall not constitute a general obligation of the Borough.

(h) If received by the Borough, the Borough's Chief Financial Officer shall forward all installments of the Pledged Annual Service Charge to the Trustee in accordance with this Agreement.

(i) The Unpledged Annual Service Charge shall in no event constitute a portion of the trust estate of, or otherwise constitute security for, the Project Sponsor Conduit Loan Bonds, and the Trustee, upon receipt of any Unpledged Annual Service Charge, shall transmit such Unpledged Annual Service Charge promptly to the Borough.

(j) In the event that the Redeveloper Urban Renewal Entity does not pay, or cause to be paid, the full amount of any Pledged Annual Service Charge when due, the Borough, in its sole discretion, may allocate any portion of the Unpledged Annual Service Charge which has been paid to it by, or on behalf of, the Redeveloper Urban Renewal Entity, in satisfaction of any Pledged Annual Service Charge that remains due and outstanding. The determination to allocate any Unpledged Annual Service Charge in satisfaction of any unpaid Pledged Annual Service shall be made by the Borough in its sole discretion and shall in no way be deemed to grant, convey or otherwise entitle the Redeveloper Urban Renewal Entity, the Agency, the Trustee or any Bondholder any interest in or to the Unpledged Annual Service Charge nor reduce, eliminate, constitute a set-off or otherwise abrogate the Redeveloper Urban Renewal Entity's obligations hereunder.

ARTICLE VI 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

B05863P0353

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 Redevelopment Law, Redevelopment Bond Law and Long Term Tax Law. 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 Redeveloper Urban Renewal Entity to pay any installment of the Annual Service Charge required by Article IV above, the Borough, or the Agency, or alternatively, the Trustee, acting as assignee and agent of the Borough and the Agency, in addition to their other remedies, reserve the right to proceed against the Redeveloper Urban Renewal 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 Charge. Whenever the word "Taxes" appears, or is applied, directly or implied, to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as it is pertinent to this Agreement, as if the Annual Service Charge were taxes or municipal liens on land. In either case, however, the Redeveloper Urban Renewal Entity does not waive any defense it may have to contest the rights of the Borough, the Agency or the Trustee to proceed in the above-mentioned manner, subject to the aforementioned proscription on acceleration in this Section and in Section 5.02 hereof.

ARTICLE VII **CERTIFICATE OF OCCUPANCY**

SECTION 7.01

Certificate of Occupancy

It is understood and agreed that the Redeveloper Urban Renewal Entity shall remain obligated to make application for and make all good faith efforts which are reasonable to obtain Certificates of Occupancy for the Phase I Redevelopment 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 Redeveloper Urban Renewal Entity to forthwith file with the Tax Assessor, the Tax Collector and the Chief Financial Officer of the Borough a copy of such certificate.

ARTICLE VIII **ANNUAL AUDITS**

SECTION 8.01

Accounting System

The Redeveloper Urban Renewal 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 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 Redeveloper Urban Renewal Entity's accounting basis, that this Agreement shall continue in effect, the Redeveloper Urban Renewal 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). Said Auditor's Report shall include, but not be limited to, the terms and interest rate on any mortgage(s) associated with the Phase I Redevelopment Project, the Allowable Net Profit for the period shown, and such details as may relate to the financial affairs of the Redeveloper Urban Renewal Entity and to its operation and performance hereunder, pursuant to the Long Term Tax Law and this Agreement.

SECTION 8.03 Inspection

Upon the request of the Borough, the Agency, the Trustee or the State of New Jersey, the Redeveloper Urban Renewal Entity shall permit the inspection of property, equipment, buildings and other facilities of the Redeveloper Urban Renewal Entity by the requesting party or its agents. It also shall permit, upon request of the Borough or the State of New Jersey, reasonable examination and audit of its books, contracts, records, documents and papers by representatives duly authorized by the Borough or the State. Such inspection, examination or audit shall be made during the hours of the business day, in the presence of any officer or agent of the Redeveloper Urban Renewal Entity.

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 Redeveloper Urban Renewal Entity pursuant to the provisions of the Long Term Tax Law. 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 Phase I Redevelopment Project is completed, with any negative amount of profit from prior years being carried forward and included in the accumulated excess profit calculation.

SECTION 8.05 Payment of Dividend and Excess Profit Charge

In accordance with the Long Term Tax Law, specifically N.J.S.A. 40A:20-15, whenever the Net Profit of the Redeveloper Urban Renewal Entity for the period, taken as one accounting period, commencing upon the Annual Service Charge Start Date and terminating at the end of the last full fiscal year, shall exceed the Allowable Net Profit for the period, the Redeveloper Urban Renewal Entity shall, within 120 days of the close of that fiscal year, or in accordance with N.J.S.A. 40A:20-13 upon termination of this Financial Agreement, 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 Redeveloper Urban Renewal Entity may maintain any reserves permitted by N.J.S.A. 40A:20-3(c)(1) or 40A:20-15.

The parties agree that the Borough shall deposit twenty-five percent (25%) of any excess Net Profit paid to the Borough in an escrow account to be applied towards the

B05863P0355

17

05712-00018

Redeveloper Urban Renewal Entity's obligation to pay the Pledged Annual Service Charge in the successive year, such application to be deemed a capital grant to Redeveloper Urban Renewal Entity pursuant to Section 8(f) of the Redevelopment Law.

SECTION 8.06 Gross Revenue of Redeveloper Urban Renewal Entity

Gross Revenue shall, pursuant to N.J.S.A. 40:20-3(a), include (i) the Redeveloper Urban Renewal Entity's annual gross rents and other income and (ii) all insurance, operating, maintenance and similar expenses per annum paid by any tenants of the Phase I Redevelopment Project from time to time that are certified by the Redeveloper Urban Renewal Entity as expenses that are ordinarily paid by a landlord in real estate projects similar to the Phase I Redevelopment Project. For the purpose of this calculation, the method of computing gross revenue for the Redeveloper Urban Renewal Entity shall be in accordance with GAAP 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 the gross revenue, shall be in accordance with GAAP. Any gain realized by the urban renewal entity on the sale of any unit in fee simple, whether or not taxable under federal or State law, shall not be included in computing gross revenue. If the Redeveloper sells one building of the project, if shall constitute a unit of the project.

ARTICLE IX ASSIGNMENT AND/OR ASSUMPTION

SECTION 9.01 Approval

The Redeveloper Urban Renewal Entity may sell all or a portion of the Phase I Redevelopment Project (in which case the portion sold shall constitute a unit) 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 Law imposed on "urban renewal entities", as defined therein, including successors and assigns of the Redeveloper Urban Renewal Entity, which is not unacceptable to a Majority of Bondholders, provided that the obligations of the Redeveloper Urban Renewal Entity under this Agreement are, to the extent those obligations relate to the portion of the Phase I Project Site acquired by the transferee, fully assumed by the transferee, and (iii) only in the event that the Redeveloper Urban Renewal Entity has delivered to the Borough, the Agency 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 Project Sponsor Conduit Loan Bonds. Any purported sale or other transfer of all or any portion of the Phase I Redevelopment 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 Project Sponsor Conduit Loan Bonds remain outstanding. Upon such conditions being met and subject to satisfaction of the provisions of the Redevelopment Agreement, the Borough will consent to a transfer of all or a portion of the Phase I Redevelopment Project by the Redeveloper Urban Renewal Entity to another urban renewal entity organized under the

Long Term Tax Law, their successors and assigns, and the transfer of this 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 Redeveloper Urban Renewal Entity's obligations, to the extent those obligations relate to the portion of the Phase I Project Site acquired by the transferee under this Agreement, the tax exemption for the Phase I Redevelopment Project shall continue and inure to the transferee urban renewal entity and its respective successors or assigns.

SECTION 9.02 Operation of Phase I Redevelopment Project

The Phase I Redevelopment Project shall be operated in accordance with applicable laws and the Redevelopment Agreement.

SECTION 9.03 Subordination of Fee Title

It is expressly understood and agreed that the Redeveloper Urban Renewal Entity has the right, subordinate to the lien of the Annual Service Charges, and to the rights of the Borough, the Agency and the Trustee hereunder, to encumber the fee title to the Phase I Project Site and may so encumber the Redeveloper Urban Renewal Entity's interest in the Phase I Redevelopment Project, including without limitation, the Phase I Project Site and the Phase I Redevelopment Project Improvements, and that any such subordinate encumbrance shall not be deemed to be a violation of this Agreement.

ARTICLE X
WAIVER

SECTION 10.01 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the Borough, Redeveloper Urban Renewal Entity, the Agency 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 this Financial 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, Redeveloper Urban Renewal Entity, the Agency or the Trustee has under law, in equity, or under any provision of this Financial Agreement.

ARTICLE XI
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:

B05863P0357

(a) When sent to the Redeveloper Urban Renewal Entity it shall be addressed as follows:

Titan-PDC Carteret Urban Renewal, LLC
c/o Panattoni Development Company
180 Raritan Center Parkway, First Floor
Edison, New Jersey 08837
Attn: James R. Murray

With copies to:

Anne S. Babineau, Esq.
Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center Drive
Woodbridge, NJ 07095

Peter Von Elten, Esq.
Panattoni Law Firm
8413 Jackson Road, Suite C
Sacramento, CA 95826

(b) 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, and the Chief Financial Officer unless prior to the giving of notice the Borough shall have notified the Redeveloper Urban Renewal Entity otherwise. The notice to the Borough shall identify the subject with the tax account numbers of the tax parcels comprising the Phase I Project Site.

Copies shall also be sent to:

Robert J. Bergen, Esq.
Gill & Chamas
P.O. Box 760
655 Florida Grove Road
Woodbridge, NJ 07095

Stephen B. Pearlman, Esq.
DeCotiis, FitzPatrick, Cole & Wisler, LLP
500 Frank W. Burr Boulevard
Teaneck, NJ 07666

(c) The Agency shall receive copies of all notices given hereunder, which shall be addressed as follows:

Mr. Eric Chubenko, Executive Director
The Carteret Redevelopment Agency
96 Cooke Avenue
Carteret, New Jersey 07008

805863P0358

20

057-12-00021

With copy to:

John V. Cavaliere, Esq.
McManimon & Scotland, LLC
One Riverfront Plaza
4th Floor
Newark, NJ 0710290

(d) The Trustee shall receive copies of all notices given hereunder, which shall be addressed as follows:

North Fork Bank

(e) Bank of America, as mortgagee of the Phase I Project Site, shall receive copies of all notices given hereunder, which shall be addressed as follows:

Bank of America, N.A.
414 Union Street, 5th Floor
Tn1-100-05-07
Nashville, TN 37239-1697
Attn: Real Estate Loan Administration

ARTICLE XII **COMPLIANCE**

SECTION 12.01 Statutes and Ordinances

The Redeveloper Urban Renewal Entity hereby agrees at all times prior to the expiration or other termination of this Financial Agreement to remain bound by the provisions of Federal and State law and any lawful ordinances and resolutions of the Borough, including, but not limited to, the Redevelopment Law, Redevelopment Bond Law and the Long Term Tax Law. The Redeveloper Urban Renewal Entity's failure to comply with such statutes or ordinances shall constitute a violation and breach of this Financial Agreement.

ARTICLE XIII **CONSTRUCTION**

SECTION 13.01 Construction

This Financial Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid or any presumption or other rule requiring construction against the party drawing or causing this Agreement to be

805863P0359

21

~~05712-00022~~

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

ARTICLE XIV **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 Redeveloper Urban Renewal 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 Law or the Redevelopment Bond Law by Redeveloper Urban Renewal Entity, the Redeveloper Urban Renewal Entity shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction or the Redeveloper Urban Renewal 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 Redevelopment Law, Redevelopment Bond Law and the Long Term Tax Law by virtue of the action or inaction of the Redeveloper Urban Renewal Entity or Redeveloper, except for any acts or omissions or misconduct by the Borough or any of its officers, officials, employees or agents, and the Redeveloper Urban Renewal Entity shall defend the suit at its own expense. However, the Borough maintains the right to intervene as a party thereto, to which intervention the Redeveloper Urban Renewal Entity hereby consents, the expense thereof to be borne by the Redeveloper Urban Renewal Entity.

ARTICLE XV **DEFAULT**

SECTION 15.01

Default

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

SECTION 15.02

Cure Upon Default

Should the Redeveloper Urban Renewal Entity be in default of any obligation under this Agreement, the Borough, the Agency or the Trustee shall notify the Redeveloper Urban Renewal Entity, the Guarantor and any mortgagee of the Redeveloper Urban Renewal 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 Redeveloper Urban Renewal Entity shall have thirty (30) days to cure any default (other than a default in payment of any installment of the Annual Service Charge in which case there shall be no cure period). Subsequent to the thirty (30) days, the Borough (or the Trustee as its assignee and agent) shall have the right to proceed against the Phase I Project Site pursuant to any and all applicable provisions of the law, but subject to the

805863P0360

aforementioned limitations on acceleration, including as set forth in Section 5.02 and 6.01 hereof. No default hereunder by the Redeveloper Urban Renewal Entity shall terminate the long term tax exemption described herein and its obligation to make Pledged and Unpledged Annual Service Charges, which shall continue in effect for the duration set forth in Article IV hereof, as applicable.

SECTION 15.03 Remedies Upon Default Cumulative: No Waiver

Subject to the provisions of Section 6.01 hereof and the other terms and conditions of this Agreement, all of the remedies provided in this Agreement to the Borough, the Agency 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, the Agency or the Trustee of any of their remedies or actions against the Redeveloper Urban Renewal Entity because of the Redeveloper Urban Renewal Entity's failure to pay Land Taxes, the Annual Service Charge and/or any applicable water and sewer charges and interest payments. This right shall only apply to arrearages that are due and owing at the time, and the bringing of any action for Land Taxes, Annual Service Charges or other charges, or for breach of covenant or the resort of any other remedy herein provided for the recovery of Land Taxes, Annual Service Charges or other charges shall not be construed as a waiver of the right to proceed with In Rem Foreclosure action consistent with the terms and provisions of this Agreement.

SECTION 15.04 Bondholder Remedies

Bondholders 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 XVI MISCELLANEOUS

SECTION 16.01 Conflict

The parties agree that in the event of a conflict between the Exemption Application and this Financial Agreement, the language in this Financial 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 Financial Agreement. This Financial Agreement, the Ordinance and the Exemption Application constitute the entire agreement between the parties and there shall be no modifications thereto, other than as permitted in Section 4.02 and 4.04(b) hereof, other than by a written instrument executed by the parties hereto and delivered to each of them.

SECTION 16.03 Entire Document

All conditions in the Ordinance 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 and the Ordinance will be filed and recorded with the Middlesex County Clerk by the Borough, at the Redeveloper Urban Renewal Entity's expense, such that this Agreement and the Ordinance shall be reflected upon the land records of the County of Middlesex as a municipal lien upon and a covenant running with each and every parcel of land constituting the Phase I Project Site.

SECTION 16.06 Municipal Services

The Redeveloper Urban Renewal 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 Land Taxes and Annual Service Charges, as required by law. Nothing herein is intended to release the Redeveloper Urban Renewal Entity from its obligation to make such payments.

SECTION 16.07 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 16.08 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 a former landfill site into productive, useful and job-creating property, and further:

(a) The costs associated with the tax exemption granted herein are minor compared to the estimated total Phase I Redevelopment Project cost of \$121,977,035 and the benefit created by approximately 500 new jobs with an approximate \$20,000,000 annual payroll.

(b) Without the tax exemption granted herein it is highly unlikely the Redeveloper Urban Renewal Entity would have proceeded with the Phase I Redevelopment Project, as a source of debt service for the Project Sponsor Conduit Loan Bonds is not otherwise available.

(c) The tax exemption granted herein will assist the Borough in satisfying its obligations under the terms of the Consent Order with respect to the Landfill.

SECTION 16.09 Filing with Local Government Services

In accordance with N.J.S.A. 40A:20-12, upon execution of this Agreement, the Borough shall cause this Agreement and the Ordinance to be filed with the Director of

B05863P0362

the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey.

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.

B05863P0363

ARTICLE I
EXHIBITS AND SCHEDULES

Schedule 1	Debt Service Portion of Pledged Annual Service Charge Schedule
Schedule 2	Borough Portion of Unpledged Annual Service Charge Schedule
Schedule 3	Annual Service Charge as Percentage of Total Phase I Redevelopment Project Costs
Exhibit A	Exemption Application
Exhibit B	Borough Council Ordinance
Exhibit C	Formation Documents of Urban Renewal Entity
Exhibit D	Legal Description of the Phase I Project Site

805863P0364

26

05712-00027

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

TITAN-PDC CARTERET URBAN RENEWAL,
LLC, a Delaware limited liability company

By: Carteret PDC, LLC, a Delaware
Limited Liability Company,
Manager

By: Hagan Investments, LLC, a Colorado
Limited Liability Company,
Managing Member

By: 
David Hagan
Sole Member

ATTEST:

THE BOROUGH OF CARTERET


Name: Linda Rivera
Title: Deputy Borough Clerk

By: 
Name: Daniel J. Reiman
Title: Mayor

ptp

For Any Questions Contact:
Royal Abstract
500 Fifth Avenue, Suite 1540
New York, NY 10110
Tel: (212) 376-0900
Fax: (212) 376-0911

#62558

805863P0365

27

~~05712-00028~~

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

The foregoing instrument was acknowledged before me this 15th day of August, 2006, by the BOROUGH OF CARTERET (the "Borough"), a municipal corporation of the State of New Jersey, by Daniel J. Reiman, its Mayor, on behalf of the Borough.



Notary Public
Robert J. Byr
Attorney at Law
Office of W.T.

Commission Expiration: _____

B05863P0366

05712-00029

STATE OF NEW JERSEY)

SS:)

COUNTY OF ESSEX)

The foregoing instrument was acknowledged before me this 16th day of August, 2006, by TITAN-PDC CARTERET URBAN RENEWAL, LLC, a Delaware limited liability company (the "Company"), by David Hagan, sole member of Hagan Investments, LLC, Managing Member of Carteret-PDC, LLC, its manager, on behalf of the Company.



Deepa Kauren

An attorney at law of the State of New Jersey

805863P0367

05712-00030

Schedule 1

Debt Service Portion of Pledged Annual Service Charge

05712-00031

805863P0368

SCHEDULE 1

Debt Service Portion of Pledged Annual Service Charge

<u>Date</u>	<u>Amount</u>
5/1/2008	\$930,294.26
8/1/2008	\$930,294.26
11/1/2008	\$341,084.84
2/1/2009	\$341,084.84
5/1/2009	\$938,938.91
8/1/2009	\$938,938.91
11/1/2009	\$329,127.75
2/1/2010	\$329,127.75
5/1/2010	\$951,219.15
8/1/2010	\$951,219.15
11/1/2010	\$316,685.93
2/1/2011	\$316,685.93
5/1/2011	\$967,054.21
8/1/2011	\$967,054.21
11/1/2011	\$303,678.56
2/1/2012	\$303,678.56
5/1/2012	\$978,284.17
8/1/2012	\$978,284.17
11/1/2012	\$290,186.45
2/1/2013	\$290,186.45
5/1/2013	\$993,068.94
8/1/2013	\$993,068.94
11/1/2013	\$276,128.80
2/1/2014	\$276,128.80
5/1/2014	\$1,007,288.17
8/1/2014	\$1,007,288.17
11/1/2014	\$261,505.61
2/1/2015	\$261,505.61
5/1/2015	\$1,020,941.86
8/1/2015	\$1,020,941.86
11/1/2015	\$242,519.71
2/1/2016	\$242,519.71
5/1/2016	\$1,038,311.95
8/1/2016	\$1,038,311.95
11/1/2016	\$222,624.90
2/1/2017	\$222,624.90
5/1/2017	\$1,058,812.69
8/1/2017	\$1,058,812.69
11/1/2017	\$201,720.20
2/1/2018	\$201,720.20
5/1/2018	\$1,078,303.54
8/1/2018	\$1,078,303.54
11/1/2018	\$184,188.54
2/1/2019	\$184,188.54
5/1/2019	\$1,097,127.86
8/1/2019	\$1,097,127.86

805863P0369

SCHEDULE 1

Debt Service Portion of Pledged Annual Service Charge

<u>Date</u>	<u>Amount</u>
11/1/2019	\$165,929.75
2/1/2020	\$165,929.75
5/1/2020	\$1,115,225.07
8/1/2020	\$1,115,225.07
11/1/2020	\$146,943.85
2/1/2021	\$146,943.85
5/1/2021	\$1,136,634.71
8/1/2021	\$1,136,634.71
11/1/2021	\$125,294.36
2/1/2022	\$125,294.36
5/1/2022	\$1,155,380.77
8/1/2022	\$1,155,380.77
11/1/2022	\$102,761.22
2/1/2023	\$102,761.22
5/1/2023	\$1,177,282.72
8/1/2023	\$1,177,282.72
11/1/2023	\$79,256.06
2/1/2024	\$79,256.06
5/1/2024	\$1,202,252.22
8/1/2024	\$1,202,252.22
11/1/2024	\$53,988.65
2/1/2025	\$53,988.65
5/1/2025	\$1,225,459.46
8/1/2025	\$1,225,459.46
11/1/2025	\$27,630.55
2/1/2026	\$27,630.55
5/1/2026	\$1,255,655.23
8/1/2026	\$1,255,655.23

805863P0370

Schedule 2

Schedule of Borough Portion of Unpledged Service Charge

Year 1-5 -- \$ 107,623.96 annually, but which shall be paid in equal quarterly installments equal to one-fourth of such amount

Year 6-10 -- \$ 143,498.60 annually, but which shall be paid in equal quarterly installments equal to one-fourth of such amount

Year 11-15 -- \$ 179,373.24 annually, but which shall be paid in equal quarterly installments equal to one-fourth of such amount

Year 16-20 -- \$ 215,247.88 annually, but which shall be paid in equal quarterly installments equal to one-fourth of such amount

Year 21-end(if applicable*) -- shall equal the amount that, if not for the exemption from taxation as provided for in the Financial Agreement, would otherwise be assessed against the Phase I Redevelopment Project Improvements in accordance with the general law applicable to non-exempt property in the Borough in these respective years.

* The Financial Agreement shall remain in effect until the earlier of (i) thirty-five (35) years from the date of execution hereof, (ii) thirty (30) years from the Phase I Redevelopment Project Completion Date or (iii) the date on which no Project Sponsor Conduit Loan Bonds remain "outstanding" within the meaning of the Trust Indenture. At the expiration of the term of the Financial Agreement the tax exemption for the Phase I Redevelopment Project shall expire and the Phase I Redevelopment Project Improvements shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Borough. It is anticipated that the Project Sponsor Conduit Loan Bonds shall be retired, and no longer deemed "outstanding" within the meaning of the Trust Indenture, prior to Year 21.

805863P0371

~~05712-00034-~~

Schedule 3

Annual Service Charge as Percentage of Total Phase I Redevelopment Project Costs

For the 20 year period, a percentage will be developed using the following formula:

Estimated* Pledged Annual Service Charges plus (+) estimated*
Unpledged Annual Service Charges, divided by (÷) estimated Total
Project Costs

Years 1-5	<u>2.40 %</u>
Years 6-10	<u>2.43 %</u>
Years 11-15	<u>2.45 %</u>
Years 16-20	<u>2.48 %</u>
Years 21-end	<u>**</u>

* Because Annual Service Charges are calculated pursuant to a formula, which formula includes the value of future Land Taxes, the Pledged Annual Service Charges and Unpledged Annual Services Charges used in the above calculation are based, in part, upon estimate of the value of future Land Taxes.

** In the event that the Financial Agreement shall extend beyond Year 20, a percentage will be developed by taking the estimated* Unpledged Annual Service Charge divided by (÷) Total Project Costs. It is anticipated that the Project Sponsor Conduit Loan Bonds shall be retired, and no longer deemed "outstanding" within the meaning of the Trust Indenture, prior to Year 21 and therefore the Financial Agreement shall be terminated prior to Year 21.

B05863P0372

~~05712-00035-~~

Exhibit A
Exemption Application

B05863P0373

~~05-7-12-00036~~

DAVID T. WILKINZ (1918-1988)
G. GEORGE GOLDMAN (1922-1983)
HENRY M. SPITZER (1923-1986)

JON G. KUPLIK :
PETER R. HERMAN:
EDWARD T. KOLE

BLAIR R. ZWILLMAN'S
JAY V. BURGETT
LEE ANN MCCABE

STANFORD D. SOMA,
KEVIN D. JARVIS,
BRYAN W. WATSON

JAMES P. LUNDY²
ELIZABETH FAHEY LUNDY²

[illegible]**ASSOCIATED
PROPERTY**

JESSICA S. PRATT
ULIANA PRATA

DOCKING LUTON, BARNES
CENTRAL LONDON, LONDON

ATTORNEY GENERAL
ROBERT L. BELL

ELLEN TORREGROSSA-OTTE
NOMINATED MEMBER

PAMELA R. GOLD-ZAFRA³

ELIZABETH SSOUBAR
RONALD P. COUCHMAN

GENERAL ABERNETHY

COOKING & BAKING
1000 S. LEXINGTON
1000 S. LEXINGTON

4 Certified CMAA Title Attorney
 DC Certified CMAA Title Attorney

DONNA A. MCGARRON
DANIEL R. WAGG

*** National Certified Civil Trial Scribe
Approved by the ABA**

ACCEPTING OFFICIALS:
ARNE SJALLEBOM
Norwegian Ambassador

**ALL INFORMATION IS
CONFIDENTIAL**

ANNA MARIA TEJADA,
ANDREW D. ILLICH

1
 2
 3
 4
 5
 6
 7
 8
 9
 10
 11
 12
 13
 14
 15
 16
 17
 18
 19
 20
 21
 22
 23
 24
 25
 26
 27
 28
 29
 30
 31
 32
 33
 34
 35
 36
 37
 38
 39
 40
 41
 42
 43
 44
 45
 46
 47
 48
 49
 50
 51
 52
 53
 54
 55
 56
 57
 58
 59
 60
 61
 62
 63
 64
 65
 66
 67
 68
 69
 70
 71
 72
 73
 74
 75
 76
 77
 78
 79
 80
 81
 82
 83
 84
 85
 86
 87
 88
 89
 90
 91
 92
 93
 94
 95
 96
 97
 98
 99
 100
 101
 102
 103
 104
 105
 106
 107
 108
 109
 110
 111
 112
 113
 114
 115
 116
 117
 118
 119
 120
 121
 122
 123
 124
 125
 126
 127
 128
 129
 130
 131
 132
 133
 134
 135
 136
 137
 138
 139
 140
 141
 142
 143
 144
 145
 146
 147
 148
 149
 150
 151
 152
 153
 154
 155
 156
 157
 158
 159
 160
 161
 162
 163
 164
 165
 166
 167
 168
 169
 170
 171
 172
 173
 174
 175
 176
 177
 178
 179
 180
 181
 182
 183
 184
 185
 186
 187
 188
 189
 190
 191
 192
 193
 194
 195
 196
 197
 198
 199
 200
 201
 202
 203
 204
 205
 206
 207
 208
 209
 210
 211
 212
 213
 214
 215
 216
 217
 218
 219
 220
 221
 222
 223
 224
 225
 226
 227
 228
 229
 230
 231
 232
 233
 234
 235
 236
 237
 238
 239
 240
 241
 242
 243
 244
 245
 246
 247
 248
 249
 250
 251
 252
 253
 254
 255
 256
 257
 258
 259
 260
 261
 262
 263
 264
 265
 266
 267
 268
 269
 270
 271
 272
 273
 274
 275
 276
 277
 278
 279
 280
 281
 282
 283
 284
 285
 286
 287
 288
 289
 290
 291
 292
 293
 294
 295
 296
 297
 298
 299
 300
 301
 302
 303
 304
 305
 306
 307
 308
 309
 310
 311
 312
 313
 314
 315
 316
 317
 318
 319
 320
 321
 322
 323
 324
 325
 326
 327
 328
 329
 330
 331
 332
 333
 334
 335
 336
 337
 338
 339
 340
 341
 342
 343
 344
 345
 346
 347
 348
 349
 350
 351
 352
 353
 354
 355
 356
 357
 358
 359
 360
 361
 362
 363
 364
 365
 366
 367
 368
 369
 370
 371
 372
 373
 374
 375
 376
 377
 378
 379
 380
 381
 382
 383
 384
 385
 386
 387
 388
 389
 390
 391
 392
 393
 394
 395
 396
 397
 398
 399
 400
 401
 402
 403
 404
 405
 406
 407
 408
 409
 410
 411
 412
 413
 414
 415
 416
 417
 418
 419
 420
 421
 422
 423
 424
 425
 426
 427
 428
 429
 430
 431
 432
 433
 434
 435
 436
 437
 438
 439
 440
 441
 442
 443
 444
 445
 446
 447
 448
 449
 450
 451
 452
 453
 454
 455
 456
 457
 458
 459
 460
 461
 462
 463
 464
 465
 466
 467
 468
 469
 470
 471
 472
 473
 474
 475
 476
 477
 478
 479
 480
 481
 482
 483
 484
 485
 486
 487
 488
 489
 490
 491
 492
 493
 494
 495
 496
 497
 498
 499
 500
 501
 502
 503
 504
 505
 506
 507
 508
 509
 510
 511
 512
 513
 514
 515
 516
 517
 518
 519
 520
 521
 522
 523
 524
 525

EDWARD J. ALLEN
HUMPHRY SMITH

WV Productivity 9

DEAN A. SCAROLL
THOMAS P. KELLY

8 Admitted VA
8 Admitted CA

Dispositivo

三、

10

1000

•

7-1-2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000-1001-1002-1003-1004-1005-1006-1007-1008-1009-1010-1011-1012-1013-1014-1015-1016-1017-1018-1019-1020-1021-1022-1023-1024-1025-1026-1027-1028-1029-1030-1031-1032-1033-1034-1035-1036-1037-1038-1039-1040

BOROUGH OF CARTERET, NEW JERSEY
APPLICATION FOR LONG TERM TAX EXEMPTION

Pursuant to N.J.S.A. 40A:20-1 *et seq.*, as amended and modified

Carteret Landfill Reclamation Improvement District – Phase I of Redevelopment Project
[Name of project or Redevelopment Area, or portion thereof which is subject hereof]

The undersigned Applicant hereby certifies to the Borough of Carteret the following information pursuant to the requirements of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 *et seq.* (the “Law”)

1. The name of Applicant is: Titan-PDC Carteret Urban Renewal, LLC
2. Address of Applicant is: c/o Panattoni Development Company, 180 Raritan Center Parkway, First Floor, Edison, New Jersey 08837, Attention: James R. Murray

3. Identification of Property:

- a. The street address of the proposed project site for which the Applicant is seeking a tax exemption according to the latest tax map is:

Industrial Road, Carteret, New Jersey

- b. The block and lot number(s) of the proposed project site according to latest tax map is:

See list of properties on attached Exhibit A.

- c. The metes and bounds description of the proposed project site is attached hereto as Exhibit B.

- d. A survey of the proposed project site is attached hereto as Exhibit C.

4. The assessed value of the property for 2005 is:

<u>BLOCK</u>	<u>LOT</u>	<u>LAND</u>	<u>IMPROVEMENT</u>	<u>TOTAL</u>
11.1	17	666000	0	666000
11.1	17.02	35200	0	35200
11.1	18	148900	0	148900
11.1	19	363800	0	363800
11.1	20	520600	0	520600
11.1	21	148400	0	148400

~~05712-000038~~

805863P0375

11.1	23.01	545300			585500
11.1	23.02^	Combined		40200	-
11.1	24	206100		0	206100
11.1	25	100300		0	100300
11.1	25.02	41400		0	41400
11.1	26	267300		0	267300
11.1	29	57800		0	57800
11.1	29.02	34400		0	34400
11.1	30	66100		0	66100
11.1	31.01	101200		0	101200
11.1	31.02	25600		0	25600
11.1	33	45400		0	45400
11.1	33.02	19800		0	19800
11.1	34	41600		0	41600
11.1	34.02	18500		0	18500
11.1	35	197200		0	197200
11.1	36	198800		0	198800
11.1	37	99600		0	99600
11.1	38	173800		0	173800
11.1	39	196800		0	196800
11.1	40	247200		0	247200
11.1	41	80300		0	80300
11.1	42	51300		0	51300
11.1	43	66700		0	66700
11.1	44	118200		0	118200
11.1	45	182500		0	182500
11.1	46	136900		0	136900
11.1	47	67500		0	67500
11.1	49	91900		0	91900
11.1	50	151600		0	151600
11.1	52	11400		0	11400
11.1	58	26100		0	26100
11.1	60	10700		0	10700
	Unnamed Street				
	Driftway				
	Rail Road Crossing				

(attach additional sheets as needed)

B05863P0376

~~05712-00039~~

5. The property taxes and all municipal water and/or sewer charges for all lots subject hereto are paid and current as of December 2005 except as follows:

<u>BLOCK</u>	<u>LOT</u>	<u>PAST DUE BALANCE</u>	<u>PROPERTY TAXES</u>	<u>PAST DUE WATER/SEWER</u>	<u>TOTAL</u>
11.1	17	0	0	0	0
11.1	17.02	0	0	0	0
11.1	18	0	0	0	0
11.1	19	0	0	0	0
11.1	20	0	0	0	0
11.1	21	0	0	0	0
11.1	23.01}	0	0	0	0
11.1	23.02}	0	0	0	0
11.1	24	0	0	0	0
11.1	25	0	0	0	0
11.1	25.02	0	0	0	0
11.1	26	0	0	0	0
11.1	29	0	0	0	0
11.1	29.02	0	0	0	0
11.1	30	0	0	0	0
11.1	31.01	0	0	0	0
11.1	31.02	0	0	0	0
11.1	33	0	0	0	0
11.1	33.02	0	0	0	0
11.1	34	0	0	0	0
11.1	34.02	0	0	0	0
11.1	35	0	0	0	0
11.1	36	0	0	0	0
11.1	37	0	0	0	0
11.1	38	0	0	0	0
11.1	39	0	0	0	0
11.1	40	0	0	0	0
11.1	41	0	0	0	0
11.1	42	0	0	0	0
11.1	43	0	0	0	0
11.1	44	0	0	0	0
11.1	45	0	0	0	0
11.1	46	0	0	0	0
11.1	47	0	0	0	0
11.1	49	0	0	0	0
11.1	50	0	0	0	0
11.1	52	0	0	0	0
11.1	58	0	0	0	0
11.1	60	0	0	0	0

B05863P0377

05712-00040

Explain below the reason for the delinquent taxes or municipal charges. (*attach additional sheets as needed*)

Private parties other than Redeveloper have responsibility to pay such charges.
Such private parties possess relevant knowledge regarding reasons for delinquency, if any.

6. Describe the project to be constructed, including the nature of the project (i.e. residential, commercial – office, commercial - retail, industrial, mixed use), the number of buildings to be constructed, the square footage of each building and, for mixed use projects, the square footage of each separate component in each building, the height of each building, the total lot size and a description of any project phasing, if the project will be developed in phases. Attached hereto as Exhibit D is the site plan available to date. (*attach additional sheets as needed*)

The Remediation (as defined in the Redevelopment Agreement) and the Improvements which shall be no less than 1,250,000 square feet of buildings. The uses may include any or all of the following: light manufacturing, distribution and logistics facilities, office, research, hotel and retail. The design, location and size of the buildings, known as IPORT 12, shall be substantially as shown on the plans prepared by Menlo Engineering Associates, Inc. dated June 10, 2005, attached hereto as Exhibit D.

7. Indicate, by checking below, that the proposed project which is the subject hereof conforms to all applicable ordinances of the Borough of Carteret and conforms with the applicable redevelopment plan and the master plan of the Borough of Carteret, or, in the case of a redevelopment relocation housing project, provides for the relocation of residents displaced or to be displaced from a redevelopment area, or, in the case of a low and moderate income housing project, the housing units are restricted to occupation by low and moderate income households.

Project Conforms Yes

8. State the formula by which the annual service charge will be calculated (i.e. percentage of project cost, or percentage of gross revenue) and the basis for why the chosen formula is used, citing the relevant provision of the Law supporting the formula used. (*attach additional sheets as needed*)

Based upon the provisions of N.J.S.A. 40A:20-11, 12 and 40A:12A-66, the annual service charge will be calculated based on the formulae set forth in Exhibit E, Schedules 1, 2 and 3, including Pledged and Unpledged Annual Service Charges, plus Land Taxes. The calculations are based upon estimates of Debt Service, Land Taxes and Total Project Costs that are subject to change.

9. If the exemption is being sought in connection with a financing under the Redevelopment Area Bond Financing Law (N.J.S.A. 40A:12A-64 *et seq.*) and/or the Revenue Allocation District Financing Act (N.J.S.A. 52:27D-459 *et seq.*), generally describe the proposed

B05863P0378'

05712-00041

terms of such financing here, including the structuring of the annual service charge payment. (*attach additional sheets as needed*)

The exemption is being sought in connection with a financing under the Redevelopment Area Bond Financing Law (RAB) (N.J.S.A. 40A:12A-64 et seq.). Generally, part of the total cost of remediation and certain other agreed upon costs relating thereto will be financed through the issuance of notes and bonds by the New Jersey Environmental Infrastructure Trust (NJEIFT). The repayment of debt service on any of such notes and bonds will be secured by a guaranty thereof by the Borough pursuant to the provisions of RAB. The Redeveloper has also committed to provide additional financial instruments to secure and ensure the repayment of debt service on the notes and bonds, including a guaranty of such repayment by one of its members, Panattoni Investments, LLC. The annual service charge structure was developed by the Borough's financial consultant whose objective was (1) to develop a schedule of payments that would provide sufficient funding for debt service on the anticipated amount of bonds, (2) to generate bond proceeds sufficient to pay for landfill cleanup costs and (3) to provide for the Borough Portion and the County Portion, but at the same time to maintain competitiveness of the project by enhancing marketability of the project to tenants during the early years after the project comes on line.

10. The requested duration of tax exemption is for 20 years, provided however that consistent with Section 3.01 of the Financial Agreement, the tax exemption granted shall remain in effect until the earlier of (i) thirty-five (35) years from the date of execution of the Financial Agreement; (ii) thirty (30) years from the Project Completion Date; or (iii) the date on which no Project Sponsor Conduit Loan Bonds remain "outstanding" within the meaning of the Trust Indenture.

11. Attached hereto as Exhibit F is a construction budget made by a qualified architect or engineer of the total estimated cost of the proposed project or for each unit of the project, if the project is constructed in units, including all line items generally listed on construction budgets.

See Exhibit F.

12. Attached hereto as Exhibit G is a statement that sets forth the sources of funds to be used in construction and or permanent financing of the project. For all private capital made available to the project, the statement lists the amount of stock or other securities to be issued in generating such private capital and the ownership interest obtained in the project by any person or entity contributing such private capital.

See Exhibit G.

13. Attached hereto as Exhibit H is a tentative financial plan/operating budget for the proposed project outlining a schedule of rents and other income, the estimated operating and maintenance costs, interest payments, amortization of debt, reserve accounts, and

805863P0379

05712-00042-

payments to the municipality to be made pursuant to the financial agreement which is the subject of this application.

See Exhibit H.

14. A proposed financial agreement conforming to the applicable provisions of the Law, and any other relevant law is attached hereto as Exhibit I.

15. The project is scheduled to be commenced with respect to Remediation and Improvements no later than April 1, 2006 and substantially completed, with respect to Remediation on January 1, 2007, and with respect to Improvements on March 1, 2007, with Certificates of Occupancy provided upon completion of tenant fit-out.

16. Applicant's ownership disclosure statement:

a. Name and address of the agent of the Applicant upon whom legal process may be served is:

Mr. Paul Slayton
Titan-PDC Carteret Urban Renewal, LLC
c/o Panattoni Development Company
180 Raritan Parkway, 1st Floor
Edison, New Jersey 08837

b. The following represents the names and addresses of all the stockholders, members, or partners owning a 10% or greater interest in the Applicant. For each of the following owners that is a legal entity, the names and addresses of the stockholders, members, or partners of such legal entity which own a 10% or greater interest therein is also shown. (*attach additional sheets as needed*)

<u>NAME OF OWNER(S)</u>	<u>ADDRESS</u>	<u>PERCENT OWNED</u>
TITAN GLENMONT CARTERET LLC	86 Chambers Street, Suite 703 New York, NY 10007	40%
Carteret 12 Development LLC	86 Chambers Street, Suite 703 New York, NY 10007	(owns 10% of Titan Glenmont Carteret LLC prior to completion and 80% of Titan Glenmont upon completion)
Paul Slayton	86 Chambers Street, Suite 703 New York, NY 10007	(owns 36.5% of Carteret 12 Development LLC)

805863P0380

05712-00043

Aaron Malinsky	86 Chambers Street, Suite 703 New York, NY 10007	(owns 36.5% of Carteret 12 Development LLC)
Jeffrey M. Cahall	Carteret 12 Development LLC 12 S. Market Street, Ste. 301 Frederick, MD 21701	(owns 27% of Carteret 12 Development LLC)
Glenmont Carteret REP, LLC and Glenmont Carteret CIP, LLC	40 West 57 th Street 20 th Floor New York, New York 10019 Attention: Larry Kestin	owns 90% of Titan Glenmont Carteret LLC New York, NY 10007 prior to completion and 20% upon completion)
CARTERET PDC LLC	c/o Panattoni Development Company 180 Raritan Center Parkway, First Floor Edison, New Jersey 08837	owns 60%
Panattoni Investments, LLC	8413 Jackson Road, Suite C Sacramento, CA 95826	(owns 80% of Carteret PDC LLC)
Hagan Investments, LLC	David Hagan (owns 100% of Hagan Investments, LLC) c/o Panattoni Development Company 9785 Maroon St., Suite 332 Englewood, Colorado 80112	(owns 20% of Carteret PDC LLC)

See Exhibit K for Redeveloper formation and good standing certificates.

805863P0381

~~05712-00044~~

3. 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 to be created by the project within one year after its completion are: *(attach additional sheets as needed)*

The number of jobs expected to be created during construction is 500 and within one year after completion of construction is 500.

4. Exception(s) to statements 1 through 17 above: *(attach additional sheets as needed)*

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

TITAN PDC CARTERET URBAN RENEWAL,
LLC, a Delaware Limited Liability Company

By: CARTERET PDC, LLC, a Delaware
Limited Liability Company,
Manager

By: Hagan Investments, LLC, a Colorado
Limited Liability Company,
Managing Member

BY: _____


David Hagan, Sole Member

#2566980 (134124.001)

805863P0382

~~05712-00-045~~

Exhibit A to Application for Financial Agreement

LIST OF PROPERTIES IN PHASE I PROJECT SITE

<u>Block</u>	<u>Lot</u>	<u>Owner</u>
11.1	17	Borough of Carteret
11.1	17.02	Borough of Carteret
11.1	18	Borough of Carteret
11.1	19	Borough of Carteret
11.1	20	CDI Industries Inc.
11.1	21	GATX Terminals Corporation
11.1	23.01	CDI Industries Inc.
11.1	23.02	CDI Industries Inc.
11.1	24	Borough of Carteret
11.1	25	Borough of Carteret
11.1	25.02	Borough of Carteret
11.1	26	Borough of Carteret
11.1	29	Borough of Carteret
11.1	29.02	Borough of Carteret
11.1	30	Borough of Carteret
11.1	31.01	CDI Industries Inc.
11.1	31.02	Borough of Carteret
11.1	33	Borough of Carteret
11.1	33.02	Borough of Carteret
11.1	34	Borough of Carteret
11.1	34.02	Borough of Carteret
11.1	35	Borough of Carteret
11.1	36	Industrial Reclamation Service
11.1	37	Middlesex Land Fill Corporation
11.1	38	Middlesex Land Fill Corporation
11.1	39	Borough of Carteret
11.1	40	CDI Industries Inc.
11.1	41	CDI Industries Inc.
11.1	42	CDI Industries Inc.
11.1	43	CDI Industries Inc.
11.1	44	Borough of Carteret
11.1	45	Borough of Carteret
11.1	46	Borough of Carteret
11.1	47	Borough of Carteret

5863-383

05712-00046

Exhibit A to Application for Financial Agreement

LIST OF PROPERTIES IN PHASE I PROJECT SITE

(continued)

<u>Block</u>	<u>Lot</u>	<u>Owner</u>
11.1	49	Middlesex Land Fill Corporation
11.1	50	CDI Industries Inc.
11.1	52	CDI Industries Inc.
11.1	58	CDI Industries Inc.
11.1	60	CDI Industries Inc.

Driftway

Rail Road Crossing

Refer to Survey Prepared by Keller & Kirkpatrick Dated 1/31/03
and the Title Report Prepared By Royal Abstract.

805863P 0384

05712 00047

Exhibit B to Application for Financial Agreement

METES AND BOUNDS DESCRIPTION

Attached

805863P0 385

05712-00048



CONSULTING ENGINEERS · SURVEYORS · PLANNERS · LANDSCAPE ARCHITECTS

Keller & Kirkpatrick

Matthew L. MacInnis, P.L.S., P.P., President
Robert C. Kirkpatrick, Jr., P.E., P.L.S., P.P., CEO

ASSOCIATES:

Arthur J. Ellis, P.E., P.P.
Edward J. Formichella, P.L.S., P.P.
George P. James, P.E., P.P.
Werner A. Mall, P.L.S.
James K. McCormick, P.L.S., P.P.
Donald A. Scott, Jr., P.E., P.P.
James R. Woods, P.E.

STAFF PROFESSIONALS:

Andrew Caputo, P.E.
Joseph C. Chong, P.E.
Vincent Pecchillo, P.E.
Valerie A. Hochstetler, P.E., P.P.
Irene A. Jegenauth, P.L.S.
Michael J. Marasing, P.L.S., P.P.
Gordon E. Mohr, P.E., P.T.O.E.

Jonathan C. Pora, P.E.

Brian E. Salchler, P.E.
Paul M. Smolke, C.L.A.
William E. Thomas, P.L.S., P.P.

Job Number: 2021203
February 24, 2005

DESCRIPTION OF BLOCK 11.01, LOTS 15, 17.01, 17.02, 18, 19, 20, 23.01, 23.02, 24, 25.01, 25.02, 26, 29.01, 29.02, 30, 31.01, 31.02, 33.01, 33.02, 34.01, 34.02, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 49, 50, 52, 58, 60, AND "UNNAMED STREET" AND DRIFTWAY, SITUATED IN THE BOROUGH OF CARTERET, MIDDLESEX COUNTY, NEW JERSEY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TRACT 1 (being all of the above, without Lot 15 in Block 11.01)

BEGINNING at a point formed by the intersection of the northeasterly sideline of The Central Railroad of New Jersey - Carteret Extension Branch (N/F Conrail) right-of-way with the westerly sideline of Unnamed Street (sixty feet wide per Tax Map), said point having a New Jersey State Plane Coordinate value of North 641,001.53, East 568,243.96, as shown on a certain map entitled "Boundary Survey, Block 11.01 Lots 15, 17.01, 17.02, 18, 19, 20, 23.01, 23.02, 24, 25.01, 25.02, 26, 29.01, 29.02, 30, 31.01, 31.02, 33.01, 33.02, 34.01, 34.02, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 49, 50, 52, 58, and 60, Borough of Carteret, Middlesex County, New Jersey", said map prepared by Keller & Kirkpatrick, Parsippany, New Jersey, dated January 31st, 2003, revised to February 24, 2005, and running; thence

- 1.) Along said northeasterly sideline of the Central Railroad of New Jersey (N/F Conrail) right-of-way, also being the dividing line between said right-of-way and Lots 31.01, 58, 41, 42, 60, 43, and 50, all in Block 11.01, North fifty-seven degrees, fifty-four minutes, twenty-six seconds West (N 57° 54' 26" W), one thousand five hundred fifty-four and twelve hundredths feet (1,554.12') to a point of curve; thence
- 2.) Along the dividing line between said right-of-way and Lots 50 and 52 in Block 11.01, along a curve to the right having a radius of five hundred ninety-seven and twenty-eight hundredths feet (597.28'), an arc length of eight hundred fifty-seven and seventy-six hundredths feet (857.76'), a central angle of eighty-two degrees, sixteen minutes, fifty-eight seconds (82° 16' 58"), and a chord bearing North sixteen degrees, forty-five minutes, fifty-six seconds West (N 16° 45' 56" W), a chord distance of seven hundred eighty-five and ninety-two hundredths feet (785.92') to a point in the dividing line between Lot 52 and Lot 53 in Block 11.01; thence
- 3.) Along said dividing line, North eighty-seven degrees, twenty minutes, fifty-six seconds East (N 87° 20' 56" E), two hundred ninety-three and twenty-three hundredths feet (293.23') to a point in the dividing line between Lot 49 and Lot 53 in Block 11.01; thence

805863P0 386

05712-00049-

- 4.) Along said dividing line, North eighty-seven degrees, twenty-one minutes, twenty-three seconds East (N 87° 21' 23" E), a distance of four hundred ninety-four and eighty-nine hundredths feet (494.89') to a point in the dividing line between Lot 45 and Lot 48 in Block 11.01, said point also falls in the center of Ralph's Creek; thence along the center of said Ralph's Creek the following six (6) courses
- 5.) Along a curve to the right, having a radius of four hundred fifty-seven and four hundredths feet (457.04'), an arc length of sixty-four and sixty-six hundredths feet (64.66'), a central angle of eight degrees, six minutes, twenty-three seconds (08° 06' 23"), and a chord bearing of North twenty-five degrees, three minutes, seven seconds West (N 25° 03' 07" W), a chord distance of sixty-four and sixty-one hundredths feet (64.61') to a point of compound curvature; thence
- 6.) Along a curve to the right, having a radius of fifty-nine and two hundredths feet (59.02'), an arc length of fifty and sixty-eight hundredths feet (50.68'), a central angle of forty-nine degrees, eleven minutes, forty-seven seconds (49° 11' 47"), and a chord bearing of North three degrees, thirty-five minutes, fifty-eight seconds East (N 03° 35' 58" E), a chord distance of forty-nine and thirteen hundredths feet (49.13') to a point of compound curvature; thence
- 7.) Along a curve to the right, having a radius of sixty-eight and forty-nine hundredths feet (68.49'), an arc length of fifty-two and sixty-four hundredths feet (52.64'), a central angle of forty-four degrees, two minutes, eleven seconds (44° 02' 11"), and a chord bearing of North fifty degrees, twelve minutes, fifty-seven seconds East (N 50° 12' 57" E), a chord distance of fifty one and thirty-six hundredths feet (51.36') to a point of reverse curvature; thence
- 8.) Along a curve to the left, having a radius of one hundred two and ninety-one hundredths feet (102.91') feet, an arc length of forty-five and ninety-nine hundredths feet (45.99'), a central angle of twenty-five degrees, thirty-six minutes, twenty-seven seconds (25° 36' 27"), and a chord bearing of North fifty-nine degrees, twenty-five minutes, fifty seconds East (N 59° 25' 50" E), a chord distance of forty-five and sixty-one hundredths feet (45.61') to a point of compound curvature; thence
- 9.) Along a curve to the left, having a radius of eighty-five and thirty-three hundredths feet (85.33'), an arc length of twenty-four and eighty-four hundredths feet (24.84'), a central angle of sixteen degrees, forty minutes, thirty-seven seconds (16° 40' 37"), and a chord bearing of North thirty-eight degrees, seventeen minutes, eighteen seconds East (N 38° 17' 18" E), a chord distance of twenty-four and seventy-five hundredths feet (24.75') to a point of reverse curvature; thence
- 10.) Along a curve to the right, having a radius of sixty-three and ninety-seven hundredths feet (63.97'), an arc length of thirty-three and forty-two hundredths feet (33.42'), a central angle of twenty-nine degrees, fifty-six minutes, eleven seconds (29° 56' 11"), and a chord bearing of North forty-four degrees, fifty-five minutes, five seconds East (N 44° 55' 05" E), a chord distance of thirty-three and five hundredths feet (33.05'), to a point in the dividing line between said Lot 48 and Lot 46 in Block 11.01; thence



Keller & Kirkpatrick, Inc.

B05863P0 387

05712-00050-

- 11.) Along said dividing line, North four degrees, forty-four minutes, twenty-one seconds West (N 04° 44' 21" W), a distance of three hundred ninety-three and nineteen hundredths feet (393.19') to a point in the mean high tide line of the southern shore of the Rahway River, as shown on the New Jersey Department of Environmental Protection (NUDEP) Division of Coastal Resources Map showing conveyances on Rahway River, Atlas Sheet No. 637-2118; thence
- 12.) Along said mean high tide line, for its various courses and distances, in a generally easterly direction, one thousand three hundred seventy-two feet, more or less (1,372'±) to a point, said point being at the end of the following tie courses
- A.) North eighty-one degrees, fifty-four minutes, forty seconds East (N 81° 54' 40" E), a distance of three hundred forty-seven and twenty-four hundredths feet (347.24') to a point; thence
- B.) North eighty-seven degrees, two minutes, thirty-two seconds East (N 87° 02' 32" E), a distance of seven hundred forty-seven and ninety-three hundredths feet (747.93') to a point; thence
- C.) North eighty-eight degrees, fifty-eight minutes, forty-six seconds East (N 88° 58' 46" E), a distance of one hundred seventy-four and thirty-six hundredths feet (174.36') to a point in the mean high tide line on the westerly sideline of Cross Creek, as shown on said Map No. 637-2118, thence
- 13.) Along said mean high tide line its various course and distances, in a generally southerly direction, a distance of six hundred fifteen feet, more or less (615'±) to a point in said westerly sideline, said point being at the end of the following tie course
- A.) South zero degrees, six minutes, twenty-one seconds West (S 00° 06' 21" W), a distance of five hundred seventy-four and sixty-two hundredths feet (574.62') feet to a point in said westerly sideline marking the dividing line between Lots 36 and 37 in Block 11.01; thence
- 14.) Leaving said mean high tide line, and along the northerly line of said Lot 36, North eighty-four degrees, seventeen minutes, thirty-three seconds East (N 84° 17' 33" E), a distance of thirty-three and seventy-three hundredths feet (33.73') feet to a point in the center of Cross Creek, thence along said center, the following ten (10) courses
- 15.) Along a curve to the left, having a radius of forty-two and thirty-seven hundredths feet (42.37'), an arc length of nine and ninety-five hundredths feet (9.95'), a central angle of thirteen degrees, twenty-seven minutes, twenty-eight seconds (13° 27' 28"); and a chord bearing of South seventeen degrees, fifty-three minutes, twenty-two seconds East (S 17° 53' 22" E), a chord distance of nine and ninety-three hundredths feet (9.93') to a point of non-tangent curve; thence
- 16.) Along a curve to the left, having a radius of five hundred fifty-eight and fifty-eight hundredths feet (558.58'), an arc length of one hundred fifteen and fifty-one hundredths feet (115.51'), a central angle of eleven degrees, fifty minutes, fifty-four seconds (11° 50' 54"), and a chord bearing of South twenty-three degrees, forty-seven



Keller & Kirkpatrick, Inc.

388 05712-00051
B05863P0388

minutes, forty-eight seconds East (S 23° 47' 48" E), a chord distance of one hundred fifteen and thirty hundredths feet (115.30') to a point of non-tangent curve; thence

- 17.) Along a curve to the left, having a radius of four hundred thirty-two and nine hundredths feet (432.09'), an arc length of one hundred twenty-one and forty-nine hundredths feet (121.49'), a central angle of sixteen degrees, six minutes, thirty-four seconds (16° 06' 34"), and a chord bearing of South thirty-nine degrees, fourteen minutes, thirty seconds East (S 39° 14' 30" E), a chord distance of one hundred twenty-one and nine hundredths feet (121.09') to a point of compound curvature; thence
- 18.) Along a curve to the left, having a radius of one hundred sixty-eight and fifty-six hundredths feet (168.56'), an arc length of seventy-seven and seventy-four hundredths feet (77.74'), a central angle of twenty-six degrees, twenty-five minutes, twenty-five seconds (26° 25' 25"), and a chord bearing of South sixty degrees, thirty minutes, thirty seconds East (S 60° 30' 30" E), and a chord distance of seventy-seven and five hundredths feet (77.05') to a point of compound curvature; thence
- 19.) Along a curve to the left, having a radius of one twenty-six and fifty hundredths feet (126.50'), an arc length of thirty-four and two hundredths feet (34.02'), a central angle of fifteen degrees, twenty-four minutes, twenty-three seconds (15° 24' 23"), and a chord bearing of South eighty-one degrees, twenty-five minutes, twenty-four seconds East (S 81° 25' 24" E), a chord distance of thirty-three and ninety-one hundredths feet (33.91') to a point of reverse curvature; thence
- 20.) Along a curve to the right, having a radius of one thousand one hundred twenty nine and seventy-nine hundredths feet (1,129.79'), an arc length of thirteen and eighty-three hundredths feet (13.83'), a central angle of zero degrees, forty-two minutes, five seconds (00° 42' 05"), and a chord bearing of South eighty-eight degrees, forty-six minutes, thirty-three seconds East (S 88° 46' 33" E), a chord distance of thirteen and eighty-three hundredths feet (13.83') to a point of compound curvature; thence
- 21.) Along a curve to the right, having a radius of one thousand one hundred twenty nine and seventy-nine hundredths feet (1,129.79'), an arc length of fifty-five and twenty-two hundredths feet (55.22'), a central angle of two degrees, forty-eight minutes, one seconds (02° 48' 01"), and a chord bearing of South eighty-seven degrees, one minute, thirty seconds East (S 87° 01' 30" E), a chord distance of fifty-five and twenty-one hundredths feet (55.21') to a point of compound curvature; thence
- 22.) Along a curve to the right, having a radius of three hundred ninety-seven and thirty eight hundredths feet (397.38'), an arc length of ninety-seven and twenty-six hundredths feet (97.26'), a central angle of fourteen degrees, one minute, twenty-two seconds (14° 01' 22"), and a chord bearing of South seventy-eight degrees, thirty-six minutes, forty-eight seconds East (S 78° 36' 48" E), a chord distance of ninety-seven and one hundredth feet (97.01') to a point of compound curvature; thence
- 23.) Along a curve to the right, having a radius of two hundred ninety-three and thirteen hundredths feet (293.13'), an arc length of seventy-nine and eighteen hundredths feet (79.18'), a central angle of fifteen degrees, twenty-eight minutes, thirty-three seconds (15° 28' 33"), and a chord bearing of South sixty-three degrees, fifty-one minutes, fifty



Keller & Kirkpatrick, Inc.

B05863P 0389

05712-00052

seconds East (S 63° 51' 50" E), a chord distance of seventy-eight and ninety-four hundredths feet (78.94') to a point of non-tangent curve; thence

- 24.) Along a curve to the right, having a radius of twenty-four and one hundredth feet (24.01'), an arc length of thirty-three and thirty-four hundredths feet (33.34'), a central angle of seventy-nine degrees, thirty-four minutes, forty-seven seconds (79° 34' 47"), and a chord bearing of South sixteen degrees, twenty minutes, ten seconds East (S 16° 20' 10" E), a chord distance of thirty and seventy-three hundredths feet (30.73') to a point in the dividing line between Lot 17.01 and Lot 16 in Block 11.01; thence
- 25.) Along said dividing line, South forty-five degrees, fifty-four minutes, thirty-three seconds East (S 45° 54' 33" E), a distance of six hundred ninety-three and one hundredth feet (693.01') to a point in the dividing line between Lot 18 and Lot 7 in Block 11.01; thence
- 26.) Along said dividing line, South twelve degrees, fifty-three minutes, fifty-four seconds West (S 12° 53' 54" W), a distance of six hundred eighty-one and ninety-nine hundredths feet (681.99') to a point in the dividing line between Lot 19 and Lot 5 in Block 11.01; thence
- 27.) Along said dividing line, South thirteen degrees, three minutes, thirty-five seconds West (S 13° 03' 35" W), a distance of four hundred forty and forty-four hundredths feet (440.44') to a point in the dividing line between said Lot 19 and Lot 4 in Block 11.01; thence
- 28.) Along said dividing line, and the dividing line between Lot 20 in Block 11.01 and said Lot 4 in Block 11.01, South seventy-three degrees, twenty-eight minutes, ten seconds West (S 73° 28' 10" W), a distance of five hundred fifteen and seventy-eight hundredths feet (515.78') to a point in the dividing line between said Lot 20 and Lot 21 in Block 11.01; thence
- 29.) Along said dividing line, North forty-three degrees, twenty-four minutes, three seconds West (N 43° 24' 03" W), a distance of one hundred two and thirty hundredths feet (102.30') to an angle point in same; thence
- 30.) Along said dividing line, and the line between Driftway and said Lot 21, North fifty-seven degrees, forty-one minutes, thirty-five seconds West (N 57° 41' 35" W), a distance of five hundred twenty-eight and eighty hundredths feet (528.80') to an angle point in same; thence
- 31.) Along said dividing line, South sixty-three degrees, thirty-six minutes, fifty-five seconds West (S 63° 36' 55" W), a distance of two hundred nineteen and twelve hundredths feet (219.12') to a point in the northeasterly sideline of the Central Railroad of New Jersey - Carteret Extension Branch (N/F Conrail) right-of-way; thence
- 32.) Along said right-of-way, North fifty-seven degrees, fifty-four minutes, twenty-six seconds West (N 57° 54' 26" W), a distance of one hundred thirty and forty-two hundredths feet (130.42') to the Point and Place of BEGINNING.

Tract I containing an area of 4,937,956 square feet or 113.36 acres of land, more or less.



Keller & Kirkpatrick, Inc.

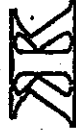
05712-00053

B05863P0390

TRACT II (Being Lot 15 in Block 11.01)

BEGINNING at a point in the easterly edge of the southeast branch of Cross Creek, said point also being a point in the mean high tide line, as shown on the New Jersey Department of Environmental Protection (NJDEP) Division of Coastal Resources Map showing conveyances on Rahway River, Atlas Sheet No. 637-2118, said point also having a New Jersey State Place Coordinate Value of North 642,420.74, East 569,363.57, and being located the following ten (10) courses from a point formed by the intersection of the northeasterly sideline of The Central Railroad of New Jersey - Carteret Extension Branch (N/F Conrail) right-of-way with the westerly sideline of Unnamed Street (sixty feet wide per Tax Map), said point having a New Jersey State Plane Coordinate value of North 641,001.47, East 568,244.05, as shown on a certain map entitled "ALTA Boundary and Topographic Survey, Block 11.01 Lots 15, 17.01, 17.02, 18, 19, 20, 23.01, 23.02, 24, 25.01, 25.02, 26, 29.01, 29.02, 30, 31.01, 31.02, 33.01, 33.02, 34.01, 34.02, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 49, 50, 52, 58, and 60, Borough of Carteret, Middlesex County, New Jersey", said map prepared by Keller & Kirkpatrick, Parsippany, New Jersey, dated January 31st, 2003, and running; thence

- A. Along said northeasterly sideline, South fifty-seven degrees, fifty-four minutes, twenty-six seconds East (S 57° 54' 26" E), a distance of one hundred thirty and forty-two hundredths feet (130.42') to a point in the easterly line of Driftway (variable width right-of-way); thence
- B. Along said easterly line of Driftway, North sixty-three degrees, thirty-six minutes, fifty-five seconds East (N 63° 36' 55" E), a distance of two hundred nineteen and twelve hundredths feet (219.12') to a point; thence
- C. Along the southerly line of Driftway, and the southerly line of Lot 20 in Block 11.01, South fifty-seven degrees, forty-one minutes, thirty-five seconds East (S 57° 41' 35" E), a distance of five hundred twenty-eight and eighty hundredths feet (528.80') to a point; thence
- D. Along said southerly line of Lot 20, South forty-three degrees, twenty-four minutes, three seconds East (S 43° 24' 03" E), a distance of one hundred two and thirty hundredths feet (102.30') to a point; thence
- E. Along the easterly line of said Lot 20 and Lot 19 in Block 11.01, North seventy-three degrees, twenty-eight minutes, ten seconds East (N 73° 28' 10" E), a distance of five hundred fifteen and seventy-eight hundredths feet (515.78') to a corner in said Lot 19; thence
- F. Along the easterly line of said Lot 19, North thirteen degrees, three minutes, thirty-five seconds East (N 13° 03' 35" E), a distance of four hundred forty and forty-four hundredths feet (440.44') to an angle point in said Lot 19; thence
- G. Along the easterly line of said Lot 19 and Lot 18 in Block 11.01, North twelve degrees, fifty-three minutes, fifty-four seconds East (N 12° 53' 54" E), a distance of six hundred eighty-one and ninety-nine hundredths feet (681.99') to a point; thence



Keller & Kirkpatrick, Inc.

805863P0391

~~05712-00054~~

H. Along the northeasterly line of Lots 17.02, 17.01 and Unnamed Street (sixty feet wide per Tax Map), North forty-five degrees, fifty-four minutes, thirty-three seconds West (N 45° 54' 33" W), a distance of six hundred ninety-three and one hundredth feet (693.01') to a point in the center of Cross Creek; thence

I. North sixty-one degrees, thirty-nine minutes, forty-eight seconds East (N 61° 39' 48" E), a distance of fifty-three and forty-three hundredths feet (53.43') to the true Point and Place of BEGINNING, and running; thence along said mean high tide line as shown on said New Jersey Department of Environmental Protection (NJDEP) Division of Coastal Resources Map showing conveyances on Rahway River, Atlas Sheet No. 637-2118, the following thirteen (13) courses

- 1.) North twenty-one degrees, three minutes, thirty-one seconds East (N 21° 03' 31" E), a distance of seventy and ninety-three hundredths feet (70.93') to a point; thence
- 2.) North fifty-five degrees, forty-four minutes, thirty-five seconds East (N 55° 44' 35" E), a distance of twenty-two and ninety-nine hundredths feet (22.99') to a point; thence
- 3.) North six degrees, fifty-nine minutes, twenty-two seconds East (N 06° 59' 22" E), a distance of fifty and thirty-seven hundredths feet (50.37') to a point; thence
- 4.) North forty-six degrees, thirty-eight minutes, forty-two seconds East (N 46° 38' 42" E), a distance of one hundred four and sixty-nine hundredths feet (104.69') to a point; thence
- 5.) North sixty-four degrees, nineteen minutes, twenty-three seconds East (N 64° 19' 23" E), a distance of sixty-six and sixty-five hundredths feet (66.65') to a point; thence
- 6.) North fifty degrees, fifty minutes, four seconds East (N 50° 50' 04" E), a distance of forty-two and sixty-four hundredths feet (42.64') to a point; thence
- 7.) North ninety degrees, zero minutes, zero seconds East (N 90° 00' 00" E), a distance of twelve and zero hundredths feet (12.00') to a point; thence
- 8.) South forty-one degrees, twenty-one minutes, twenty-four seconds East (S 41° 21' 24" E), a distance of thirty-four and seventy-two hundredths feet (34.72') to a point; thence
- 9.) South seventeen degrees, thirty minutes, zero seconds East (S 17° 30' 00" E), a distance of one hundred nine and eleven hundredths feet (109.11') to a point; thence
- 10.) South twenty-two degrees, one minute, two seconds East (S 22° 01' 02" E), a distance of thirty-four and fifty-two hundredths feet (34.52') to a point; thence
- 11.) South one degree, thirty-six minutes, fifty-one seconds East (S 01° 36' 51" E), a distance of thirty-three and one hundredth feet (33.01') to a point; thence



Keller & Kirkpatrick, Inc.

392
805863P0392

05712-00055-

12.) South nineteen degrees, fifty-nine minutes, fifty-four seconds East (S 19° 59' 54" E), a distance of thirty-one and ninety-nine hundredths feet (31.99') to a point; thence

13.) South forty degrees, fifty minutes, twenty-four seconds East (S 40° 50' 24" E), a distance of ten and thirty-three hundredths feet (10.33') to a point in the dividing line between Lots 15 and 16 in Block 11.01; thence

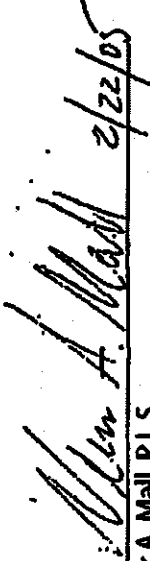
14.) Along said dividing line, South eighty-five degrees, forty-three minutes, fifty-six seconds West (S 85° 43' 56" W), a distance of three hundred twenty and seven hundredths feet (320.07') to the Point and Place of BEGINNING.

Said Tract II containing an area of 49,355 square feet or 1.13 acres of land, more or less.

The combined area of Tracts I and II is 114.49 acres of land, more or less.

Subject to all existing easements and restrictions of record.

This description prepared by Keller & Kirkpatrick, Parsippany, New Jersey, in accordance with the aforementioned survey map.


Werner A. Mall, P.L.S.
Professional Land Surveyor License No. 37201

WAM:slhc
MAL2021203\Descriptions\Whole Tract 02-14-2005.wet.doc



Keller & Kirkpatrick, Inc.

393
805863P0393

05712-00056

Exhibit C to Application for Financial Agreement

SURVEY

Attached

805863P0394
394

05712-00057

5863-395

05712-00058

805863P0395
395

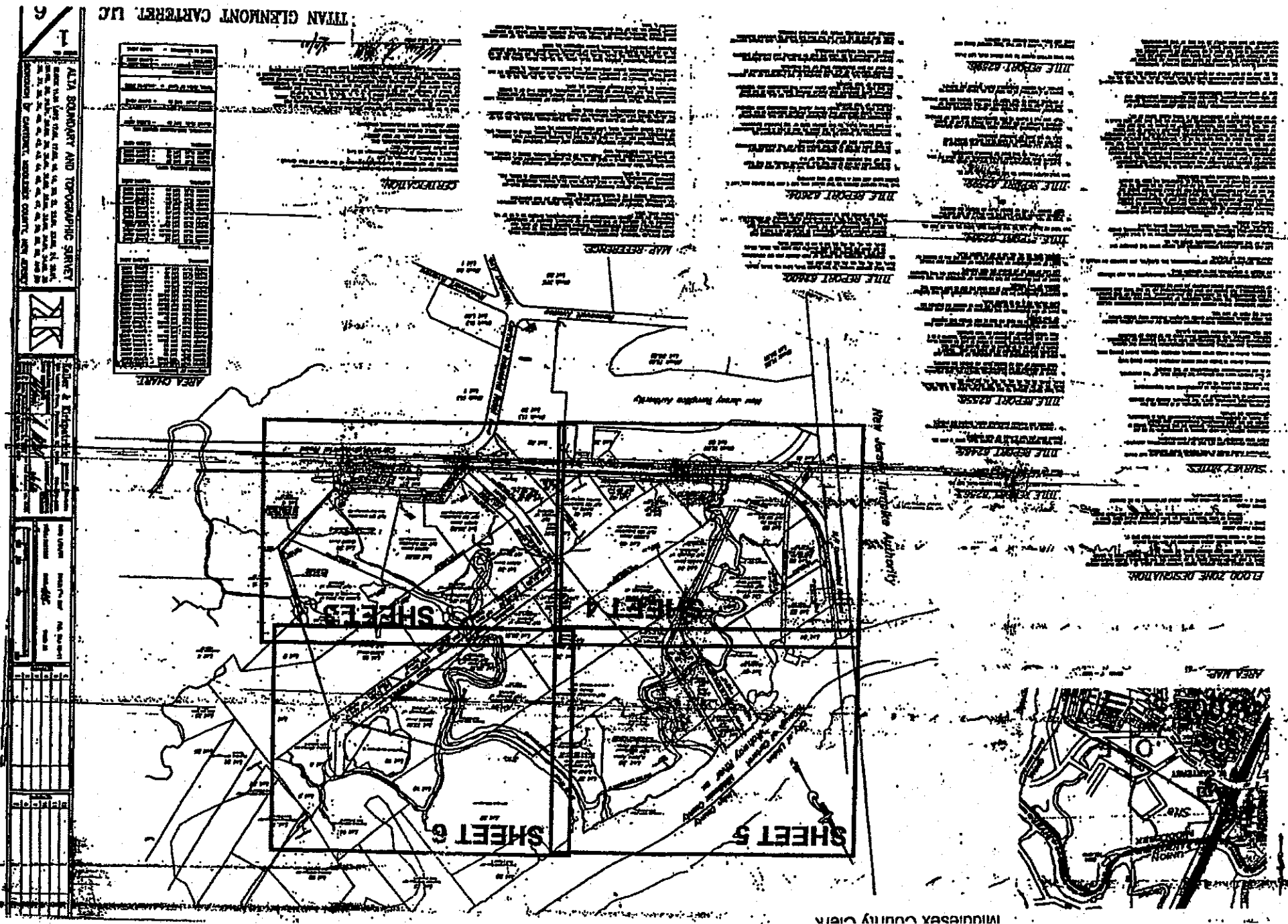


Exhibit D to Application to Financial Agreement

SITE PLAN

Attached

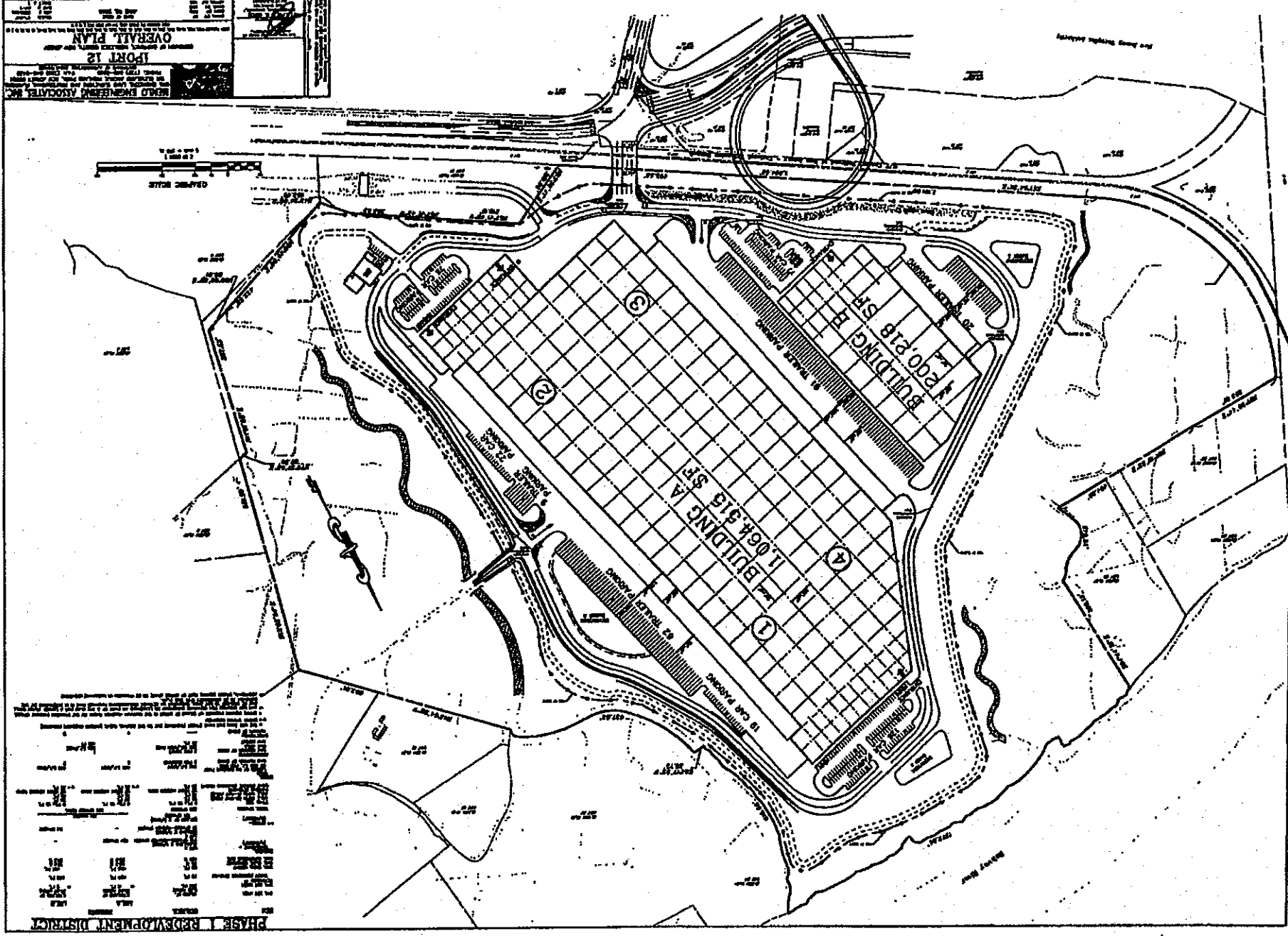
THIS APPEARS ON YOUR
DOCUMENT SO THAT IT WILL BE
RECOGNIZED BY OUR SCANNER...
THANK YOU

B05863P0396

~~05712-00059~~

RECEIVED ORIGINAL
Middlesex County Clerk

5763-399



805863P0399A 397

0399
397

05712-00060

Exhibit E to Application for Financial Agreement
Formulae for Annual Service Charges

SCHEDULE 1

**ESTIMATED SCHEDULE FOR DEBT SERVICE
PORTION OF PLEDGED ANNUAL SERVICE CHARGE**

Attached

398
805863P0398

~~05712-00061~~

SCHEDULE 1

Debt Service Portion of Pledged Annual Service Charge

<u>Date</u>	<u>Amount</u>
8/1/2007	\$924,529.43
11/1/2007	\$924,529.43
2/1/2008	\$315,451.54
5/1/2008	\$315,451.54
8/1/2008	\$931,553.40
11/1/2008	\$931,553.40
2/1/2009	\$305,593.91
5/1/2009	\$305,593.91
8/1/2009	\$942,096.49
11/1/2009	\$942,096.49
2/1/2010	\$294,996.14
5/1/2010	\$294,996.14
8/1/2010	\$955,979.59
11/1/2010	\$955,979.59
2/1/2011	\$283,461.98
5/1/2011	\$283,461.98
8/1/2011	\$964,846.16
11/1/2011	\$964,846.16
2/1/2012	\$271,094.86
5/1/2012	\$271,094.86
8/1/2012	\$976,959.90
11/1/2012	\$976,959.90
2/1/2013	\$257,824.59
5/1/2013	\$257,824.59
8/1/2013	\$992,250.65
11/1/2013	\$992,250.65
2/1/2014	\$243,540.01
5/1/2014	\$243,540.01
8/1/2014	\$1,006,527.08
11/1/2014	\$1,006,527.08
2/1/2015	\$228,318.41
5/1/2015	\$228,318.41
8/1/2015	\$1,019,866.50
11/1/2015	\$1,019,866.50
2/1/2016	\$212,170.83
5/1/2016	\$212,170.83
8/1/2016	\$1,036,360.08
11/1/2016	\$1,036,360.08
2/1/2017	\$194,945.28
5/1/2017	\$194,945.28
8/1/2017	\$1,055,855.83
11/1/2017	\$1,055,855.83
2/1/2018	\$176,693.97
5/1/2018	\$176,693.97
8/1/2018	\$1,074,325.83
11/1/2018	\$1,074,325.83

399
805863P0399

~~05712-00062~~

SCHEDULE 1

Debt Service Portion of Pledged Annual Service Charge

<u>Date</u>	<u>Amount</u>
2/1/2019	\$157,350.01
5/1/2019	\$157,350.01
8/1/2019	\$1,091,703.16
11/1/2019	\$1,091,703.16
2/1/2020	\$136,934.39
5/1/2020	\$136,934.39
8/1/2020	\$1,112,088.99
11/1/2020	\$1,112,088.99
2/1/2021	\$115,432.23
5/1/2021	\$115,432.23
8/1/2021	\$1,135,468.43
11/1/2021	\$1,135,468.43
2/1/2022	\$92,583.42
5/1/2022	\$92,583.42
8/1/2022	\$1,157,501.21
11/1/2022	\$1,157,501.21
2/1/2023	\$68,464.53
5/1/2023	\$68,464.53
8/1/2023	\$1,182,342.56
11/1/2023	\$1,182,342.56
2/1/2024	\$42,843.81
5/1/2024	\$42,843.81
8/1/2024	\$1,205,685.07
11/1/2024	\$1,205,685.07
2/1/2025	\$15,807.75
5/1/2025	\$15,807.75
8/1/2025	\$1,231,690.99
11/1/2025	\$1,231,690.99

805863PO 400

~~05712-00063~~

Exhibit E to Application for Financial Agreement
Formulae for Annual Service Charges

SCHEDULE 2

**SCHEDULE OF BOROUGH PORTION OF
UNPLEDGED ANNUAL SERVICE CHARGE**

Date of Issuance of Temporary Certificate of Occupancy for first tenanted space in Project is start of "Year 0".

Year 1-5	--	\$107,623.96 annually, but which shall be paid in equal quarterly installments equal to one-fourth of such amount
Year 6-10	--	\$143,498.60 annually, but which shall be paid in equal quarterly installments equal to one-fourth of such amount
Year 11-15	--	\$179,373.24 annually, but which shall be paid in equal quarterly installments equal to one-fourth of such amount
Year 16-20	--	\$215,247.88 annually, but which shall be paid in equal quarterly installments equal to one-fourth of such amount
Year 21 to end (if applicable*)	--	shall equal the amount that, if not for the exemption from taxation as provided for in the Financial Agreement, would otherwise be assessed against the Phase I Redevelopment Project Improvements in accordance with the general law applicable to non-exempt property in the Borough in these respective years.

* The Financial Agreement shall remain in effect until the earlier of (i) thirty-five (35) years from the date of execution hereof, (ii) thirty (30) years from the Phase I Redevelopment Project Completion Date or (iii) the date on which no Project Sponsor Conduit Loan Bonds remain "outstanding" within the meaning of the Trust Indenture. At the expiration of the term of the Financial Agreement the tax exemption for the Phase I Redevelopment Project shall expire and the Phase I Redevelopment Project Improvements shall thereafter be assessed and taxed according to the general law applicable to non-exempt property in the Borough. It is anticipated that the Project Sponsor Conduit Loan Bonds shall be retired, and no longer deemed "outstanding" within the meaning of the Trust Indenture, prior to Year 21.

401
B05863P0400

~~05712-00064~~

TO BE REVISED

Exhibit E to Application for Financial Agreement
Formulae for Annual Service Charges

SCHEDULE 3

**ANNUAL SERVICE CHARGE AS PERCENTAGE OF
ESTIMATED TOTAL PROJECT COSTS**

For the five year periods through year 20, a Percentage will be developed using the following formula:

The Percentage to be applied to TPC is as follows:

For each 5-year period, based on Schedules 1 & 2, the percentage equals:

Pledged ASC + Unpledged ASC (Borough Portion Plus County Portion)
Total Project Costs

Years 1-5

Years 5 - 10

Years 11-15

Years 16-20

Consistent with the terms of N.J.S.A. 40A:20-3(h), Total Project Costs will include the actual construction costs which the entity shall cause to be certified and verified to the municipality and the municipal governing body by an independent and qualified architect, including the cost of any preparation of the site undertaken at the entity's expense.

402

~~05712-00065~~

805863P0402

Exhibit F of the Application for Financial Agreement

CONSTRUCTION BUDGET

Attached

805863P0403⁴⁰³

05712-00066

Exhibit F

Construction Budget

**i-Port 12, Carteret, NJ
Long Term Tax Exemption
Estimated Total Project Costs**

Number	Category	Costs
1	Cost of the Land, Acquisition	\$12,874,225
2	Professional Fees (Incl. Architect, Engineer and Attorney)	\$10,124,039
3	Surveying and Testing	\$86,500
4	Estimated Construction Costs	\$83,487,031
5	Insurance, Interest, Financing	\$6,336,420
6	Costs of Initial Permanent Financing	\$2,373,943
7	Commissions and Other Expenses	\$2,452,775
8	Real Estate Taxes and Assessments	\$288,750
9	Developer's Overhead (5% of Number 4 Above)	\$4,173,352
Total Estimated Project Costs		<u><u>\$121,977,035</u></u>

⁴⁰⁴
B05863P0404

~~05712-00067~~

Exhibit G to Application for Financial Agreement

SOURCES OF FUNDING

Sources of Funds:	
NJ Environmental Infrastructure Trust	\$ 38,500,000
Bank of America Construction Loan	\$ 68,000,000
Developer's Equity/Grants	\$ 15,477,035
Total Sources of Funds	<u>\$121,977,035</u>

405
B05863P0405

~~05712-00068~~

Exhibit H to Application for Financial Agreement

TENTATIVE FINANCIAL PLAN/OPERATING BUDGET

Attached

406
805863P0406

~~05712-00069~~

Exhibit H
Tentative Financial Plan/Operating Budget

(Beg. at project completion)										
Year-1	Year-2	Year-3	Year-4	Year-5	Year-6	Year-7	Year-8	Year-9	Year-10	
Market Assumptions:										
Rent	\$8.75	\$8.85	\$7.16	\$7.38	\$7.60	\$7.83	\$8.06	\$8.30	\$8.55	\$8.81
Expense Recoveries	3.00%	\$2.00	\$2.12	\$2.19	\$2.25	\$2.32	\$2.39	\$2.46	\$2.53	\$2.61
Operating Expenses	3.00%	\$0.50	\$0.52	\$0.53	\$0.56	\$0.58	\$0.60	\$0.61	\$0.63	\$0.65
Land Taxes	3.00%	\$0.18	\$0.18	\$0.19	\$0.20	\$0.21	\$0.21	\$0.22	\$0.23	\$0.23
Structural Reserve	3.00%	\$0.15	\$0.15	\$0.16	\$0.17	\$0.17	\$0.18	\$0.18	\$0.19	\$0.20
Tenant Improvements	3.00%	\$0.50	\$0.52	\$0.53	\$0.56	\$0.58	\$0.60	\$0.61	\$0.63	\$0.65
Gross Revenues:										
Base Rent	\$8,536,948	\$8,536,948	\$8,536,948	\$8,536,948	\$8,536,948	\$8,536,948	\$8,536,948	\$8,536,948	\$8,536,948	\$8,536,948
Expense Recoveries	\$2,529,486	\$2,605,350	\$2,683,510	\$2,764,016	\$2,848,936	\$2,932,344	\$3,020,315	\$3,110,924	\$3,204,252	\$3,300,379
Total Gross Revenues	\$11,066,434	\$11,142,298	\$11,220,458	\$11,300,964	\$11,383,884	\$11,469,292	\$11,557,262	\$11,647,872	\$11,741,200	\$11,837,327
Cash Expenses:										
Operating Expenses	\$632,367	\$651,337	\$670,878	\$691,004	\$711,734	\$733,086	\$755,079	\$777,731	\$801,063	\$825,086
Land Taxes	\$226,851	\$233,657	\$240,667	\$247,887	\$255,323	\$262,983	\$270,872	\$278,989	\$287,368	\$285,990
Pledged Annual Service Charge	\$1,648,059	\$2,494,010	\$2,485,381	\$2,501,851	\$2,496,816	\$2,486,110	\$2,500,150	\$2,500,134	\$2,496,370	\$2,487,062
Borough Land Tax Increment	(\$2,378)	(\$4,822)	(\$7,352)	(\$9,951)	(\$12,628)	(\$15,386)	(\$18,226)	(\$21,152)	(\$24,165)	(\$27,268)
Unpledged ASC - Borough	\$107,624	\$107,624	\$107,624	\$107,624	\$107,624	\$143,499	\$143,499	\$143,499	\$143,499	\$143,499
Unpledged ASC - County	\$97,715	\$129,840	\$129,783	\$129,881	\$129,581	\$131,211	\$131,274	\$131,124	\$130,765	\$130,665
Borough Guaranty Fee	\$100,000	\$150,000	\$175,000	\$175,000	\$175,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Debt Service	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318
Structural Reserve	\$189,710	\$195,401	\$201,283	\$207,301	\$213,520	\$219,926	\$226,624	\$233,319	\$240,319	\$247,528
Total Expenses	\$8,968,265	\$9,724,359	\$9,818,115	\$9,844,088	\$9,888,746	\$9,926,487	\$9,960,972	\$9,992,557	\$10,024,595	\$10,056,595
Net Cash Flow	\$2,098,148	\$1,417,938	\$1,439,897	\$1,452,848	\$1,539,796	\$1,580,646	\$1,630,776	\$1,686,800	\$1,748,642	\$1,772,732
Amort. of Proj. Costs	0.00%	\$6,098,852	\$6,098,852	\$6,098,852	\$6,098,852	\$6,098,852	\$6,251,297	\$6,251,297	\$6,251,297	\$6,251,297
Net Profit/(Loss)	(\$4,000,703)	(\$4,680,913)	(\$4,658,954)	(\$4,618,003)	(\$4,559,056)	(\$4,518,308)	(\$4,620,522)	(\$4,564,398)	(\$4,502,655)	(\$4,978,565)
Allowable Net Profit (ANP):										
Beg. ANP (Carryforward)	\$0	\$18,637,948	\$37,956,105	\$57,252,304	\$76,505,551	\$95,701,851	\$114,657,401	\$134,371,275	\$153,829,028	\$173,225,033
Current Yr. ANP	12.00%	\$14,637,244	\$14,637,244	\$14,637,244	\$14,637,244	\$14,637,244	\$14,637,244	\$14,637,244	\$14,637,244	\$14,637,244
Current Yr. Proj. Net Profit		(\$4,000,703)	(\$4,680,913)	(\$4,658,954)	(\$4,618,003)	(\$4,559,056)	(\$4,620,522)	(\$4,564,398)	(\$4,502,655)	(\$4,978,565)
Ending ANP (Carryforward)		\$18,637,948	\$37,956,105	\$57,252,304	\$76,505,551	\$95,701,851	\$114,657,401	\$134,371,275	\$153,829,028	\$173,225,033
Beg. Proj./Capital Costs	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035
Capital (TV/Commissions)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Proj./Capital Costs	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035	\$121,977,035

* Amortization of Project Costs is reflected at a 0% rate above, pending an amount to be stated in the Financial Agreement.

07000-21250

6040D098508
604

5863-407

Exhibit H
Tentative Financial Plan/Operat

Market Assumptions:										
Rent	3.00%	\$9.07	\$9.34	\$9.62	\$9.91	\$10.21	\$10.52	\$10.83	\$11.16	\$11.49
Expense Recoveries	3.00%	\$2.69	\$2.77	\$2.85	\$2.94	\$3.03	\$3.12	\$3.21	\$3.31	\$3.40
Operating Expenses	3.00%	\$0.67	\$0.69	\$0.71	\$0.73	\$0.76	\$0.78	\$0.80	\$0.83	\$0.85
Land Taxes	3.00%	\$0.24	\$0.25	\$0.26	\$0.27	\$0.28	\$0.29	\$0.30	\$0.31	\$0.31
Structural Reserve	3.00%	\$0.20	\$0.21	\$0.21	\$0.22	\$0.23	\$0.23	\$0.24	\$0.25	\$0.26
Tenant Improvements	3.00%	\$0.67	\$0.69	\$0.71	\$0.73	\$0.76	\$0.78	\$0.80	\$0.83	\$0.85
Gross Revenues:										
Base Rent		\$5,735,472	\$11,472,944	\$11,472,944	\$11,472,944	\$11,472,944	\$11,472,944	\$11,472,944	\$11,472,944	\$11,472,944
Expense Recoveries		\$1,699,695	\$3,501,373	\$3,506,414	\$3,714,608	\$3,826,044	\$3,940,826	\$4,059,050	\$4,180,822	\$4,306,247
Total Gross Revenues		\$7,435,167	\$14,974,316	\$15,079,358	\$16,187,550	\$16,298,988	\$15,413,770	\$15,531,994	\$15,653,766	\$15,779,190
Cash Expenses:										
Operating Expenses		\$849,848	\$875,343	\$901,003	\$928,652	\$956,511	\$985,208	\$1,014,763	\$1,045,205	\$1,076,562
Land Taxes		\$304,869	\$314,015	\$323,436	\$333,139	\$343,133	\$353,427	\$364,030	\$374,951	\$386,199
Pledged Annual Service Charge		\$2,501,602	\$2,502,040	\$2,488,108	\$2,488,047	\$2,501,801	\$2,407,588	\$2,501,614	\$2,487,058	\$2,494,897
Borough Land Tax Increment		(\$30,465)	(\$37,149)	(\$40,642)	(\$47,973)	(\$47,848)	(\$51,763)	(\$55,694)	(\$59,744)	\$0
Unpledged ASC - Borough		\$179,373	\$179,373	\$179,373	\$179,373	\$179,373	\$179,373	\$179,373	\$179,373	\$179,373
Unpledged ASC - County		\$132,528	\$132,383	\$132,017	\$131,839	\$131,847	\$128,744	\$133,255	\$132,631	\$132,625
Borough Guaranty Fee		\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Debt Service		\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318	\$5,767,318
Structural Reserve		\$254,954	\$262,603	\$270,481	\$278,595	\$286,953	\$295,592	\$304,429	\$313,562	\$322,966
Total Expenses		\$10,110,025	\$10,149,318	\$10,185,186	\$10,226,321	\$10,272,897	\$10,255,148	\$10,398,894	\$10,440,478	\$10,486,074
Net Cash Flow		(\$2,673,858)	\$4,824,999	\$4,894,172	\$5,961,229	\$6,026,291	\$5,158,624	\$5,133,101	\$5,213,288	\$5,293,116
Amount of Proj. Costs	0.00%	\$6,251,297	\$6,632,548	\$6,632,548	\$6,632,548	\$6,632,548	\$6,632,548	\$7,349,607	\$7,349,607	\$7,349,607
Net Profit/(Loss)		(\$8,925,155)	(\$1,807,649)	(\$1,738,376)	(\$1,671,319)	(\$1,606,257)	(\$1,473,925)	(\$2,216,507)	(\$2,136,319)	(\$2,056,491)
Allowable Net Profit (ANP):										
Beginning ANP (Carryforward)		\$183,096,951	\$218,915,458	\$234,028,112	\$251,071,582	\$268,048,015	\$284,959,375	\$301,738,404	\$319,604,203	\$337,389,614
Current Yr. ANP	12.00%	\$14,893,353	\$15,305,104	\$15,305,104	\$15,305,104	\$15,305,104	\$15,305,104	\$15,649,292	\$15,649,292	\$15,649,292
Current Yr. Proj. Net Profit		(\$8,925,155)	(\$1,807,649)	(\$1,738,376)	(\$1,671,319)	(\$1,606,257)	(\$1,473,925)	(\$2,216,507)	(\$2,136,319)	(\$2,056,491)
Ending ANP (Carryforward)		\$218,915,458	\$234,028,112	\$251,071,582	\$268,048,015	\$284,959,375	\$301,738,404	\$319,604,203	\$337,389,614	\$355,085,597
Beginning Project/Capital Costs		\$124,111,271	\$127,542,532	\$127,542,532	\$127,542,532	\$127,542,532	\$127,542,532	\$130,410,768	\$130,410,768	\$130,410,768
Capital (TV/Commissions)		\$3,431,260	\$0	\$0	\$0	\$0	\$2,868,236	\$0	\$0	\$0
Ending Project/Capital Costs		\$127,542,532	\$127,542,532	\$127,542,532	\$127,542,532	\$127,542,532	\$130,410,768	\$130,410,768	\$130,410,768	\$130,410,768

Amortization of Project Costs is

17000-000-05712

8058630400

5863-408

Exhibit I to Application for Financial Agreement

PROPOSED FORM OF FINANCIAL AGREEMENT

Attached

805863P0409
4109

~~05712-00072~~

Exhibit J to Application for Financial Agreement

CHART SHOWING OWNERSHIP STRUCTURE

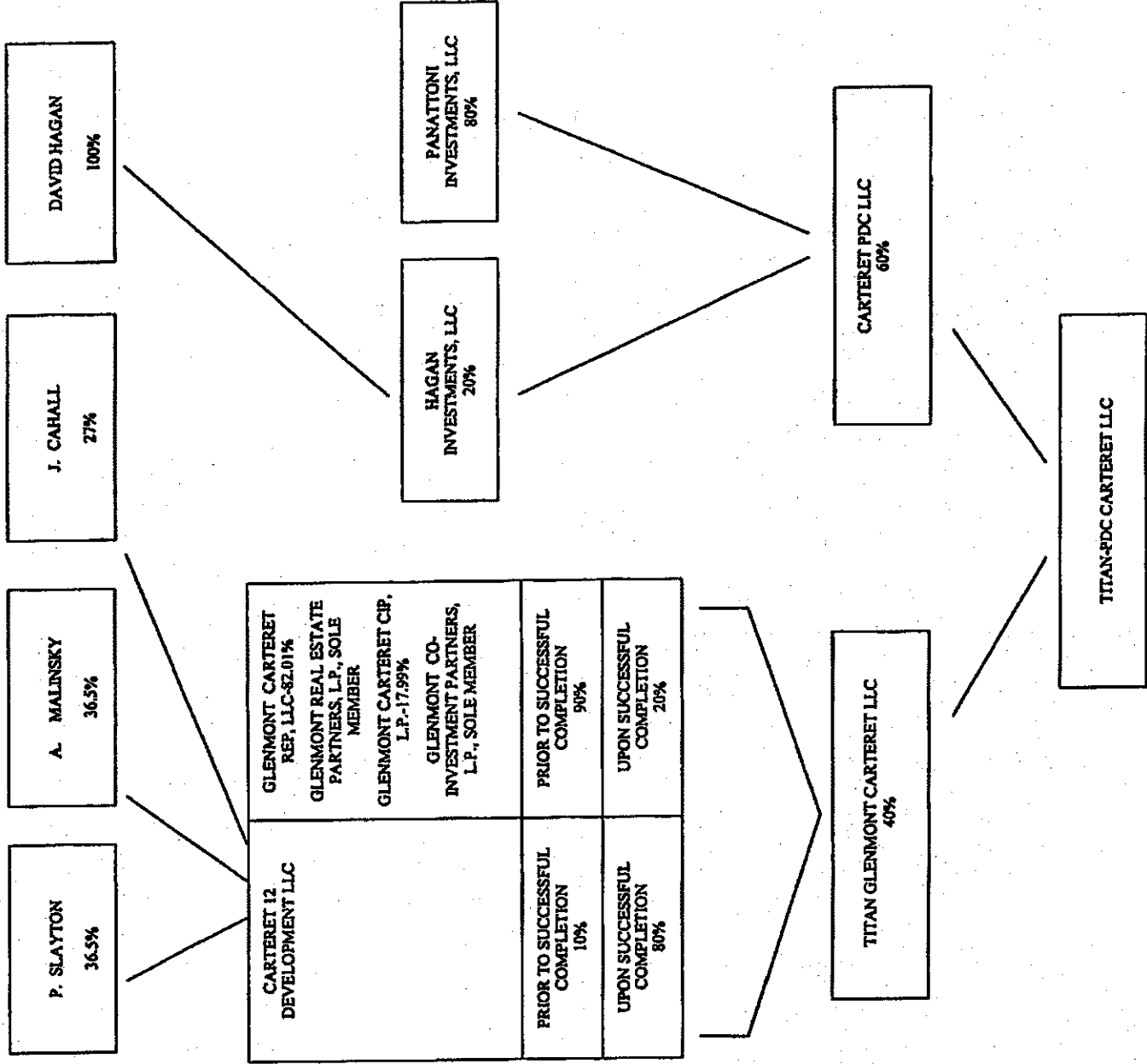
Attached

410
B05863P0410

~~05712-00073~~

EXHIBIT J

OWNERSHIP STRUCTURE OF REDEVELOPER



#2710494 (134124.001)

411
B05863P0410

~~05712-00074~~

Exhibit K to Application for Financial Agreement

ORGANIZATIONAL DOCUMENTATION OF REDEVELOPER

Attached

#2566980 (134124.001)

~~05712-00075~~

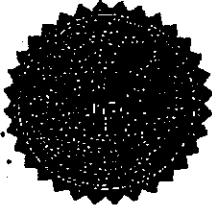
805863P0412

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "TITAN-PDC CARTERET, LLC", FILED IN THIS OFFICE ON THE EIGHTH DAY OF JULY, A.D. 2003, AT 8:32 O'CLOCK P.M.



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

3679431 8100

030449866

AUTHENTICATION: 2517358

DATE: 07-08-03

4/3

05712-00076-

B05863P0413

ILLEGIBLE ORIGINAL
Middlesex County Clerk

STATE of DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE of FORMATION

FIRST: The name of the limited liability company is Titan-PDC Carteret, LLC.

SECOND: The address of its registered office in the State of Delaware is 1209 Orange Street in the City of Wilmington, County of New Castle. The name of its Registered Agent at such address is The Corporation Trust Company.

THIRD: The latest date on which the limited liability company is to dissolve is December 31, 2078.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of Titan-PDC Carteret, LLC this 8th day of July, 2003.

Peter E. von Ellen /s/
Peter E. von Ellen, Authorized Person

State of Delaware
Secretary of State
Division of Corporations
Filed 08:50 PM 07/08/2003
LED 08:52 PM 07/08/2003
030449866 - 3679431 FILE

CERTIFICATE OF FORMATION

414
805863P0414

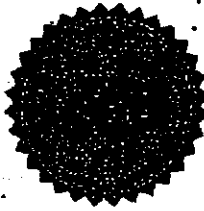
05712-00077

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "TITAN-PDC CARTERET, LLC", CHANGING ITS NAME FROM "TITAN-PDC CARTERET, LLC" TO "TITAN-PDC CARTERET URBAN RENEWAL, LLC", FILED IN THIS OFFICE ON THE EIGHTEENTH DAY OF SEPTEMBER, A.D. 2003, AT 6:09 O'CLOCK P.M.



3679431 8100

030602531

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 2648605

DATE: 09-23-03

415
B05863P0415

05712-00078

ILLEGIBLE ORIGINAL
Middlesex County Clerk

State of Delaware
Secretary of State
Division of Corporations
Delivered 08:39 AM 09/22/2003
FILED 08:09 PM 09/18/2003
SNV 030603537 -- 3679431 FILE

STATE OF DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE OF AMENDMENT TO
CERTIFICATE OF FORMATION

FIRST: The name of the limited liability company is Titan-PDC Carteret, LLC.

SECOND: Article one is hereby revised to state: "The name of the limited liability is Titan-PDC Carteret Urban Renewal, LLC."

IN WITNESS WHEREOF, the undersigned has executed this Amended Certificate of Formation
of Titan-PDC Carteret, LLC this 18th day of September, 2003.

/s/ Carl D. Pangloss
Carl D. Pangloss, Trustee of Pangloss Living
Trust, date April 8, 1998, Managing Member
of Pangloss Investments, LLC, Managing
Member of Carteret PDC, LLC, Managing
Member

C:\PANGLOSS\WFOC\000177180C

416
805863P0416

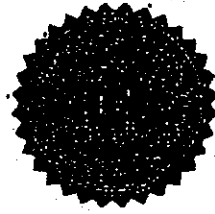
05712-00079

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "TITAN-PDC CARTERET URBAN RENEWAL, LLC", CHANGING ITS NAME FROM "TITAN-PDC CARTERET URBAN RENEWAL, LLC" TO "TITAN-PDC CARTERET, LLC", FILED IN THIS OFFICE ON THE THIRTIETH DAY OF JANUARY, A.D. 2004, AT 6:12 O'CLOCK P.M.



3679431 B100

840068022

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 2904868

DATE: 02-02-04

417
805863P0419

~~05712-00000~~

ILLEGIBLE ORIGINAL
Middlesex County Clerk

State of Delaware
Secretary of State
Division of Corporations
Delivered 06:36 PM 01/30/2004
FILED 06:12 PM 01/30/2004
SV 040069022 - 3679431 FILE

STATE OF DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE OF SECOND AMENDMENT TO
CERTIFICATE OF FORMATION

FIRST: The name of the limited liability company is Titan-PDC Carteret Urban Renewal, LLC.
SECOND: Article one is hereby revised to state: "The name of the limited liability is Titan-PDC Carteret, LLC."

THIRD: All other matters set forth in the Certificate of Formation are hereby restated.

IN WITNESS WHEREOF, the undersigned has executed this Second Amended Certificate of Formation of Titan-PDC Carteret Urban Renewal, LLC this 1st day of December, 2003.

/s/ David Hagan
David Hagan, Sole Member of Hagan
Investments, LLC, Managing Member of
Carteret PDC, LLC, Managing Member

C:\TITANPDC\AMBLCTT.DOC

805863P0418
4/18

05712-00001

**STATE OF DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE OF THIRD AMENDMENT TO
CERTIFICATE OF FORMATION**

FIRST: The name of the limited liability company is Titan-PDC Carteret, LLC.

SECOND: Article One is hereby revised to state: "The name of the limited liability is Titan-PDC Carteret Urban Renewal, LLC".

THIRD: All other matters set forth in the Certificate of Formation are hereby restated.

FOURTH: The Certificate is further amended to include the following provisions:

- a. The purpose for which the limited liability company is formed shall be to operate under New Jersey Statutes Annotated ("N.J.S.A.") 40A:20-1 et seq. and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan and as further defined in the Redevelopment Agreement By and Among the Borough of Carteret, New Jersey, as Redevelopment Entity, and Titan-PDC Carteret, LLC, a Delaware limited liability company, as Redeveloper, Execution Date: as of February 6, 2004 ("Redevelopment Agreement"), and to acquire, plan, develop, construct, alter, maintain or operate 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 N.J.S.A. 40A:20-1 et seq.
- b. So long as the entity is obligated under financial agreement with the Borough of Carteret ("Borough") made pursuant to N.J.S.A. 40A:20-1 et seq., it shall engage in no business other than the ownership, operation and management of the project as defined in the Redevelopment Agreement.
- c. The entity has been organized to serve a public purpose, and its operations shall be directed toward: (1) the redevelopment of redevelopment areas; (2) the acquisition, management and operation of a project under N.J.S.A. 40A:20-1 et seq.; and (3) that it shall be subject to regulation by the Borough 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 subject to N.J.S.A. 40A:20-1 et seq.
- d. The entity shall not voluntarily transfer more than 10% of the ownership of the project or any portion thereof undertaken by it under N.J.S.A. 40A:20-1 et seq., until it has first removed both itself and the project from all restrictions of N.J.S.A. 40A:20-1 et seq. in the manner required by N.J.S.A. 40A:20-1 et seq. and, with the exception of transfer to another urban renewal entity, as approved by the Borough 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. The entity shall file annually with the

419 1

B05863P0419

05712-00082-

Borough 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 ten percent (10%), is disclosed to the Borough governing body in the annual disclosure statement or in correspondence sent to the Borough in advance of the annual disclosure statement referred to above.

e. The is subject to the provisions of section N.J.S.A. 40A:20-18 respecting the powers of the Borough to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

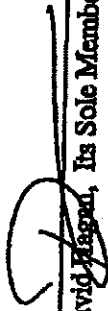
f. The entity is subject to the provisions of section N.J.S.A. 40A:20-18 respecting the powers of the Borough to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

IN WITNESS WHEREOF, the undersigned has executed this Third Amended Certificate of Formation of Titan-PDC Carteret, LLC this 2nd day of December, 2004.

TITAN-PDC CARTERET, LLC, a Delaware Limited Liability Company

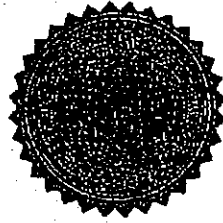
By: CARTERET PDC, LLC, a Delaware Limited Liability Company

By: Hagen Investments, LLC,
a Colorado Limited Liability Company,
its Managing Member

By: 
David Hagen, its Sole Member

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "TITAN-PDC CARTERET, LLC", CHANGING ITS NAME FROM "TITAN-PDC CARTERET, LLC" TO "TITAN-PDC CARTERET URBAN RENEWAL, LLC", FILED IN THIS OFFICE ON THE THIRTIETH DAY OF MARCH, A.D. 2005, AT 12:55 O'CLOCK P.M.



3679431 8100

050258499

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State
AUTHENTICATION: 3779163

DATE: 03-31-05

421

B05863P0420

~~057-12-00084~~

Delaware

The First State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT "TITAN-PDC CARTERET URBAN RENEWAL, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE NOT HAVING BEEN CANCELLED OR REVOKED SO FAR AS THE RECORDS OF THIS OFFICE SHOW AND IS DULY AUTHORIZED TO TRANSACT BUSINESS.

THE FOLLOWING DOCUMENTS HAVE BEEN FILED:

CERTIFICATE OF FORMATION, FILED THE EIGHTH DAY OF JULY, A.D. 2003, AT 8:32 O'CLOCK P.M.

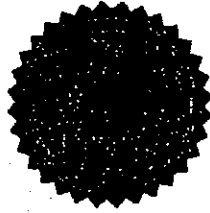
CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "TITAN-PDC CARTERET, LLC" TO "TITAN-PDC CARTERET URBAN RENEWAL, LLC", FILED THE EIGHTEENTH DAY OF SEPTEMBER, A.D. 2003, AT 6:09 O'CLOCK P.M.

CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "TITAN-PDC CARTERET URBAN RENEWAL, LLC" TO "TITAN-PDC CARTERET, LLC", FILED THE THIRTIETH DAY OF JANUARY, A.D. 2004, AT 6:12 O'CLOCK P.M.

CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "TITAN-PDC CARTERET, LLC" TO "TITAN-PDC CARTERET URBAN RENEWAL, LLC", FILED THE THIRTIETH DAY OF MARCH, A.D. 2005, AT 12:55 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID

CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE



3679431 8310

050793933

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 4188563

DATE: 09-28-05

422
805863P042A

~~05712-00085~~

Delaware

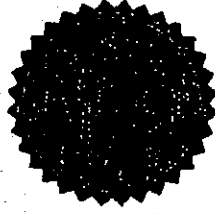
PAGE 2

The First State

AFORESAID LIMITED LIABILITY COMPANY.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "TITAN-PDC CARTERET URBAN RENEWAL, LLC" WAS FORMED ON THE EIGHTH DAY OF JULY, A.D. 2003.



3679431 8310

050793933

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 4188563

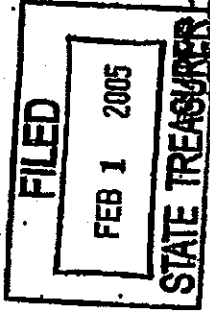
DATE: 09-28-05

423
B05863P0423

~~05712-00086~~



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS



RICHARD J. CODEY
Acting Governor

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: TITAN-PDC CARTERET URBAN RENEWAL, LLC
File # 597
An Urban Renewal Entity

This is to certify that the attached CERTIFICATE OF AMENDMENT TO REGISTRATION OF FOREIGN LIMITED LIABILITY COMPANY 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 21st day of Jan 2005 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY William M. Connolly
William M. Connolly, Director
Division of Codes and Standards

The attached Certificate of Amendment to Registration of Foreign Limited Liability Company has been reviewed and approved as to form.

Attorney General of New Jersey

DATE 1/13/05 BY Leslie S. Leikowitz
Deputy Attorney General

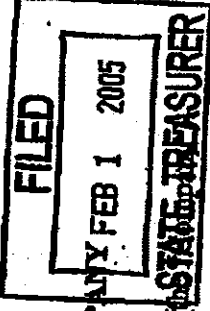


New Jersey Is An Equal Opportunity Employer • Printed on Recycled Paper and Recyclable

805863P0424

05712-00087

CERTIFICATE OF AMENDMENT TO
REGISTRATION OF FOREIGN LIMITED LIABILITY COMPANY



FIRST: The name of the limited liability company is Titan-PDC Carteret, LLC The New Jersey identification number for the Company is 0600192739.

SECOND: Article One is hereby revised to state: "The name of the limited liability is Titan-PDC Carteret Urban Renewal, LLC".

THIRD: All other matters set forth in the Company's Registration of Foreign Limited Liability Company are hereby restated.

FOURTH: The Certificate is further amended to include the following provisions:

- a. The purpose for which the Company is formed shall be to operate under New Jersey 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 of 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.).
- b. So long as the Company is obligated under financial agreement with the Borough of Carteret ("Borough") 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.
- c. 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; (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 Borough 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 subject to P.L. 1991 c. 431 (C. 40A:20-1 et seq.).
- d. 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 Comm'r. of Community Affairs to such transfer; and with the exception of transfer to another urban renewal entity, as approved by the Borough 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. The Company shall file annually with the

96532930

425
B05863P0425

RA5863P0425712-00088

Borough 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 ten percent (10%), is disclosed to the Borough governing body in the annual disclosure statement or in correspondence sent to the Borough in advance of the annual disclosure statement referred to above.

c. The is subject to the provisions of section N.J.S.A. 40A:20-18 respecting the powers of the Borough to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

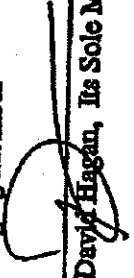
f. Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community affairs.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Amendment To the Registration of Foreign Limited Liability Company of Titan-PDC Carteret, LLC on this 2nd day of December, 2004.

TITAN-PDC CARTERET, LLC, a Delaware Limited Liability Company

By: CARTERET PDC, LLC, a Delaware Limited Liability Company

By: Hagan Investments, LLC,
a Colorado Limited Liability Company,
Its Managing Member

By: 
David Hagan, Its Sole Member

STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
SHORT FORM STANDING

TITAN-PDC CARTERET URBAN RENEWAL, LLC

0600192739

With the Previous or Alternate Name
TITAN - PDC CARTERET, LLC (Previous Name)

I, the Treasurer of the State of New Jersey, do hereby certify that the above-named Delaware Foreign Limited Liability Company was registered by this office on February 9, 2004.

As of the date of this certificate, said business continues as an active business in good standing in the State of New Jersey, and its Annual Reports are current.

I further certify that the registered agent and registered office are:

Paul Slayton
C/O Panattoni Development Company
180 Raritan Center Parkway, 1st Fl.
Edison, NJ 08837

Continued on next page ...

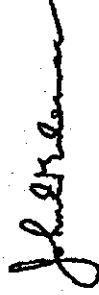
427
B05863P0427

05712-00090

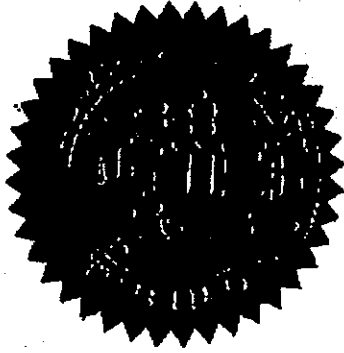
STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
SHORT FORM STANDING

TITAN-PDC CARTERET URBAN RENEWAL, LLC

IN TESTIMONY WHEREOF, I have
hereunto set my hand and
affixed my Official Seal
at Trenton, this
3rd day of October, 2005



John E McCormac, CPA
State Treasurer



B05863P0428

05712-00091

Exhibit B
Borough Council Ordinance

B05863P0429

~~05712-00092~~

LEGIBLE ORIGINAL
Middlesex County Clerk

No. 06-08

Ordinance of the Borough of Carteret, N. J.

Councilman _____ Presents the following Ordinance Secended 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"

AN ORDINANCE OF THE BOROUGH OF CARTERET AUTHORIZING THE EXECUTION AND DELIVERY OF A FINANCIAL AGREEMENT BY AND BETWEEN THE BOROUGH OF CARTERET AND TITAN-PDC CARTERET URBAN RENEWAL, LLC IN CONNECTION WITH THE PHASE I REDEVELOPMENT PROJECT

WHEREAS, on August 1, 1995, pursuant to and in accordance with the provisions of the Landfill Reclamation Improvement District Law, constituting Chapter 173 of the Pamphlet Laws of 1995 of the State of New Jersey (the "State"), and the acts amendatory thereof and supplemental thereto (the "Landfill Law", as codified in N.J.S.A. 40A:12A-50 et seq.), the Borough of Carteret, a municipal corporation of the State of New Jersey (the "Borough"), finally adopted Ordinance 95-40 which established a landfill reclamation improvement district consisting of certain real property in the Borough as identified in such ordinance (the "Initial District"); and

WHEREAS, pursuant to the Landfill Law, the Borough was deemed to have adopted a redevelopment plan at the time the Initial District was established; and

WHEREAS, on November 2, 1995, the Borough Council adopted Resolution 95-346 relating to a redevelopment plan for the Initial District; and

WHEREAS, on June 6, 1996, pursuant to the 1995 Landfill Law, the Borough finally adopted Ordinance 96-14 which expanded the boundaries of the Initial District to include those properties identified in such ordinance (as expanded, the "District"); and

WHEREAS, on March 7, 1997, Borough and the Bellemead Development Corp. ("Bellemead") entered into a redevelopment agreement relating to the District (the "Bellemead Agreement"); and

WHEREAS, on March 7, 2002, by Ordinance 02-05, the Borough finally adopted an Amended and Revised Redevelopment Plan to govern the development of the District ("Amended and Restated Redevelopment Plan"); and

WHEREAS, on February 5, 2004, the Borough adopted Resolution #04-53 authorizing the Borough to enter into a redevelopment agreement with regards to, inter alia, the redevelopment of the Phase I Project Site (as such term is defined in the hereinafter defined Redevelopment Agreement); and

WHEREAS, on February 6, 2004, Bellemead and Borough executed that certain "Mutual Release", which among other things, terminated the Bellemead Agreement and released each of the Borough and Bellemead from all claims arising out of the Bellemead Agreement (the "Bellemead Release"); and

430
B05863P0430

-057+2-00099

NO. 06-08

PAGE 2

LEGIBLE ORIGINAL
Middlesex County Clerk

WHEREAS, on February 6, 2004, the Borough, acting in the capacity of a redevelopment entity pursuant to and in accordance with the Redevelopment and Housing Law, constituting Chapter 79 of the Pamphlet Laws of 1992 of the State, and the acts amendatory thereof and supplemental thereto (the "Redevelopment Law", as codified in N.J.S.A. 40A:12A-1 et seq.), and TITAN-PDC CARTERET, LLC, a Delaware limited liability company (the "Redeveloper"), entered into that certain redevelopment agreement (the "Redevelopment Agreement") governing, among other things, the redevelopment of the Phase I Project Site (the "Phase I Redevelopment Project"); and

WHEREAS, on May 6, 2004, the Borough adopted Resolution #04-160 declaring the Phase I Project Site as an area in need of redevelopment, all in accordance with the Redevelopment Law; and

WHEREAS, on October 7, 2004, the Borough finally adopted Ordinance #04-24, further amending and restating the Amended and Restated Redevelopment Plan, all in accordance with the Redevelopment Law; and

WHEREAS, pursuant to and in accordance with the provisions of the Redevelopment Area Bond Financing Law, constituting Chapter 310 of the Pamphlet Laws of 2001 of the State, and the acts amendatory thereof and supplemental thereto (the "Redevelopment Bond Law", as codified in N.J.S.A. 40A:12A-64 et seq.), specifically N.J.S.A. 40A:12A-66(a), the Borough is authorized to provide for tax statement within a redevelopment area and for payments in lieu of taxes ("PILOTS") in accordance with certain applicable provisions of the Long Term Tax Exemption Law, constituting Chapter 431 of the Pamphlet Laws of 1991 of the State, and the acts amendatory thereof and supplement thereto (the "Long Term Tax Law", as codified in N.J.S.A. 40A:20-1 et seq.); and

WHEREAS, pursuant to and in accordance with the provisions of the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-67(a), the Borough may issue, or cause to be issued, bonds for the purpose of financing all or a portion of the costs of a redevelopment project, which bonds may be secured by PILOTS; and

WHEREAS, pursuant to and in accordance with the provisions of the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-67(b), and the Local Bond Law, constituting Chapter 169 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplement thereto (the "Local Bond Law", as codified in N.J.S.A. 40A:2-1 et seq.), the Borough may provide for a full-faith and credit guaranty of any bonds issued, whether by the Borough or any other authorized governmental entity, including without limitation, a redevelopment agency established in accordance with the Redevelopment Law, for the purposes of financing all or a portion of the costs of a redevelopment project; and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, the Borough shall issue, or shall cause to be issued, bonds for the purpose of financing certain remediation costs of the Phase I Redevelopment Project, including without limitation, the cost of investigation, remediation and related creek relocation, wetlands mitigation and other activities for the removal, treatment or containment of hazardous substances, the closure and post closure of any landfill located on the Phase I Project Site, and the construction of the necessary remedial systems, including the foundations of any buildings to be constructed on the Phase I Project Site related thereto (the "Phase I Remediation Project"), all of which shall constitute a Redevelopment Project, as such term is defined in the Redevelopment Bond Law; and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, and in accordance with the Redevelopment Law, Redevelopment Bond Law and

431
B05863P0431

05712-00094

NO. 06-08

PAGE 3

LEGIBLE ORIGINAL
Middlesex County Clerk

Long Term Tax Law, as applicable, the Redeveloper has created and established Titan-PDC Carteret Urban Renewal, LLC, a Delaware limited liability company, (the "Redeveloper Urban Renewal Entity"), as an urban renewal entity pursuant to and in accordance with the Redevelopment Agreement, Redevelopment Law, Redevelopment Bond Law, Long Term Tax Law and other applicable law; and

WHEREAS, the Redeveloper Urban Renewal Entity has submitted an application to the Borough for the approval of an urban renewal project, as such term is used in the Long Term Tax Law, all in accordance with N.J.S.A. 40A:20-8 (the "Exemption Application"), which Exemption Application was accepted and approved pursuant to resolution of the Borough Council duly adopted on February 2, 2006; and

WHEREAS, the Borough and the Redeveloper Urban Renewal Entity shall enter into an agreement (the "Financial Agreement", which is attached hereto in substantially final form as Exhibit A) to provide for, among other things, a tax exemption for the Phase I Redevelopment Project and the payment of Annual Service Charges (as such term is defined in the Financial Agreement); and

WHEREAS, pursuant to the terms of the Financial Agreement, certain of such Annual Service Charges shall be pledged to the payment of the principal of and interest on any bonds issued, whether by the Borough or any other authorized government entity, including without limitation a redevelopment agency established in accordance with the Redevelopment Law, to finance the all or a portion of the costs of the Phase I Remediation Project; and

WHEREAS, pursuant to the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-68, Annual Service Charges to be made by the Redeveloper Urban Renewal Entity pursuant to the terms of the Financial Agreement shall, upon the recordation of the Financial Agreement and this Ordinance, constitute a municipal lien within the meaning, and for all purposes, of law; and

WHEREAS, pursuant to the provisions of the New Jersey Environmental Infrastructure Trust Financing Program (the "Program"), established pursuant to the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State (the "Trust Act", as codified in N.J.S.A. 58:11B-1 et seq.), funds may be available for the purpose of financing certain water quality improvement projects eligible for inclusion in the Program ("Program Eligible Projects"); and

WHEREAS, as a project that provides water quality improvements, all or a portion of the Phase I Remediation Project may qualify under the Program and the Trust Act as a Program Eligible Project, subject to a final determination made by New Jersey Environmental Infrastructure Trust (the "Trust") and the New Jersey Department of Environmental Protection (the "DEP"); and

WHEREAS, in order to take advantage of the Program, a local government entity must act as the project sponsor (the "Project Sponsor") for the Redeveloper Urban Renewal Entity in connection with the Redeveloper Urban Renewal Entity's implementation of the Phase I Remediation Project; and

WHEREAS, on February 1, 2001, and in accordance with the Redevelopment Law, specifically N.J.S.A. 40A:12A-11, the Borough finally adopted Ordinance No. 01-1, which established the Carteret Redevelopment Agency (the "Agency") as an instrumentality of the Borough; and

WHEREAS, on March 3, 2005, the Agency, acting as Project Sponsor for the Redeveloper Urban Renewal Entity at the direction of the Borough, submitted the "New Jersey Environmental Infrastructure Financing Program Application for Financial Assistance" to the Trust and DEP, respectively; and

432

B05863P0430

05712-00095

NO. 06-08

ILLEGIBLE ORIGINAL
Middlesex County Clerk

PAGE 4

WHEREAS, the Agency desires to finance all or a portion of the costs of the Phase I Remediation Project, on a non-recourse basis to the Agency and acting solely as Project Sponsor on behalf of the Redeveloper Urban Renewal Entity, from (i) the proceeds of a loan (the "Trust Loan") from the Trust to the Agency, the terms of which shall be established pursuant to a loan agreement by and between the Trust and the Agency (the "Trust Loan Agreement"), such Trust Loan to be secured by a bond issued by the Agency to the Trust (the "Trust Loan Bond"), and (ii) the proceeds of a loan (the "Fund Loan") from the State, acting by and through the DEP (the "Fund") to the Agency, the terms of which shall be established pursuant to a loan agreement by and between the State, acting by and through the DEP, and the Agency (the "Fund Loan Agreement") and together with the Trust Loan Agreement, the "Program Loan Agreements", such Fund Loan to be secured by a bond issued by the Agency to the Fund (the "Fund Loan Bond") and together with the Trust Loan Bond, the "Agency Conduit Loan Bonds"; and

WHEREAS, the Agency will in turn (i) lend the proceeds from the Trust Loan Bond to the Redeveloper Urban Renewal Entity (the "Redeveloper Trust Loan"), the terms of which shall be established pursuant to a loan agreement by and between the Agency and the Redeveloper Urban Renewal Entity (the "Redeveloper Trust Loan Agreement"), such Redeveloper Trust Loan to be secured by a promissory note issued by the Redeveloper Urban Renewal Entity to the Agency (the "Redeveloper Trust Note") and (ii) lend the proceeds of the Fund Loan Bond to the Redeveloper Urban Renewal Entity (the "Redeveloper Fund Loan"), the terms of which shall be established pursuant to a loan agreement by and between the Agency and the Redeveloper Urban Renewal Entity (the "Redeveloper Fund Loan Agreement"), such Redeveloper Fund Loan to be secured by a promissory note issued by the Redeveloper Urban Renewal Entity to the Agency (the "Redeveloper Fund Note"); and

WHEREAS, prior to, and in anticipation of, the issuance of the Agency Conduit Loan Bonds, the Agency may issue short-term notes directly to the Trust, which short-term notes shall bear interest at zero percent (0%), as permitted under the Program (the "Trust Interim Note", and together with the Agency Conduit Loan Bonds, the "Project Sponsor Conduit Loan Bonds"); and

WHEREAS, the Agency will in turn lend the proceeds from the Trust Interim Note to the Redeveloper Urban Renewal Entity (the "Redeveloper Trust Interim Loan", and together with the Redeveloper Trust Loan and the Redeveloper Fund Loan, the "Redeveloper Loan"), the terms of which shall be established pursuant to a loan agreement by and between the Agency and the Redeveloper Urban Renewal Entity (the "Redeveloper Trust Interim Loan Agreement") and together with the Redeveloper Trust Loan Agreement and the Redeveloper Fund Loan Agreement, the "Redeveloper Loan Agreements", such Redeveloper Interim Trust Loan to be secured by a promissory note issued by the Redeveloper Urban Renewal Entity to the Agency (the "Redeveloper Interim Trust Note" and together with the Redeveloper Trust Note and the Redeveloper Fund Note, the "Redeveloper Notes"); and

WHEREAS, the Trust Interim Note is anticipated to be paid from the proceeds of the Agency Conduit Loan Bonds; and

WHEREAS, pursuant to the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-67(c), the Borough shall assign, for the benefit of the Agency and as security for the Project Sponsor Conduit Loan Bonds, all of the Borough's right, title and interest in and to the Pledged Annual Service Charges, as such term is defined herein (the "Borough Assignment"); and

WHEREAS, any amounts received by the Agency pursuant to the Borough Assignment shall be credited against any amounts due and owing by the

433
B05863P0433

05712-00096

No. 06-08

PAGE 5

ILLEGIBLE ORIGINAL
Middlesex County Clerk

Redeveloper Urban Renewal Entity to the Agency pursuant to the Redeveloper Loan Agreements; and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, including without limitation, Sections 11.06(f) and 11.16, Panattoni Investments, LLC, a California limited liability company (the "Guarantor"), who has an equity ownership interest, whether direct or indirect in the Redeveloper Urban Renewal Entity, shall enter into an agreement with the Agency, to which the Borough shall be a third-party beneficiary, whereby the Guarantor shall guaranty the full, prompt and unconditional payment when due of any payments of the Redeveloper Urban Renewal Entity due and owing to the Agency pursuant to the Redeveloper Loan Agreements (the "Panattoni Agency Guaranty Agreement"); and

WHEREAS, as additional security for the Project Sponsor Conduit Loan Bonds and as authorized pursuant to the Redevelopment Law, specifically N.J.S.A. 40A:12A-41, the Borough shall contribute, donate, grant or otherwise pay to the Agency the Borough Incremental Land Taxes, as such term is defined in the Financial Agreement, pursuant to the terms of an agreement by and between the Borough and the Agency (the "Contribution Agreement"); and

WHEREAS, the Borough shall fully, unconditionally and irrevocably guaranty, the punctual payment, when due, of the principal of, redemption premium, if any, and interest on the Project Sponsor Conduit Loan Bonds in a total original aggregate principal amount not to exceed \$38,500,000 at any one time outstanding in accordance with (i) the terms of the guaranty ordinance to be finally adopted by the Borough Council (the "Guaranty Ordinance") and (ii) a guaranty certificate to be executed by an authorized officer of the Borough on the face of each Project Sponsor Conduit Loan Bond (the "Guaranty Certificate" and together with the Guaranty Ordinance, the "Borough Guaranty"), all pursuant to the Redevelopment Law, Redevelopment Bond Law and the Local Bond Law; and

WHEREAS, in consideration for the Borough Guaranty, the Redeveloper Urban Renewal Entity shall pay to the Borough a fee (the "Borough Guaranty Fee") pursuant to the terms of an agreement by and between the Borough and the Redevelopment Urban Renewal Entity (the "Borough Guaranty Fee Agreement"); and

WHEREAS, the Project Sponsor Conduit Loan Bonds shall be special, limited obligations of the Agency, payable solely from and secured by the Agency's interest in the Redeveloper Note, the Borough Assignment, the Panattoni Agency Guaranty Agreement, the Contribution Agreement and the Borough Guaranty; and

WHEREAS, on June 22, 2005, as a condition precedent to the issuance of any and all of the Project Sponsor Conduit Loan Bonds and in accordance with all applicable law, including without limitation, N.J.S.A. 40A:5A-6, N.J.S.A. 58:11B-9(e) and N.J.S.A. 40A:12A-67(g), the Agency submitted an application (the "Local Finance Board Application") to the Local Finance Board in the Division of Local Government Services of the State's Department of Community Affairs (the "Local Finance Board") for the Local Finance Board's approval of the issuance of the Project Sponsor Conduit Loan Bonds and related financial instruments; and

WHEREAS, the Local Finance Board, at a meeting held on August 10, 2005, did issue favorable findings with respect to the Project Sponsor Conduit Loan Bonds and the Borough Guaranty; and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, including without limitation Section 11.06(p) and 11.16, the Guarantor shall

434
B05863P0434

05712-00097

ILLEGIBLE ORIGINAL
Middlesex County Clerk

enter into an Agreement with the Borough whereby the Guarantor shall guaranty, inter alia, the prompt and full payment of any "buffer" and or deductible required under any Remediation Performance and Payment Bond, Cost Cap Insurance or any other insurance required to be obtained by the Redeveloper pursuant to the terms of the Redevelopment Agreement (the "Patrioti Borough Guaranty Agreement"); and

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

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Borough Council of the Borough of Carteret, County of Middlesex, New Jersey (not less than two-thirds of all members thereof affirmatively concurring), as follows:

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

Section 2. Upon the execution of the Financial Agreement as contemplated herein, the Authorized Officers and the Borough Clerk are each hereby severally authorized and directed to file and record this ordinance and the Financial Agreement with the Middlesex County Clerk such that the Financial Agreement and this ordinance shall be reflected upon the land records of the County of Middlesex as a lien upon and a covenant running with each and every parcel of land constituting the Phase I Redevelopment Project Site. Pursuant to and in accordance with the provisions of the Redevelopment Bond Law, specifically N.J.S.A. 40A:12A-68(c), and notwithstanding any other law to the contrary, upon recordation of both this ordinance and the Financial Agreement, the lien thereof shall be perfected for all purposes in accordance with law and the lien shall thereafter be superior to all non-municipal liens thereafter recorded or otherwise arising, without any additional notice, recording, filing, continuation filing or action, until the payment in full of all of the Project Sponsor Conduit Loan Bonds.

Section 3. The Authorized Officers of the Borough are hereby further severally authorized and directed to (i) execute and deliver, and the Borough Clerk is hereby further authorized and directed to attest to such execution and to affix the corporate seal of the Borough to, any document, instrument or certificate deemed necessary, desirable or convenient by the Authorized Officers or the Borough Clerk, as applicable, in their respective sole discretion, after consultation with the Borough Consultants, to be executed in connection with the execution and delivery of the Financial Agreement and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of such such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

435
B05863P0435

05712-00098

02/28/2006 13:47 FAX 732 541 8925

BORO OF CARTERET CLERK

0014

EXHIBIT A

FORM OF FINANCIAL AGREEMENT

426
B05863P0436

~~05712-00099~~

ND. 05-08

PAGE 7

Section 4. This ordinance shall take effect upon final passage and publication as required by law.

ILLEGIBLE ORIGINAL
Middlesex County Clerk

Resolution # 06-08 Ordinance # 06-08

Adopted this 16th day of February
2006

and certified as a true copy of an

original on February 17, 2006.

Kathleen M. Barney
KATHLEEN M. BARNEY, Borough Clerk

DO NOT USE SPACE BELOW THIS LINE

RECORD OF COUNCIL VOTE

COUNCILMAN	YES	NO	NV	A.B.	COUNCILMAN	YES	NO	NV	A.B.
BEJINO	X				WALKER				X
DIAZ	X				RICE	X			
KRUM	X				STANZ	X			

X - Indicates Vote AB - Absent NV - Not Voting XOS - Indicates Vote to Override Vote

Adopted on first reading of the Council of the Borough of Carteret, N.J., on February 2, 2006

Adopted on second reading after hearing on FEBRUARY 16, 2006

APPROVED BY

MAYOR

MUNICIPAL CLERK

437
B05863P0437

05712-00100

Exhibit C

Formation Documents of Urban Renewal Entity

438
805863P0438

~~05712 00101~~

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS ON FILE OF "TITAN-PDC CARTERET URBAN RENEWAL, LLC" AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

CERTIFICATE OF FORMATION, FILED THE EIGHTH DAY OF JULY, A.D. 2003, AT 8:32 O'CLOCK P.M.

CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "TITAN-PDC CARTERET, LLC" TO "TITAN-PDC CARTERET URBAN RENEWAL, LLC", FILED THE EIGHTEENTH DAY OF SEPTEMBER, A.D. 2003, AT 6:09 O'CLOCK P.M.

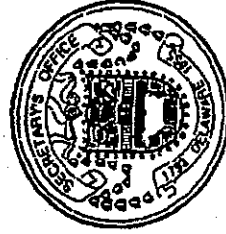
CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "TITAN-PDC CARTERET URBAN RENEWAL, LLC" TO "TITAN-PDC CARTERET, LLC", FILED THE THIRTIETH DAY OF JANUARY, A.D. 2004, AT 6:12 O'CLOCK P.M.

CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "TITAN-PDC CARTERET, LLC" TO "TITAN-PDC CARTERET URBAN RENEWAL, LLC", FILED THE THIRTIETH DAY OF MARCH, A.D. 2005, AT 12:55 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID

CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE

AFORESAID LIMITED LIABILITY COMPANY, "TITAN-PDC CARTERET URBAN RENEWAL, LLC".



3679431 8100H

060638501

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 4876326

DATE: 07-05-06

B05863P0439

~~05712-00102~~

STATE of DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE of FORMATION

FIRST: The name of the limited liability company is Titan-PDC Carteret, LLC.

SECOND: The address of its registered office in the State of Delaware is 1209 Orange Street in the City of Wilmington, County of New Castle. The name of its Registered Agent at such address is The Corporation Trust Company.

THIRD: The latest date on which the limited liability company is to dissolve is December 31, 2078.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of Titan-PDC Carteret, LLC this 8th day of July, 2003.

Peter E. von Elten /s/
Peter E. von Elten, Authorized Person

State of Delaware
Secretary of State
Division of Corporations
Received 09:50 PM 07/08/2003
FILED 08:32 PM 07/08/2003
030449865 - 3679431 FILE

C:\TEMP\TITAN\FOC-FRMTN.CTF.DOC

440
B05863P0440

05712-00103

STATE of DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE OF AMENDMENT TO
CERTIFICATE of FORMATION

FIRST: The name of the limited liability company is Titan-PDC Carteret, LLC.

SECOND: Article one is hereby revised to state: "The name of the limited liability is Titan-PDC Carteret Urban Renewal, LLC."

IN WITNESS WHEREOF, the undersigned has executed this Amended Certificate of Formation of Titan-PDC Carteret, LLC this 18th day of September, 2003.

/s/ Carl D. Panattoni
Carl D. Panattoni, Trustee of Panattoni Living
Trust, date April 8, 1998, Managing Member
of Panattoni Investments, LLC, Managing
Member of Carteret PDC, LLC, Managing
Member

C:\TEMP\TIANPDC-AMD.CTF\DOC

441
B05863P0449

05712-00104

STATE of DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE OF SECOND AMENDMENT TO
CERTIFICATE of FORMATION

FIRST: The name of the limited liability company is Titan-PDC Carteret Urban Renewal, LLC.

SECOND: Article one is hereby revised to state: "The name of the limited liability is Titan-PDC Carteret, LLC."

THIRD: All other matters set forth in the Certificate of Formation are hereby restated.

IN WITNESS WHEREOF, the undersigned has executed this Second Amended Certificate of Formation of Titan-PDC Carteret Urban Renewal, LLC this 1st day of December, 2003.

/s/ David Hagan
David Hagan, Sole Member of Hagan
Investments, LLC, Managing Member of
Carteret PDC, LLC, Managing Member

C:\TEMP\TITANPDC-AMDC\CTE.DOC

442
B05863P0442
05712-00105

MAR 30 2005 11:30

#3236 P.002/003

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:27 PM 03/30/2005
FILED 12:55 PM 03/30/2005
SRV 050258499 - 3679431 FILE

ILLEGIBLE ORIGINAL
Middlesex County Clerk

STATE OF DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE OF THIRD AMENDMENT TO
CERTIFICATE OF FORMATION

FIRST: The name of the limited liability company is Titan-PDC Carteret, LLC.

SECOND: Article One is hereby revised to state: "The name of the limited liability is Titan-PDC Carteret Urban Renewal, LLC".

THIRD: All other matters set forth in the Certificate of Formation are hereby restated.

FOURTH: The Certificate is further amended to include the following provisions:

- a. The purpose for which the limited liability company is formed shall be to operate under New Jersey Statutes Annotated ("N.J.S.A.") 40A:20-1 et seq. and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan and as further defined in the Redevelopment Agreement By and Among the Borough of Carteret, New Jersey, as Redevelopment Entity, and Titan-PDC Carteret, LLC, a Delaware limited liability company, as Redeveloper, Execution Date: as of February 6, 2004 ("Redevelopment Agreement"), and to acquire, plan, develop, construct, alter, maintain or operate 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 N.J.S.A. 40A:20-1 et seq.
- b. So long as the entity is obligated under financial agreement with the Borough of Carteret ("Borough") made pursuant to N.J.S.A. 40A:20-1 et seq., it shall engage in no business other than the ownership, operation and management of the project as defined in the Redevelopment Agreement.
- c. The entity has been organized to serve a public purpose, and its operations shall be directed toward: (1) the redevelopment of redevelopment areas; (2) the acquisition, management and operation of a project under N.J.S.A. 40A:20-1 et seq.; and (3) that it shall be subject to regulation by the Borough 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 subject to N.J.S.A. 40A:20-1 et seq.
- d. The entity shall not voluntarily transfer more than 10% of the ownership of the project or any portion thereof undertaken by it under N.J.S.A. 40A:20-1 et seq., until it has first removed both itself and the project from all restrictions of N.J.S.A. 40A:20-1 et seq. in the manner required by N.J.S.A. 40A:20-1 et seq. and, with the exception of transfer to another urban renewal entity, as approved by the Borough 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. The entity shall file annually with the

443 05742-00106
B05863P0443

Borough 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 ten percent (10%), is disclosed to the Borough governing body in the annual disclosure statement or in correspondence sent to the Borough in advance of the annual disclosure statement referred to above.

e. The is subject to the provisions of section N.J.S.A. 40A:20-18 respecting the power of the Borough to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

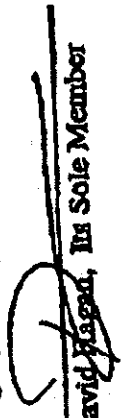
f. The entity is subject to the provisions of section N.J.S.A. 40A:20-18 respecting the powers of the Borough to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

IN WITNESS WHEREOF, the undersigned has executed this Third Amended Certificate of Formation of Titan-PDC Carteret, LLC this 2nd day of December, 2004.

TTTAN-PDC CARTERET, LLC, a Delaware Limited Liability Company

By: CARTERET PDC, LLC, a Delaware Limited Liability Company

By: Hagan Investments, LLC,
a Colorado Limited Liability Company.
Its Managing Member

By:  David Hagan, Its Sole Member

Delaware

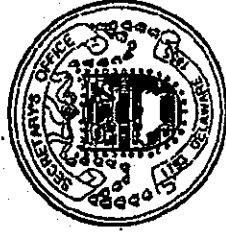
PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "TITAN-PDC CARTERET URBAN RENEWAL, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FIFTH DAY OF JULY, A.D. 2006.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "TITAN-PDC CARTERET URBAN RENEWAL, LLC" WAS FORMED ON THE EIGHTH DAY OF JULY, A.D. 2003.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.



3679431 8300
060638501

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 4876325

DATE: 07-05-06

05712-00108

445
805863P0445

STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
FILING CERTIFICATION (CERTIFIED COPY)

TITAN-PDC CARTERET URBAN RENEWAL, LLC

I, the Treasurer of the State of New Jersey,
do hereby certify, that the above named business
did file and record in this department the below
listed document(s) and that the foregoing is a
true copy of the
Registration Of Foreign Limited Liability Company
Certificate Of Amendment
as the same is taken from and compared with the
original(s) filed in this office on the date set
forth on each instrument and now remaining on file
and of record in my office.



IN TESTIMONY WHEREOF, I have
hereunto set my hand and
affixed my Official Seal
at Trenton, this
11th day of July, 2006

Bradley Abelow

Bradley Abelow
State Treasurer

446
B05863P0446

05712-00109

ILLEGIBLE ORIGINAL
Middlesex County Clerk

Mailed in
FD-360 (Rev. 11/92)
Trenton, NJ 08646-1001

STATE OF NEW JERSEY
DIVISION OF REVENUE

Overnight in
3rd Floor
Trenton, NJ 08646-1001

PUBLIC RECORDS FILING FOR NEW BUSINESS ENTITY
(For Required)

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

1. Business Name: Titan-PDC Carteret, LLC

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

3. Business Purpose: Redevelopment
(See Instructions, Page 22, Item 3)

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

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

6. Duration (if indefinite or Perpetual, leave blank):
Until December 31, 2078

7. Date of Formation/Incorporation (Foreign Entities Only):
July 8, 2003

8. Contact Information:
Registered Agent Name: Paul Slayton

Registered Office:
(Must be a New Jersey street address)
Street 500 Main Street

Main Business or Principal Business Address:

City Fort Lee, NJ

Street 500 Main Street

City Fort Lee

State NJ

Zip 07024

9. Management (Domestic Corporations and Limited Partnerships Only)

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

Name

Street Address

City

State

Zip

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

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

Name

Street Address

City

State

Zip

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

Signature

Name

Title

Date

David Egan
Sole Member
Egan Investments, LLC,
Member Number 01
Carteret PDC, LLC,
Managing Member

Signature

813600723

82609001

0600193739

FEB 09 2004 13:31

6095381130

PAGE 04

447
B05863P0449

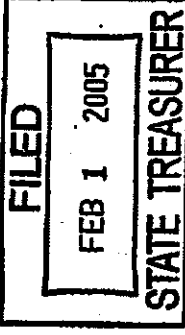
05712-00110



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS

RICHARD J. CODEY
Acting Governor

SUSAN BASS LEVIN
Commissioner



DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: TITAN-PDC CARTERET URBAN RENEWAL, LLC
File # 597
An Urban Renewal Entity

This is to certify that the attached CERTIFICATE OF AMENDMENT TO REGISTRATION OF FOREIGN LIMITED LIABILITY COMPANY 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 21st day of Jan 2005 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY William M. Connolly
William M. Connolly, Director
Division of Codes and Standards

The attached Certificate of Amendment to Registration of Foreign Limited Liability Company has been reviewed and approved as to form.

Attorney General of New Jersey

DATE 1/13/05 BY Leslie S. Lefkowitz
Deputy Attorney General

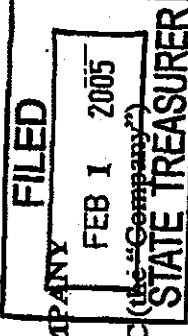


New Jersey Is An Equal Opportunity Employer • Printed on Recycled Paper and Recyclable

0600192739

448 05712 00111
B05863P0448

**CERTIFICATE OF AMENDMENT TO
REGISTRATION OF FOREIGN LIMITED LIABILITY COMPANY**



FIRST: The name of the limited liability company is Titan-PDC Carteret, LLC (the "Company"). The New Jersey identification number for the Company is 0600192739.

SECOND: Article One is hereby revised to state: "The name of the limited liability is Titan-PDC Carteret Urban Renewal, LLC".

THIRD: All other matters set forth in the Company's Registration of Foreign Limited Liability Company are hereby restated.

FOURTH: The Certificate is further amended to include the following provisions:

- a. The purpose for which the Company is formed shall be to operate under New Jersey 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 of 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.).
- b. So long as the Company is obligated under financial agreement with the Borough of Carteret ("Borough") 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.
- c. 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; (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 Borough 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 subject to P.L. 1991 c. 431 (C. 40A:20-1 et seq.).
- d. 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 Comm'r. of Community Affairs to such transfer, and with the exception of transfer to another urban renewal entity, as approved by the Borough 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. The Company shall file annually with the

42552330

1510912
2860850

0600192739

449
B05863P0449

05712-00112

Borough 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 ten percent (10%), is disclosed to the Borough governing body in the annual disclosure statement or in correspondence sent to the Borough in advance of the annual disclosure statement referred to above.

e. The is subject to the provisions of section N.J.S.A. 40A:20-18 respecting the powers of the Borough to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

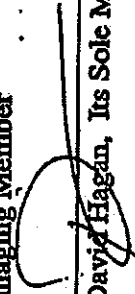
f. Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community affairs.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Amendment To the Registration of Foreign Limited Liability Company of Titan-PDC Carteret, LLC on this 2nd day of December, 2004.

TITAN-PDC CARTERET, LLC, a Delaware Limited Liability Company

By: CARTERET PDC, LLC, a Delaware Limited Liability Company

By: Hagan Investments, LLC,
a Colorado Limited Liability Company,
Its Managing Member

By: 
David Hagan, Its Sole Member

805863P0448

05712-00113

STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
SHORT FORM STANDING

TITAN-PDC CARTERET URBAN RENEWAL, LLC

0600192739

With the Previous or Alternate Name

TITAN - PDC CARTERET, LLC (Previous Name)

I, the Treasurer of the State of New Jersey, do hereby certify that the above-named Delaware Foreign Limited Liability Company was registered by this office on February 9, 2004.

As of the date of this certificate, said business continues as an active business in good standing in the State of New Jersey, and its Annual Reports are current.

I further certify that the registered agent and registered office are:

Paul Slayton
C/O Panattoni Development Company
180 Raritan Center Parkway, 1st Fl.
Edison, NJ 08837

Continued on next page . . .

805863P0449 451 05712-00114

STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
SHORT FORM STANDING

TITAN-PDC CARTERET URBAN RENEWAL, LLC



IN TESTIMONY WHEREOF, I have
hereunto set my hand and
affixed my Official Seal
at Trenton, this
6th day of July, 2006

Bradley Abelow

Bradley Abelow
State Treasurer

B05863P0452 05712-00115

**STATE OF NEW JERSEY
BUSINESS REGISTRATION CERTIFICATE****Taxpayer Name:** TITAN-PDC CARTERET URBAN RENEWAL LLC**Trade Name:****Address:** 500 MAIN ST

FORT LEE, NJ 07024

Certificate Number: 1043925**Date of Issuance:** August 08, 2006**For Office Use Only:**

20060808140108539

~~05712-00116~~https://www1.state.nj.us/TYTR_BRC/servlet/common/BRCLLogin

453 8/8/2006

R05863P0453

Exhibit D

Legal Description of the Phase I Project Site

<u>Lot #</u>	<u>Block #</u>
17	11.01
17.02	11.01
18	11.01
Part of Lot 19	11.01
Part of Lot 20 (including the Driftway)	11.01
23.01	11.01
23.02	11.01
24	11.01
25.01	11.01
25.02	11.01
26	11.01
29	11.01
29.02	11.01
30	11.01
31.01	11.01
31.02	11.01
33	11.01
33.02	11.01
34	11.01
34.02	11.01
35	11.01
36	11.01

⁴⁵⁴ 05712-00117
B05863P0454

37	11.01
38	11.01
39	11.01
40	11.01
41	11.01
42	11.01
43	11.01
44	11.01
45	11.01
46	11.01
47	11.01
49	11.01
50	11.01
52	11.01
58	11.01
60	11.01

Unnamed Street

805863P045⁴⁵⁵

~~05712-00118~~

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

The foregoing instrument was acknowledged before me this ____ day of August, 2006, by the BOROUGH OF CARTERET (the "Borough"), a municipal corporation of the State of New Jersey, by Daniel J. Reiman, its Mayor, on behalf of the Borough.

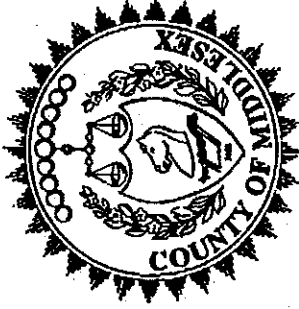
Notary Public

Commission Expiration: _____

456
805863P0456

~~05712-00119~~

STATE OF NEW JERSEY



COUNTY OF MIDDLESEX

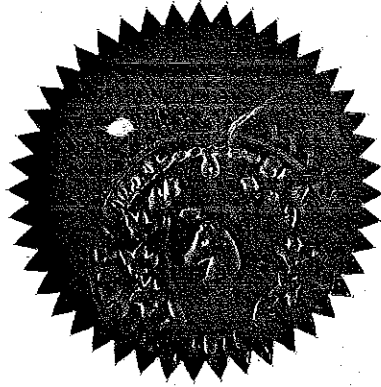
I, Elaine M. Flynn, Clerk of the County of Middlesex do hereby certify that the foregoing is a true, full and complete copy of deed

BOROUGH OF CARTERET

TO

TITAN-PDC CARTERET URBAN RENEWAL, LLC

as the same is now of record in the Clerk's Office of Middlesex County in
Book5863 ofDEED Page334
File5712 RE-RECORD No.01



WITNESS MY HAND, and official Seal of
said Court at New Brunswick, this 26TH
day of SEPTEMBER 2007

Elaine M. Flynn

ELAINE M. FLYNN, MIDDLESEX COUNTY CLERK