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A Delaware Limited Liability Partnership

CALIFORNIA
DELAWARE
ILLINOIS
NEW JERSEY
NEW YORK
PENNSYLVANIA
WASHINGTON DC
WISCONSIN

Andrew B. Joseph
Partner responsible for Florham Park Office

Established 1849

December 20, 2013

VIA FEDERAL EXPRESS

Honorable Daniel J. Reiman
Borough of Carteret
Memorial Municipal Building
61 Cooke Avenue
Carteret, New Jersey 07008

Re: 50 Bryla Street - PILOT Application

Dear Mayor Reiman:

On behalf of 50 Bryla Urban Renewal, LLC, I am pleased to submit the enclosed application for tax exemption pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et. seq.

Please do not hesitate to contact me if you have any questions or require additional information. Thank you for your consideration and your time and attention to this matter.

Very truly yours,

Andy S. Norin

Enclosure

cc: Kevin P. McManimon, Esq. (w/ enclosure) (via email & regular mail)
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, New Jersey 07068

Ms. Kim Stirba-Reynolds (w/o enclosure) (via email)
Mr. Donald J. Engels (w/o enclosure) (via email)

APPLICATION FOR

LONG TERM TAX EXEMPTION

Overview of application contents:

- Section I – General instructions regarding the completion of the application
- Section II – Identification of the applicant
- Section III – Detailed description of the Project
- Section IV – Type of exemption and term requested
- Representations and certifications required by statute
- Signature by the applicant
- Exhibits

I. Instructions:

Please complete this application in its entirety and attach all required supporting documentation. Incomplete applications will be returned and may significantly delay the tax exemption authorization process or cause the application to be denied.

Important notes:

1) Certain documents required in this application must be prepared by qualified professionals other than the applicant. In particular, survey documents must be signed and sealed by a licensed surveyor, site plan documents must be signed and sealed by a professional engineer and detailed cost estimates must be certified by a licensed engineer or architect.

2) Under New Jersey law, applicants for long-term exemption must be organized as an Urban Renewal Entity as certified by the New Jersey Department of Community Affairs.

3) The application must be accompanied by a proposed form of financial agreement. Please ensure that the financial agreement attached to this application is appropriate to the type of project for which you are seeking an exemption.

Completed applications, including the application fee, should be submitted to:

Daniel J. Reiman, Mayor
Borough of Carteret
Memorial Municipal Building
61 Cooke Avenue
Carteret, NJ 07008

If you have any questions regarding the application or the tax exemption process, please contact:

Kevin P. McManimon, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, NJ 07068
(973) 622-4869
kmcmanimon@msbnj.com

II. Developer Identification:

A. Name of Applicant:

50 Bryla Urban Renewal, LLC

B. Principal Address:

c/o The Hampshire Companies, 22 Maple Avenue, Morristown, NJ 07960

C. Type of Entity (check one)

______**Corporation** __X__**LLC** ______**Partnership** ______**Other (please specify)**

____

D. Contact Information

1.) **Name of Primary Contact:** Kim Stirba-Reynolds, Senior Investment Manager

2.) **Contact Numbers:**

a. **Phone:** 973-734-4233

b. **Fax:** ____________________

c. **Email:** kstirba@hampshireco.com

E. Name and Address of Statutory Agent:
Please list the name and address of the entity upon whom a legal process can be served:

50 Bryla Urban Renewal, LLC

c/o The Hampshire Companies

22 Maple Avenue

Morristown, New Jersey 07960

____

F. Federal Tax Identification Number:

383805601

G. Disclosure of Ownership:

New Jersey law (NJSA 52:25-24.2) requires that all corporations and partnerships seeking a public contract submit a list of the names and addresses of all principals who own more than 10% of any class of stock, or 10% or more of the total stock (if a corporation), or 10% or more of the partnership. In addition, if the Developer has, as one or more of its owners, a corporation or partnership, the ownership of those entities must be similarly disclosed, and that process shall continue down the entire chain of ownership until the names and addresses of every unincorporated stockholder and/or individual partner is disclosed.

Please provide the necessary information utilizing the form provided with Exhibit 1 of this application.

H. Certificates of Incorporation and Approval:

Please provide a copy of the approved certificate of incorporation or formation by the State of New Jersey for the entity applying for the exemption. Attach the certificate as Exhibit 2.

Also include a copy of the certificate of approval of the urban renewal entity issued by the State of New Jersey Department of Community Affairs. Attach that certificate as Exhibit 3. (The only projects exempt from this requirement are low and moderate income housing projects located outside a designated redevelopment area.)

I. Authorization to Submit Application:

Please provide a certified copy, bearing the seal of the urban renewal entity, of a company resolution authorizing submission of the application in the form provided as Exhibit 4 of this application.

III. Project Description:

A. Applicant's Ownership Interest in the Project:

_X___Conventional (Fee Simple)　　　　　　______Condominium

B. Project Type (Please check all that apply):

___Residential; ___Retail; ___Office; ___Manufacturing; _X_Distribution Facility; ___Hotel

Other (Specify):_____There will likely be a small office component in the building, which will be based on the requirements of the future tenant.

If the project involves more than one type of usage, indicate the percentage that each usage bears to the overall project measured using square feet of gross area:

___% Residential; ___% Retail; ___% Office; ___% Manufacturing; ___% Distribution Facility;

___% Hotel; ___% Other (specify here ______________________________)

C. Marketing Expectation:

_____ For Sale　　_X_ For Lease　　____ Both

D. Project Location:

1. Provide all street addresses by which the project site is currently known:

Address #1: 50 Bryla Street, Carteret, New Jersey 07008

Address #2:____

Address #3:____

Address #4:____

Use additional sheets if necessary

2. Provide all tax lots that comprise the project site. Designate lots as they appear on the official maps of the Tax Assessor as of the date of this application (i.e. prior to any subdivision associated with the project):

Block 2705 Lots: 4

Block _______ Lots:____________________________________

Block _______ Lots:____________________________________

Use additional sheets if necessary

3. Metes and Bounds Description:

Please attach the metes and bounds description of the project site as Exhibit 5 of this application.

4. Survey:

Please attach survey of the project site as Exhibit 6 of this application. If a survey has not yet been completed, a plotting on the official tax map may be provided at this time. A certified survey will be required prior to execution of any financial agreement.

E. Deed or Lease Agreement:

Please attach a copy of the deed or lease agreement for the property as Exhibit 7 confirming that the project is under the control of the applicant.

F. Purpose of Project:

Please check all that apply:

1. This project is located within an officially designated "area in need of development."
   __X__ Yes ____ No

2. This project is located within an Urban Enterprise Zone.
   __X__ Yes ____ No

3. This Project is intended to provide housing to low and/or moderate income households:
   ____ Yes __X__ No

   Please indicate the number of units of each type listed below, as appropriate.

   Number of units for low income households ______
   Number of units for moderate income households ________
   Number of market rate units _______
   Total number of residential units _________

4. This Project is intended to provide housing to households relocated as a result of a redevelopment project: _____Yes ___X___No

5. This Project is intended as a means to implement the objectives set forth in an adopted Redevelopment Plan: ___X___Yes ______No

6. If the answer to questions 3 through 5 of this section was "No", please indicate the purpose of the Project:

____

____

H. Narrative Description of Project:

Provide a brief narrative description of the project, including the height and bulk of proposed improvements, type of construction materials to be used and expected square foot area of each proposed use. Indicate the number and type of each unit to be constructed as part of the project and whether the project will be restricted to any group or groups on the basis of age or income. Include maps, renderings, floor plans and other graphic materials if available. Attach this description as Exhibit 8 of this application

I. Current Conditions:

1. Provide a brief description of any improvements that are in place currently on the project site and indicate which if any are expected to be reused as part of the project.. Attach extra pages as needed.

Applicant is in the process of demolishing the existing building and related improvements.

2. Provide a list with the current tax assessment and the current real property tax levy for each lot included within the project site. Attach extra pages as needed.

Block	Lot	Current Tax Assessment	Current Real Property Tax Levy
2705	4	$8,723,600.00	$265,371.92

3. Provide a list showing the current status of all municipal fees and charges which are currently levied against each lot located within the project site, including, without limitation water charges, sewer charges, permit or license fees, fines and/or penalties. Attach extra pages as needed.

Block	Lot	Current Status of Municipal Fees and Charges (specify type)
2705	4	There are no open water or sewer accounts with respect to the property because the building is vacant and to be demolished.
2705	4	$2,500,000.00 redevelopment fee to the Borough of Carteret in accordance with the Redevelopment Agreement.

J. Site Plan Approval:

Provide a copy of the site plan approved by the Planning Board for the Project. Also provide a copy of the resolution of the Planning Board providing final site plan approval for the project. Attach the site plan as Exhibit 9 of this application and the resolution as Exhibit 10 of this application.

K. Project Cost Estimates

1. Provide a detailed cost breakdown for the project, including both hard and soft costs. <u>The estimate should be certified by a licensed architect or engineer.</u> Attach the completed estimate for the entire Project as Exhibit 11 of this application.

2. For each type of unit to be included within the Project, provide an estimate of the total unit cost for that unit. This may be provided at a summary level, not at the level set forth for the estimate required by section K.1 above. <u>The estimate should also be certified by a licensed architect or engineer.</u> Attach the completed unit estimates as Exhibit 12 of this application.

L. Project Pro-Forma:

Provide a detailed projection of the estimated revenues and expenses for the project. The projections for all rental projects and for the rental component of mixed-use projects should cover the full exemption period. Projections involving the sale of units should be for the period expected to be needed to complete all sales activity. Attach the projection as Exhibit 13 of this application.

M. Project Financing Plan:

1. Provide a detailed explanation of the expected method by which the project will be financed, indicating the amount of equity to be contributed and its source, all public loans and/or grants that are to be used and all private sources of capital. Attach this explanation as Exhibit 14 of this application.

2. Private Financing Commitments: Provide certified copies of any and all letters from public or private sources of capital indicating a commitment to make funds available for the project. Attach these letters as Exhibit 15 of this application.

N. Explanation of the Need for Tax Exemption:

Provide an explanation of why the applicant believes that a long term tax exemption is necessary to make this project economically feasible. Attach the explanation as Exhibit 16 of this application.

O. Project Schedule:

Attach a detailed schedule of the key milestone dates in the approval, construction and leasing or sale of the project as Exhibit 17 of the application.

P. Statement of Project Benefits:

Provide a detailed description of the public benefits that would result from the project. At a minimum, include a projection of the number and type of construction jobs to be created, the number and type of permanent jobs to be created and the amount of municipal revenue to be generated by the project through the payment of taxes, payments in lieu of taxes, water and sewer fees and any other municipal payments. Attach the description as Exhibit 18 of the application.

IV. Exemption Information:

A. Annual Service Charge to be based on: (check one)

_______Annual Gross Revenue (Non-condominium) _______Project Cost

_______Imputed debt service (Condominium)

__X___ (Not Applicable – Redevelopment Area Bond Financing)

B. Term Requested:

__30___Years

C. Proposed Rates and Phases:

Please See Exhibit 20 attached hereto.

D. Form of Financial Agreement:

Attach the proposed form of the financial agreement as Exhibit 19 of the application. The correct form for your project type should be attached to this application. Please note that the final financial agreement provides that a sealed certification by the project architect as to the final project cost must be submitted so that it can be added to the agreement within 60 days after the issuance of the Certificate of Occupancy for the project.

Representations and Certifications:

In submitting the application, the Developer certifies that all of the information is true and accurate to the best of his or her knowledge and further certifies to the following:

A. The project conforms to the Redevelopment Plan that is in effect for the area that includes the project site and with any Redevelopment Agreement as may be in place between the Municipality and the Developer.

B. The Project either 1) conforms to the Master Plan of the Municipality; or 2) to the extent that the Redevelopment Plan is inconsistent with the Master Plan, the Project conforms to the Redevelopment Plan and the Municipal Council, in adopting the Redevelopment Plan, set forth its reasons for adopting a Redevelopment Plan with such inconsistencies.

C. The project will conform to and the applicant(s) agrees to comply with all Federal and State laws and to all applicable municipal ordinances.

D. Except for the demolition of previously existing improvements on the Property, construction of the project has not commenced as of the time of the submission of this application. The applicant understands that the Municipal Council is under no obligation to approve this tax exemption application. Any work done on the assumption of receipt of a tax exemption following the submission of the application and before final approval is undertaken at the risk of the developer. **Note that under no circumstances will an exemption be granted for a project that has already reached substantial completion.**

F. No officer or employee of the Municipality has any interest, directly or indirectly, in the project that is the subject of this application.

Signatures

By my signature below, I hereby submit this application on behalf of the Developer. I certify that all of the information is true and accurate to the best of my knowledge and belief. I am aware that if any of the information provided is willfully false, that I am, subject to prosecution.

For the Developer:

50 BRYLA URBAN RENEWAL, LLC,
a New Jersey limited liability company

By: Hampshire Partners Fund VIII, L.P.,
Its Sole Member

By: Hampshire Partners VIII, LLC,
Its General Partner

By: ______________________
Name: Donald J. Engels
Title: Vice President

Sworn and subscribed to
before me this 19 day of December, 2013.

____

MICHELLE BUSHNAUSKAS
Commission # 2357437
Notary Public, State of New Jersey
My Commission Expires
March 20, 2017

EXHIBITS

The following is a check-list of required exhibits that must be attached to the application:

Exhibit #	Description	Included?
1	Disclosure of Ownership	X
2	Certificate of Formation	X
3	Certificate of DCA Approval of Urban Renewal Entity	X
4	Resolution Authorizing Submission of Application	X
5	Metes and Bounds Description	X
6	Survey	X
7	Copy of Deed or Lease Agreement	X
8	Narrative Description of Project	X
9	Site Plan as Approved by Planning Board	X
10	Site Plan Approval Resolution	X
11	Total Project Cost Estimate	X
12	Cost Estimates for Each Unit Type**	
13	Project Pro-Forma	X
14	Project Financing Plan	X
15	Private Financing Commitments	X
16	Explanation of the Need for Tax Exemption	X
17	Project Schedule	X
18	Summary of Project Benefits	X
19	Form of Financial Agreement	X

*The development of the Project consists of the construction of a warehouse building on the Property. There are no units being developed or constructed in connection with the Project.

EXHIBIT 1-A

DISCLOSURE OF OWNERSHIP

Instructions:

New Jersey law (NJSA 52:25-24.2) requires that all corporations and partnerships seeking a public contract submit a list of the names and addresses of all principals who own more than 10% of any class of stock, or 10% or more of the total stock (if a corporation), or 10% or more of the partnership. In addition, if the Developer has as one or more of its owners a corporation or partnership, the ownership of those entities must be similarly disclosed, and that process shall continue down the entire chain of ownership until the names and addresses of every unincorporated stockholder and/or individual partner with more than a 10% interest is disclosed.

This information must be provided on the forms following these instructions entitled "Disclosure of Ownership." Separate forms should be used for each corporation or partnership included in the chain of ownership. Each form must be signed by an officer of the corporation and be attested to by the secretary (if a corporation) or by all partners (if a partnership). Partnership forms must be notarized as well.

Failure to properly complete this disclosure statement or to submit it as part of the application will be grounds for the application to be rejected.

EXHIBIT 1-B

OWNERSHIP STRUCTURE OF APPLICANT

50 Bryla Urban Renewal, LLC, a New Jersey limited liability company, is wholly owned by Hampshire Partners Fund VIII, L.P., a Delaware partnership ("Fund VIII"). The General Partner of Fund VIII is Hampshire Partners VIII, LLC, a Delaware limited liability company, which is wholly owned by The Hampshire Companies, LLC, a New Jersey limited liability company. Hampshire Partners REIT VIII, Inc., a Maryland corporation, is a limited partner of Fund VIII. There are also other investors that are limited partners of Fund VIII. These other investors, individually and collectively own less than 10% of Fund VIII.

50 Bryla Urban Renewal, LLC,
a New Jersey limited liability company

By: Hampshire Partners Fund VIII, L.P.,
Its Sole Member

By: Hampshire Partners VIII, LLC,
Its General Partner

By: ______________________ 12/18/13
Name: Donald J. Engels Date
Title: Vice President

Attested by: ______________________ 12/18/13
Date

EXHIBIT 2

CERTIFICATE OF FORMATION

State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO BOX 805
TRENTON, NJ 08625-0805

FILED
DEC 13 2013
STATE TREASURER

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

RICHARD E. CONSTABLE, III
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: 50 BRYLA URBAN RENEWAL, LLC
(formerly 50 Bryla, LLC)
File # 1384
An Urban Renewal Entity

This is to certify that the attached CERTIFICATE OF AMENDMENT TO CERTIFICATE OF FORMATION OF AN URBAN RENEWAL ENTITY has been examined and approved by the Department of Community Affairs, pursuant to the power vested in it under the "Long Term Tax Exemption Law," P.L. 1991, c.431.

Done this 4th day of December 2013 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY ______________________
Edward M. Smith, Director
Division of Codes and Standards

CERTIFICATE OF AMENDMENT TO CERTIFICATE OF FORMATION OF 50 BRYLA, LLC

FILED
DEC 13 2013
STATE TREASURER

To: State Treasurer
State of New Jersey

Pursuant to the provisions of Section 42:2B-13 of the New Jersey Revised Statutes, 50 Bryla, LLC, a limited liability company of the State of New Jersey, does hereby execute the following Certificate of Amendment to Certificate of Formation:

FIRST: The name of the limited liability company is 50 Bryla, LLC.

SECOND: The identification number of the limited liability company is 0600379506.

THIRD: The Certificate of Formation is hereby amended as follows:

Article FIRST of the Certificate of Formation is hereby amended to read as follows:

"FIRST. The name of the limited liability company is:

50 Bryla Urban Renewal, LLC (the "LLC")."

Articles FIFTH, SIXTH, SEVENTH, EIGHTH, NINTH, TENTH AND ELEVENTH are hereby added and shall read as follows:

"FIFTH. The purpose for which the LLC is formed shall be to operate under P.L. 1991, c.431 (C.40A:20-1 et. seq.) and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects, and, when authorized by financial agreement with the municipality, to acquire, plan, develop, construct, alter, maintain and/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 improvements 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.).

SIXTH. So long as the LLC is obligated under a financial agreement with the Borough of Carteret made pursuant to P.L.1991, c.431

(C.40A:20-1 et seq.), the LLC shall engage in no business other than the ownership, operation and management of the project.

SEVENTH. The LLC has been organized to serve a public purpose and its operations shall be directed toward: (1) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; and (2) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.). The LLC shall be subject to regulation by the Borough of Carteret, 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.).

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

NINTH. The LLC shall file annually with the governing body of the Borough of Carteret a disclosure of the persons having an ownership interest in the project and the extent of the ownership held by each. Nothing herein shall prohibit any transfer of the ownership interest in the urban renewal entity itself provided that the transfer, if greater than 10 percent, is disclosed to the municipal governing body in the annual disclosure statement or in correspondence sent to the municipality in advance of the annual disclosure statement referred to above.

TENTH. The LLC is subject to the provisions of Section 18 of P.L.1991, c.431 (C.40A:20-1 et seq.) respecting the powers of the Borough of Carteret to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

ELEVENTH. Any housing units constructed or acquired by the LLC 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 Certificate of Formation on the 11th day of November, 2013.

By:
Name: Donald J. Egers
Title: Authorized Representative

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

50 BRYLA URBAN RENEWAL, LLC
0600379506

I, the Treasurer of the State of New Jersey, do hereby certify, that the above named business did file and record in this department a Certificate of Amendment on December 13th, 2013 and that the attached is a true copy of this document as the same is taken from and compared with the original(s) filed in this office and now remaining on file and of record.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal at Trenton, this 16th day of December, 2013

Andrew P Sidamon-Eristoff
State Treasurer

THE GREAT SEAL OF THE STATE OF NEW JERSEY
LIBERTY AND PROSPERITY
1776

Certificate Number: 130537735
Verify this certificate online at
https://www1.state.nj.us/TYTR_StandingCert/JSP/Verify_Cert.jsp

Exhibit 3

Certificate of Approval of Urban Renewal Entity from the New Jersey Department of Community Affairs (DCA)

State of New Jersey

DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO BOX 805
TRENTON, NJ 08625-0805

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

RICHARD E. CONSTABLE, III
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: 50 BRYLA URBAN RENEWAL, LLC
(formerly 50 Bryla, LLC)
File # 1384
An Urban Renewal Entity

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Done this 4th day of December 2013 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY ______________________
Edward M. Smith, Director
Division of Codes and Standards

CERTIFICATE OF AMENDMENT TO CERTIFICATE OF FORMATION OF 50 BRYLA, LLC

To: State Treasurer
State of New Jersey

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"FIFTH. The purpose for which the LLC is formed shall be to operate under P.L. 1991, c.431 (C.40A:20-1 et. seq.) and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects, and, when authorized by financial agreement with the municipality, to acquire, plan, develop, construct, alter, maintain and/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 improvements 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.).

SIXTH. So long as the LLC is obligated under a financial agreement with the Borough of Carteret made pursuant to P.L.1991, c.431

(C.40A:20-1 et seq.), the LLC shall engage in no business other than the ownership, operation and management of the project.

SEVENTH. The LLC has been organized to serve a public purpose and its operations shall be directed toward: (1) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; and (2) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.). The LLC shall be subject to regulation by the Borough of Carteret, 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.).

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

NINTH. The LLC shall file annually with the governing body of the Borough of Carteret a disclosure of the persons having an ownership interest in the project and the extent of the ownership held by each. Nothing herein shall prohibit any transfer of the ownership interest in the urban renewal entity itself provided that the transfer, if greater than 10 percent, is disclosed to the municipal governing body in the annual disclosure statement or in correspondence sent to the municipality in advance of the annual disclosure statement referred to above.

TENTH. The LLC is subject to the provisions of Section 18 of P.L.1991, c.431 (C.40A:20-1 et seq.) respecting the powers of the Borough of Carteret to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

ELEVENTH. Any housing units constructed or acquired by the LLC 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 Certificate of Formation on the 11th day of November, 2013.

By: [signature]
Name: Donald J. Eggers
Title: Authorized Representative

Exhibit 4

RESOLUTION AUTHORIZING SUBMISSION OF APPLICATION

PLEASE TAKE NOTICE that the undersigned, being the Sole Member of 50 Bryla Urban Renewal, LLC, a New Jersey limited liability company (the "Company"), hereby adopts the following resolutions:

RESOLVED that this Company is authorized to submit an application to the Municipality for the provision of a long term tax exemption.

BE IT FURTHER RESOLVED that if this Company's application is accepted by the Municipality, Mark S. Rosen, Senior Vice President of Hampshire Partners VIII, LLC, or any other officer of Hampshire Partners VIII, LLC, as the general partner of Hampshire Partners Fund VIII, L.P., as the sole member of this Company, is authorized to execute and deliver on its behalf, a contract with the Municipality, substantially in the form attached to the application, with such changes thereto as may be negotiated by the parties.

The undersigned hereby certifies that the foregoing Resolution was lawfully adopted by this Company on the date set forth above, that the foregoing Resolution is a true, accurate and complete copy of the Resolution so adopted and placed in the Company's records, and that they are in full force and effect as of the date hereof.

HAMPSHIRE PARTNERS FUND VIII, L.P.

By: Hampshire Partners VIII, LLC,
Its General Partner

By: ______________________
Name: Donald J. Engels
Title: Vice President

Exhibit 5

METES AND BOUNDS DESCRIPTION

Chicago Title Insurance Company

SCHEDULE A "SPECIMEN"
(continued)

File No.: ED-000323-11 Policy No.:

LEGAL DESCRIPTION

ALL that certain lot, parcel or tract of land, situate and lying in the Borough of Carteret, County of Middlesex, State of New Jersey, and being more particularly described as follows:

BEGINNING at a point of intersection formed by the existing northerly line of the Conrail- New Jersey Terminal Branch Right of Way, (variable width ROW), with the existing easterly line of Lot 4 Block 49.01 said adjoining Lot as shown on the aforesaid existing map and from said point running; thence

(1) North 13 degrees 32 minutes 07 seconds East, a distance of 1074.67 feet along the aforesaid existing easterly line of Lot 4 Block 49.01 and beyond, along the existing easterly line of Lot 9 Block 49.01, to a point in the existing southerly line of Lot 3 Block 49.02, said adjoining Lots as shown on the aforesaid map and plan; thence

(2) South 76 degrees 25 minutes 23 seconds East, a distance of 1434.46 feet along the aforesaid existing southerly line of Lot 3 Block 49.02 and beyond, along the southerly line of Lot 4 Block 49.02 and beyond the existing southerly line of Lot 5 Block 49.02 to a point in the existing westerly line of Milik Street (50'row); thence

(3) South 13 degrees 32 minutes 07 seconds West, a distance of 139.25 feet along the westerly line of Milik Street to a point in the westerly terminus of Bryla Street, (50'ROW); thence

(4) South 22 degrees 17 minutes 55 seconds West, a distance of 700.14 feet along the aforesaid westerly terminus of Bryla Street and beyond, along the westerly line of Lot 2 Block 1000, lands now or formerly Conrail-Carteret Industrial Branch No. 1 to point of curvature in the same, said adjoining Lots as shown on the aforesaid map and plat; thence

(5) southwesterly on a curve having a radius of 264.37 feet, and curving to the right an arc length of 295.22 feet, (central angle 63 degrees 58 minutes 54 seconds), still along the westerly line of Lot 2 Block 1000, to a point of tangency in the same, said adjoining Lots as shown on the aforesaid map and plan; thence

(6) South 86 degrees 16 minutes 42 seconds West, a distance of 57.70 feet still along the aforesaid westerly line of Lot 2 Block 1000, to a point in the aforesaid existing northerly line of lands now or formerly of Conrail-New Jersey Terminal Branch, to an angle point in the same; thence

(7) North 76 degrees 27 minutes 53 seconds West, a distance of 713.66 feet, still along an existing northerly line of lands now or formerly of Contrail-New Jersey Terminal Branch, to an angle point in the same; thence

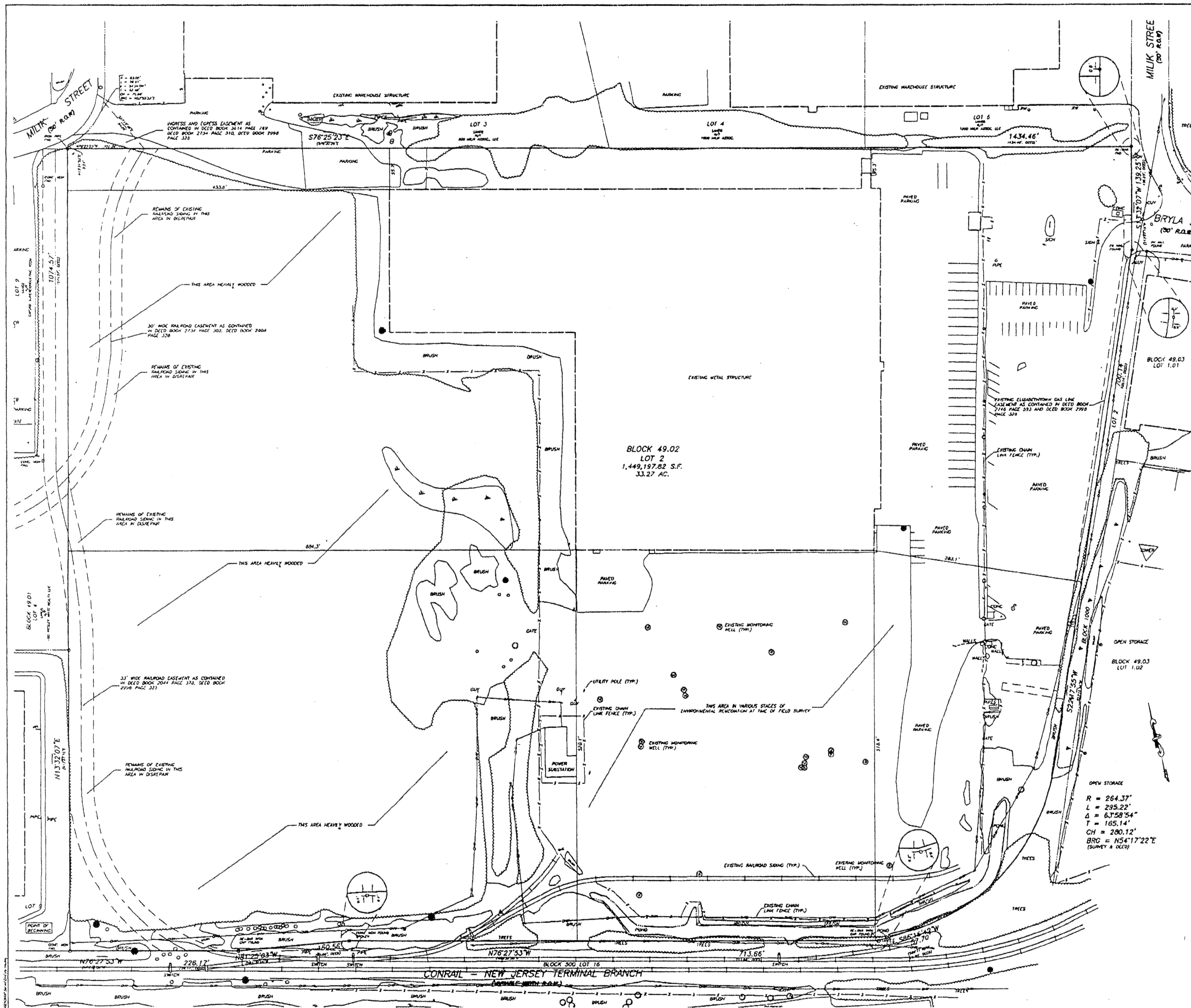
(8) North 81 degrees 25 minutes 03 seconds West, a distance of 150.66 feet, still along the existing northerly line of lands now or formerly of Conrail-New Jersey Terminal Branch, to an angle point in the same; thence

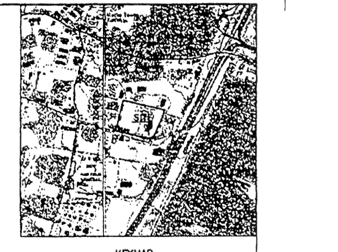
(9) North 76 degrees 27 minutes 53 seconds West, a distance of 226.17 feet still along the existing northerly line of lands now or formerly of Conrail-New Jersey Terminal 16 Branch, to the point in the aforesaid existing easterly line of Lot 4 Block 49.01, the point and place of BEGINNING.

The above description is drawn in accordance with a survey prepared by Birdsall Services Group, dated July 6, 2011.

Exhibit 6

SURVEY





KEYMAP
1"=1000'

GENERAL NOTES:

THIS IS TO CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THIS MAP OR PLAN IS THE RESULT OF A FIELD SURVEY PERFORMED ON JULY 6 AND 7, 2011, BY ME OR UNDER MY DIRECT SUPERVISION, IN ACCORDANCE WITH THE RULES AND REGULATIONS PROMULGATED BY THE "STATE BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS". THE INFORMATION DEPICTED HEREON, CORRECTLY REPRESENTS THE CONDITIONS FOUND AT, AND AS OF THE DATE OF THE FIELD SURVEY, EXCEPT SUCH IMPROVEMENTS OR EASEMENTS, IF ANY BELOW THE SURFACE AND NOT VISIBLE.

THE USE OF THE WORD "CERTIFY" OR "CERTIFICATION" CONSTITUTES AN EXPRESSION OF PROFESSIONAL OPINION REGARDING THOSE FACTS OR FINDINGS WHICH ARE THE SUBJECT OF THE UNDERSIGNED PROFESSIONAL'S KNOWLEDGE, INFORMATION AND BELIEF, AND IN ACCORDANCE WITH THE COMMONLY ACCEPTED PROCEDURE CONSISTENT WITH THE APPLICABLE STANDARD OF PRACTICE AND DOES NOT CONSTITUTE A WARRANTY OR GUARANTEE EITHER EXPRESSED OR IMPLIED.

THIS SURVEY AND PLAN IS MADE FOR AND CERTIFIED TO THE PARTIES NAMED HEREON FOR THE PURPOSE(S) STATED. NO OTHER PURPOSE IS INTENDED NOR IMPLIED. THE UNDERSIGNED PROFESSIONAL IS NEITHER RESPONSIBLE NOR LIABLE FOR THE USE OF THIS PLAN BEYOND ITS INTENDED PURPOSE.

THIS UNDERSIGNED PROFESSIONAL IS NOT QUALIFIED TO MAKE A DETERMINATION AS TO THE EXISTENCE OR NON EXISTENCE OF ENVIRONMENTALLY SENSITIVE OR UNSAFE CONDITIONS. THEREFORE, NO STATEMENT IS BEING MADE NOR IMPLIED BY THE FACT THAT NO EVIDENCE OF ENVIRONMENTALLY SENSITIVE OR UNSAFE CONDITIONS ARE DEPICTED HEREON. THE CLIENT SHOULD PURSUE THESE ISSUES SEPARATE FROM THE PREPARATION OF THIS SURVEY.

THE UNDERSIGNED PROFESSIONAL IS NOT QUALIFIED TO MAKE ANY DETERMINATION AS TO THE EXISTENCE OR NON-EXISTENCE OF WETLANDS. THEREFORE, NO STATEMENT IS BEING MADE NOR IMPLIED HEREON BY THE FACT THAT NO EVIDENCE OF WETLANDS IS DEPICTED HEREON. THE CLIENT SHOULD PURSUE THESE ISSUES SEPARATE FROM THE PREPARATION OF THIS SURVEY.

THE UNDERSIGNED PROFESSIONAL IS NOT RESPONSIBLE FOR THE PRESENCE OF UNDERGROUND UTILITIES OR STRUCTURES IF SAME ARE NOT VISIBLE OR OTHERWISE DISCLOSED BY ANY OF THE DATA LISTED BELOW.

CAUTION: IF THIS DOCUMENT DOES NOT CONTAIN A RAISED IMPRESSION SEAL OF THE UNDERSIGNED PROFESSIONAL, IT IS NOT AN AUTHORIZED ORIGINAL DOCUMENT AND MAY HAVE BEEN ALTERED.

REFERENCES:

1) A CERTAIN TITLE BINDER PREPARED BY EDGINGTON TITLE AGENCY, LLC, DATED MAY 25, 2011 FILE NO. ED-000323-11
2) SCHEDULE B ITEM 10 – DEED BOOK 2034 PAGE 487 (RESTRICTIONS, NOT PLOTTABLE)
3) SCHEDULE B ITEM 11 – DEED BOOK 2998 PAGE 325 (RAILROAD EASEMENT)
4) SCHEDULE B ITEM 12 – DEED BOOK 1848 PAGE 474 (RESTRICTIONS, NOT PLOTTABLE)
5) SCHEDULE B ITEM 13 – DEED BOOK 2044 PAGE 376, DEED BOOK 2734 PAGE 302, (TERMS, CONDITIONS, AND RIGHTS, NOT PLOTTABLE)(RAILROAD EASEMENTS PLOTTED)
6) SCHEDULE B ITEM 14 – DEED BOOK 2734 PAGE 306, (TERMS AND CONDITIONS IN SUPPLEMENTAL AGREEMENT, NOT PLOTTABLE
7) SCHEDULE B ITEM 15 – DEED BOOK 2734 PAGE 310, (BENEFITS AND BURDENS, NOT PLOTTABLE)
8) SCHEDULE B ITEM 16 – DEED BOOK 2746 PAGE 393, (UTILITY RIGHT OF WAY TO ELIZABETHTOWN GAS)
9) SCHEDULE B ITEM 17 – DEED BOOK 2998 PAGE 328 AND DEED BOOK 3614 PAGE 760)
10) THE OFFICIAL TAX MAP OF THE BOROUGH OF CARTERET, SHEET NUMBER 25
11) PREMISES IS LOCATED IN FLOOD ZONE X AS SHOWN ON A CERTAIN MAP ENTITLED "FIRM FLOOD INSURANCE RATE MAP, MIDDLESEX COUNTY, NEW JERSEY, PANEL 78 OF 266, MAP NUMBER 34023C0078F, EFFECTIVE DATE JULY 6, 2010.
12) A CERTAIN MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY FOR BALL-FOSTER CONTAINER CO., LLC" PREPARED BOCK & CLARK, DATED JULY 18, 1995, REVISED TO AUGUST 25, 1995
13) A CERTAIN MAP ENTITLED "BOUNDARY, TOPOGRAPHIC & WETLAND SURVEY, TAX LOT 2, BLOCK 49.02, THE BOROUGH OF CARTERET, NEW JERSEY", PREPARED BY BORBAS SURVEYING AND MAPPING, LLC, DATED MARCH 30, REVISED TO APRIL 7, 2009.
14) EXISTING SITE PLANIMETRICS WERE MAPPED UTILIZING NEW FLIGHT AERIAL PHOTOGRAPHY PERFORMED BY NORTEAST MAPPING FROM AERIAL PHOTOGRAPHY DATED JULY 5, 2011 AND AUGMENTED BY TERRESTRIAL AND GPS SURVEYING BY THE BIRDSALL SERVICES GROUP ON JULY 6 & 7, 2011.
15) DEED BOOK 5113 PAGE 440 (BLOCK 50.01 LOT 32.01
16) DEED BOOK 4204 PAGE 863 (BLOCK 49.03 LOT 1.01)
17) DEED BOOK 4309 PAGE 879 (BLOCK 49.03 LOT 1.02)
18) DEED BOOK 5699 PAGE 568 (BLOCK 49.02 LOT 3
19) DEED BOOK 5800 PAGE 560 (BLOCK 49.02 LOTS 4 & 5)
20) DEED BOOK 4709 PAGE 98 (BLOCK 49.02 LOT 4)
21) THE OFFICIAL TAX MAP OF THE BOROUGH OF CARTERET, SHEET NUMBER 25

CURRENT ZONING LI – LIGHT INDUSTRIAL

MINIMUM LOT AREA	40, 000 S.F.
MINIMUM LOT WIDTH	200 FT
MINIMUM LOT DEPTH	200 FT.
MINIMUM YARD REQUIREMENTS	
FRONT YARD SETBACK	25 FT.
SIDE YARD SETBACK	25 FT. / 50 FT. COMBINED
REAR YARD SETBACK	50 FT.
MAXIMUM HEIGHT	60 FT.
MAXIMUM PERCENT COVERAGE (BUILDING)	50%
MINIMUM DISTANCE BETWEEN BUILDINGS	50 FT.

DESCRIPTION OF PROPERTY

ALL THAT CERTAIN LOT, TRACT OR PARCEL OF LAND SITUATE, LYING AND BEING IN THE BOROUGH OF CARTERET, IN THE COUNTY OF MIDDLESEX, AND THE STATE OF NEW JERSEY AND BEING ALL OF LOT 2 BLOCK 49.02, SAID LOT AS SHOWN ON A CERTAIN MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, HAMPSHIRE PROPERTIES, METRO GLASS PROPERTY, BLOCK 49.02 LOT 2, CARTERET BOROUGH, MIDDLESEX COUNTY, NEW JERSEY", PREPARED BY BIRDSALL SERVICES GROUP, LAKEWOOD", DATED JULY 6, 2011, SAID LOT ALSO AS SHOWN ON THE OFFICIAL TAX MAP OF THE BOROUGH OF CARTERET, SHEET 25, BEING FURTHER DESCRIBED AS FOLLOWS, TO WIT:

BEGINNING AT THE POINT OF INTERSECTION FORMED BY THE EXISTING NORTHERLY LINE OF THE CONRAIL – NEW JERSEY TERMINAL BRANCH RIGHT OF WAY, (VARIABLE WIDTH R.O.W.) WITH THE EXISTING EASTERLY LINE OF LOT 4 BLOCK 49.01, SAID ADJOINING LOT AS SHOWN ON THE AFORESAID EXISTING MAP AND FROM SAID POINT RUNNING, THENCE;

1. NORTH THIRTEEN DEGREES THIRTY-TWO MINUTES SEVEN SECONDS EAST (N 13°32'07" E), ONE THOUSAND SEVENTY-FOUR AND FIFTY-SEVEN HUNDREDTHS FEET (1074.57') ALONG THE AFORESAID EXISTING EASTERLY LINE OF LOT 4 BLOCK 49.01 AND BEYOND, ALONG THE EXISTING EASTERLY LINE OF LOT 9 BLOCK 49.01, TO A POINT IN THE EXISTING SOUTHERLY LINE OF LOT 3 BLOCK 49.02, SAID ADJOINING LOTS AS SHOWN ON THE AFORESAID MAP AND PLAN, THENCE;
2. SOUTH SEVENTY-SIX DEGREES TWENTY-FIVE MINUTES TWENTY-THREE SECONDS EAST (S 76°25'23" E), ONE THOUSAND FOUR HUNDRED THIRTY-FOUR AND FORTY-SIX HUNDREDTHS FEET (1434.46') ALONG THE AFORESAID EXISTING SOUTHERLY LINE OF LOT 3 BLOCK 49.02 AND BEYOND, ALONG THE SOUTHERLY LINE OF LOT 4 BLOCK 49.02 AND BEYOND, ALONG THE EXISTING SOUTHERLY LINE OF LOT 5 BLOCK 49.02, TO A POINT IN THE EXISTING WESTERLY LINE OF MILIK STREET, (50' R.O.W.), THENCE;
3. SOUTH THIRTEEN DEGREES THIRTY-TWO MINUTES SEVEN SECONDS WEST (S 13°32'07" W), ONE HUNDRED THIRTY-NINE AND TWENTY-FIVE HUNDREDTHS FEET (139.25'), ALONG THE WESTERLY LINE OF MILIK STREET TO A POINT IN THE WESTERLY TERMINUS OF BRYLA STREET, (50' R.O.W.), THENCE;
4. SOUTH TWENTY-TWO DEGREES SEVENTEEN MINUTES FIFTY-FIVE SECONDS WEST (S 22°17'55" W), SEVEN HUNDRED AND FOURTEEN HUNDREDTHS FEET (700.14') ALONG THE AFORESAID WESTERLY TERMINUS OF BRYLA STREET AND BEYOND, ALONG THE WESTERLY LINE OF LOT 2 BLOCK 1000, LANDS NOW OR FORMERLY OF CONRAIL – CARTERET INDUSTRIAL BRANCH #1, TO A POINT OF CURVATURE IN THE SAME, SAID ADJOINING LOTS AS SHOWN ON THE AFORESAID MAP AND PLAT, THENCE;
5. SOUTHWESTERLY ON A CURVE HAVING A RADIUS OF TWO HUNDRED SIXTY-FOUR AND THIRTY-SEVEN HUNDREDTHS FEET (264.37') AND CURVING TO THE RIGHT AN ARC LENGTH OF TWO HUNDRED NINETY-FIVE AND TWENTY-TWO HUNDREDTHS FEET (295.22'), (CENTRAL ANGLE 63°58'54"), STILL ALONG THE WESTERLY LINE OF LOT 2 BLOCK 1000, TO A POINT OF TANGENCY IN THE SAME, SAID ADJOINING LOTS AS SHOWN ON THE AFORESAID MAP AND PLAN, THENCE;
6. SOUTH EIGHTY-SIX DEGREES FIFTEEN MINUTES FORTY-TWO SECONDS WEST (S 86°15'42" W), FIFTY-SEVEN AND SEVENTY HUNDREDTHS FEET (57.70'), STILL ALONG THE AFORESAID WESTERLY LINE OF LOT 2 BLOCK 1000, TO A POINT IN THE AFORESAID EXISTING NORTHERLY LINE OF LANDS NOW OR FORMERLY OF CONRAIL – NEW JERSEY TERMINAL BRANCH, TO AN ANGLE POINT IN THE SAME, THENCE;
7. NORTH SEVENTY-SIX DEGREES TWENTY-SEVEN MINUTES FIFTY-THREE SECONDS WEST (N 76°27'53" W), SEVEN HUNDRED THIRTEEN AND SIXTY-SIX HUNDREDTHS FEET (713.66') STILL ALONG AN EXISTING NORTHERLY LINE OF LANDS NOW OR FORMERLY OF CONRAIL – NEW JERSEY TERMINAL BRANCH, TO AN ANGLE POINT IN THE SAME, THENCE;
8. NORTH EIGHTY-ONE DEGREES TWENTY-FIVE MINUTES THREE SECONDS WEST (N 81°25'03" W), ONE HUNDRED FIFTY AND FIFTY-SIX HUNDREDTHS FEET (150.56') STILL ALONG THE AN EXISTING NORTHERLY LINE OF LANDS NOW OR FORMERLY OF CONRAIL – NEW JERSEY TERMINAL BRANCH, TO AN ANGLE POINT IN THE SAME, THENCE;
9. NORTH SEVENTY-SIX DEGREES TWENTY-SEVEN MINUTES FIFTY-THREE SECONDS WEST (N 76°27'53" W), TWO HUNDRED TWENTY-SIX AND SEVENTEEN HUNDREDTHS FEET (226.17') STILL ALONG THE AN EXISTING NORTHERLY LINE OF LANDS NOW OR FORMERLY OF CONRAIL – NEW JERSEY TERMINAL 16 BRANCH, TO A POINT IN THE AFORESAID EXISTING EASTERLY LINE OF LOT 4 BLOCK 49.01, THE POINT AND PLACE OF BEGINNING

CONTAINING 1,449,197.82 SQUARE FEET MORE OR LESS OR 33.27 ACRES OF LAND MORE OR LESS.

THE FOREGOING DESCRIPTION WAS PREPARED BY THE UNDERSIGNED SURVEYOR FOR THE FIRM OF BIRDSALL SERVICES GROUP AND IS BASED UPON A CERTAIN MAP ENTITLED ""ALTA/ACSM LAND TITLE SURVEY, HAMPSHIRE PROPERTIES, METRO GLASS PROPERTY, BLOCK 49.02 LOT 2, CARTERET BOROUGH, MIDDLESEX COUNTY, NEW JERSEY", PREPARED BY BIRDSALL SERVICES GROUP", LAKEWOOD, NEW JERSEY.

ALTA/ACSM ALTA CERTIFICATION

TO: THE HAMPSHIRE COMPANIES
50 BRYLA LLC
EDGINGTON TITLE AGENCY, LLC
CHICAGO TITLE INSURANCE COMPANY
DAY PITNEY LLP
SAINT-GOBAIN CONTAINERS, INC.
ANSELL, GRIMM, & AARON, PC.

THIS IS TO CERTIFY THAT THIS MAP OR PLAT AND THE SURVEY WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2011 MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/ACSM LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDES ITEMS 2, 3, 4, 7A, 7B-1, 8, 9, 11A, AND 13. THE FIELD WORK WAS COMPLETED ON JULY 6 & 7, 2011.

JOHN ALEXANDER, PLS
NJ LIC. NO. 37180
DATE

REVISION NO.	DATE	REVISION

—NOTICE—
THIS DRAWING AND ALL INFORMATION CONTAINED HEREON IS AUTHORIZED FOR USE ONLY BY THE PARTY FOR WHOM THE WORK WAS CONTRACTED OR TO WHOM IT IS CERTIFIED.
THIS DRAWING MAY NOT BE COPIED, REUSED, DISCLOSED, DISTRIBUTED OR RELIED UPON FOR ANY OTHER PURPOSE WITHOUT THE WRITTEN CONSENT OF BIRDSALL SERVICES GROUP.

50 0 50 100
GRAPHIC SCALE IN FEET
1"=50'

JOHN ALEXANDER
PROFESSIONAL LAND SURVEYOR, N.J. LIC. No. GS37180

Cert. Of Authorization 24GA28060600
WWW.BIRDSALL.COM

Birdsall Services Group
750 VASSAR AVENUE
LAKEWOOD, NJ 08701
TEL (732)961-2162
FAX (732)961-2163

ALTA/ACSM LAND TITLE SURVEY
HAMPSHIRE PROPERTIES
METRO GLASS PROPERTY
BLOCK 49.02 LOT 2
CARTERET BOROUGH MIDDLESEX COUNTY NEW JERSEY

PROJECT NO. 70420100000	DATE 7/6/2011
DRAWN BY JA	DESIGNED BY JA
SCALE 1"=50'	CHECKED BY JA
BSG	
SHEET NO. 1 of 1	

Exhibit 7

COPY OF DEED OR LEASE AGREEMENT

Please note that the conveyance deed is to 50 Bryla, LLC. Pursuant to the Amendment to Certificate of Formation attached as Exhibit 2, 50 Bryla, LLC has been converted into an urban renewal entity known as 50 Bryla Urban Renewal, LLC (i.e., the Applicant).

Record and return to:
Eddington Title Agency, LLC
One Rossmoor Drive, Suite D
Monroe, NJ 08831

Prepared by:

Michael V. Benedetto, Esq.
An Attorney at Law of New Jersey

DEED

THIS DEED is made as of the 31 day of October, 2011.

BETWEEN

SAINT-GOBAIN CONTAINERS, INC., a Delaware corporation, formerly known as Ball-Foster Glass Container Co., L.L.C., a Delaware limited liability company,

whose address is:

1509 S. Macedonia Avenue
Muncie, IN 47307-4200

hereinafter referred to as the "Grantor",

AND

50 BRYLA, LLC
a New Jersey limited liability company

whose address is:

15 Maple Avenue
Morristown, NJ 07960

hereinafter referred to as the "Grantee"

1. Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property (the "Property") described below to the Grantee. This transfer is made for the sum of NINE MILLION THREE HUNDRED SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS ($9,375,000.00). The Grantor acknowledges receipt of this money.

2. Tax Map Reference: Borough of Carteret, Middlesex County, Block 2705, Lot 4 (and formerly known as Block 49.2, Lot 2).

3. Property. The legal description to the Property is set forth in Schedule A attached hereto and made a part hereof. The Property consists of (i) the land (the "Land") which was conveyed to Grantor by that certain Deed from Ball Glass Container Corporation (f/k/a Ball In-Con Glass Packaging Corp), dated September 15, 1995 and recorded September 25, 1995 with the Clerk of Middlesex County, New Jersey in Deed Book 4271 at Page 24, which land is located in the Borough of Carteret, County of Middlesex and State of New Jersey and (ii) all the buildings, structures and improvements on the Land.

TOGETHER WITH, all the easements, appurtenances and hereditaments and all of the estate, rights, title and interest of the Grantor in and to the Property.

BEING SUBJECT TO those matters of record.

The Street address of the Property is 50 Bryla Street, Carteret, New Jersey.

4. Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the Property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the Property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

IN WITNESS WHEREOF, the undersigned has duly executed this Deed as of the date first written above.

GRANTOR

SAINT-GOBAIN CONTAINERS, INC., a Delaware corporation

By: Peter J. Walters

Name: Peter J. Walters
Title: Vice President, Purchasing and Distribution

F:\users\MVBGROUP\Saint Gobain\Hampshire\Closing Documents\Deed-FINAL.doc

STATE OF INDIANA

ss.:

COUNTY OF DELAWARE

I CERTIFY that on October 27, 2011, Peter J. Walters personally came before me and this person acknowledged under oath, to my satisfaction, that

(a) this person is the Vice President, Purchasing and Distribution of Saint-Gobain Containers, Inc., a Delaware corporation;

(b) this Deed was signed and delivered by such company as its voluntary act duly authorized by a proper resolution of shareholders;

(c) this person signed this proof to attest to the truth of these facts; and

(d) the full and actual consideration paid or to be paid for the transfer of title is $9,375,000.00. (Such consideration is defined in N.J.S.A. 46:15-5.)

SUSAN C. FLACK
MY COMMISSION EXPIRES May 10, 2017
NOTARY SEAL
DELAWARE COUNTY
NOTARY PUBLIC, STATE OF INDIANA

Susan C. Flack

Chicago Title Insurance Company

SCHEDULE A "SPECIMEN"
(continued)

File No.: ED-000323-11

Policy No.:

LEGAL DESCRIPTION

ALL that certain lot, parcel or tract of land, situate and lying in the Borough of Carteret, County of Middlesex, State of New Jersey, and being more particularly described as follows:

BEGINNING at a point of intersection formed by the existing northerly line of the Conrail- New Jersey Terminal Branch Right of Way, (variable width ROW), with the existing easterly line of Lot 4 Block 49.01 said adjoining Lot as shown on the aforesaid existing map and from said point running; thence

(1) North 13 degrees 32 minutes 07 seconds East, a distance of 1074.57 feet along the aforesaid existing easterly line of Lot 4 Block 49.01 and beyond, along the existing easterly line of Lot 9 Block 49.01, to a point in the existing southerly line of Lot 3 Block 49.02, said adjoining Lots as shown on the aforesaid map and plan; thence

(2) South 76 degrees 25 minutes 23 seconds East, a distance of 1434.46 feet along the aforesaid existing southerly line of Lot 3 Block 49.02 and beyond, along the southerly line of Lot 4 Block 49.02 and beyond the existing southerly line of Lot 5 Block 49.02 to a point in the existing westerly line of Milik Street (50'row); thence

(3) South 13 degrees 32 minutes 07 seconds West, a distance of 139.25 feet along the westerly line of Milik Street to a point in the westerly terminus of Bryla Street, (50'ROW); thence

(4) South 22 degrees 17 minutes 55 seconds West, a distance of 700.14 feet along the aforesaid westerly terminus of Bryla Street and beyond, along the westerly line of Lot 2 Block 1000, lands now or formerly Conrail-Carteret Industrial Branch No. 1 to point of curvature in the same, said adjoining Lots as shown on the aforesaid map and plat; thence

(5) southwesterly on a curve having a radius of 264.37 feet, and curving to the right an arc length of 295.22 feet, (central angle 63 degrees 58 minutes 54 seconds), still along the westerly line of Lot 2 Block 1000, to a point of tangency in the same, said adjoining Lots as shown on the aforesaid map and plan; thence

(6) South 86 degrees 16 minutes 42 seconds West, a distance of 57.70 feet still along the aforesaid westerly line of Lot 2 Block 1000, to a point in the aforesaid existing northerly line of lands now or formerly of Conrail-New Jersey Terminal Branch, to an angle point in the same; thence

(7) North 76 degrees 27 minutes 53 seconds West, a distance of 713.66 feet, still along an existing northerly line of lands now or formerly of Contrail-New Jersey Terminal Branch, to an angle point in the same; thence

(8) North 81 degrees 25 minutes 03 seconds West, a distance of 150.56 feet, still along the existing northerly line of lands now or formerly of Conrail-New Jersey Terminal Branch, to an angle point in the same; thence

(9) North 76 degrees 27 minutes 53 seconds West, a distance of 226.17 feet still along the existing northerly line of lands now or formerly of Conrail-New Jersey Terminal 16 Branch, to the point in the aforesaid existing easterly line of Lot 4 Block 49.01, the point and place of BEGINNING.

The above description is drawn in accordance with a survey prepared by Birdsall Services Group, dated July 6, 2011.

Together with a right of way over the North 25.00 feet of Bryla Street running from the East line of the above described premises to Minue Street, for ingress and egress and the installation of utilities which right of way is to continue until such a time as the entire 50.00 feet of said Bryla Street is dedicated to the Borough of Carteret and accepted as a public street.

Together with the right to use the 12 inch sewer line presently in existence. Said sewer line is located at a manhole in Bryla Street which street runs from the East line of the above described premises to Minue Street and said sewer line runs North from said manhole to main sewer line.

Together with the benefits and burdens contained in Deed Book 2734, page 310.

FOR INFORMATIONAL PURPOSES ONLY: Also known as Lot 2 in Block 49.02 on the Borough of Carteret Tax Map.

MUST SUBMIT IN DUPLICATE
NC1645 - Affidavit of Consideration
RTF-1 (Rev. 7/14/10) P7/10

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STATE OF NEW JERSEY

AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF l } SS. County Municipal Code 1201
COUNTY ______

Municipality of Property Location: Carteret

FOR RECORDER'S USE ONLY
Consideration $ ______
RTF paid by seller $ ______ †
Date ______ By ______
† Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE *(Instructions 3 and 4 attached)*

Deponent, Peter J. Walters (Name), being duly sworn according to law upon his/her oath deposes and says that he/she is the Corporate Officer (Grantor, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.) in a deed dated October 31, 2011 transferring real property identified as Block No. 2705 Lot No. 4 located at 50 Bryla Street, Carteret, NJ (Street Address, Town) and annexed thereto.

(2) CONSIDERATION: $9,375,000.00 *(Instructions 1 and 5)* ☐ no prior mortgage to which property is subject.

(3) Property transferred is Class 4A (4B) 4C (circle one). If property transferred is Class 4A, calculation in Section 3A is required.

(3A) REQUIRED CALCULATION of Equalized Valuation for all Class 4A (Commercial) Property Transactions: *(Instructions 5A and 7)*

Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation
$______ ÷ ______% = $______

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized value.

(4) FULL EXEMPTION FROM FEE: *(Instruction 8)*

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to the exemption symbol is insufficient. Explain in detail. ______

(5) PARTIAL EXEMPTION FROM FEE: *(Instruction 9)* NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption.

Deponent claims that this deed transaction is exempt from the State's portion of the Basic Fee, Supplemental Fee and General Purpose Fee, as applicable, imposed by C. 176, P.L. 1975; C. 113, P.L. 2004 and C. 66, P.L. 2004 for the following reason(s): ______

A. SENIOR CITIZEN *(Instruction 9)*
- ☐ Grantor(s) 62 years of age or over.*
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ One- or two-family residential premises.
- ☐ Resident of the State of New Jersey.
- ☐ Owners as joint tenants must all qualify.

B. BLIND PERSON *(Instruction 9)*
- ☐ Grantor(s) legally blind.*
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ One- or two-family residential premises
- ☐ Resident of the State of New Jersey.
- ☐ Owners as joint tenants must all qualify.

* IN THE CASE OF HUSBAND AND WIFE OR STATUTORY PARTNER, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

DISABLED PERSON *(Instruction 9)*
- ☐ Grantor(s) permanently and totally disabled.*
- ☐ Grantor(s) receiving disability payments.*
- ☐ Grantor(s) not gainfully employed.*
- ☐ Owned and occupied by grantor(s) at time of sale.
- ☐ One- or two-family residential premises
- ☐ Resident of the State of New Jersey.
- ☐ Owners as joint tenants must all qualify.

C. LOW AND MODERATE INCOME HOUSING *(Instruction 9)*
- ☐ Affordable according to HUD standards.
- ☐ Meets income requirements of region.
- ☐ Reserved for occupancy.
- ☐ Subject to resale controls.

(6) NEW CONSTRUCTION *(Instructions 2, 10 and 12)*
- ☐ Entirely new improvement.
- ☐ Not previously used for any purpose.
- ☐ Not previously occupied.
- ☐ "New Construction" printed clearly at top of the first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES *(Instructions 5, 12 and 14)*
- ☐ No prior mortgage assumed or to which property is subject at time of sale.
- ☐ No contributions to capital by either grantor or grantee legal entity.
- ☐ No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

SUSAN C. FLACK
MY COMMISSION EXPIRES May 10, 2017
NOTARY SEAL
DELAWARE COUNTY
NOTARY PUBLIC, STATE OF INDIANA

Subscribed and sworn to before me this 27th day of October, 2011.

Susan C. Flack
Notary Public

Peter J. Walters
Signature of Deponent

1509 S. Macedonia Avenue
Muncie, IN 47307
Deponent Address

XXX-XX-X 2 0 5
Last 3 digits in Grantor's Soc. Sec. No.

Saint-Gobain Containers, Inc.
Grantor Name

1509 S. Macedonia Avenue
Muncie, IN 47307
Grantor Address at Time of Sale

Eddington Title Agency, LLC
Name/Company of Settlement Officer

County recording officers shall forward one copy of each Affidavit of Consideration for Use by Seller when Section 3A is completed.

FOR OFFICIAL USE ONLY
Instrument Number ______ County ______
Deed Number ______ Book ______ Page ______
Deed Dated ______ Date Recorded ______

State of New Jersey – Division of Taxation, P.O. Box 251, Trenton, NJ 08695-0251, Attention: Realty Transfer Fee Unit

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and it may not be altered or amended without the prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division of Taxation website at http://www.state.nj.us/treasury/taxation/lpt/localtax.shtml.

RTF-1EE (Rev. 12/09) STATE OF NEW JERSEY

MUST SUBMIT IN DUPLICATE

AFFIDAVIT OF CONSIDERATION FOR USE BY BUYER

(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM BEFORE COMPLETING THIS AFFIDAVIT

STATE OF NEW JERSEY

} SS. County Municipal Code 1201

COUNTY Morris

FOR RECORDER'S USE ONLY

Consideration $______

RTF paid by buyer $______

Date ______ By ______

MUNICIPALITY OF PROPERTY LOCATION Carteret

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3 and #4 on reverse side) XXX-XX-X 6 0 1

Last three digits in grantee's Social Security Number

Deponent, Donald J. Engels (Name), being duly sworn according to law upon his/her oath, deposes and says that he/she is the Corporate Officer (Grantee, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) in a deed dated October 31, 2011 transferring real property identified as Block number 2705 Lot number 4 located at 50 Bryla Street (Street Address, Town) and annexed thereto.

(2) CONSIDERATION $ 9,375,000.00 (See Instructions #1, #5, and #11 on reverse side)

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

PROPERTY CLASSIFICATION CHECKED OR CIRCLED BELOW IS TAKEN FROM OFFICIAL ASSESSMENT LIST (A PUBLIC RECORD) OF MUNICIPALITY WHERE THE REAL PROPERTY IS LOCATED IN THE YEAR OF TRANSFER. REFER TO N.J.A.C. 18:12-2.2 ET SEQ.

(A) Grantee required to remit the 1% fee, complete (A) by checking off appropriate box or boxes below.

- [ ] Class 2 - Residential
- [ ] Class 3A - Farm property (Regular) and any other real property transferred to same grantee in conjunction with transfer of Class 3A property
- [ ] Class 4A - Commercial properties (If checked, calculation in (E) required below)
- [ ] Cooperative unit (four families or less) (See C. 46:8D-3.) Cooperative units are Class 4C.

(B) Grantee is not required to remit 1% fee (one or more of following classes being conveyed), complete (B) by checking off appropriate box or boxes below.

- [X] Property class. Circle applicable class or classes: 1 3B 4B 4C 15

Property classes: 1-Vacant Land;3B- Farm property (Qualified);4B- Industrial properties;4C- Apartments;15: Public Property, etc. (N.J.A.C. 18:12-2.2 et seq.)

- [ ] Exempt organization determined by federal Internal Revenue Service/Internal Revenue Code of 1986, 26 U.S.C. s. 501.
- [ ] Incidental to corporate merger or acquisition; equalized assessed valuation less than 20% of total value of all assets exchanged in merger or acquisition. If checked, calculation in (E) required and **MUST ATTACH COMPLETED RTF-4.**

(C) When grantee transfers properties involving block(s) and lot(s) of two or more classes in one deed, one or more subject to the 1% fee (A), with one or more than one not subject to the 1% fee (B), pursuant to N.J.S.A. 46:15-7.2, complete (C) by checking off appropriate box or boxes and (D).

- [ ] Property class. Circle applicable class or classes: 1 2 3B 4A 4B 4C 15

(D) EQUALIZED VALUE CALCULATION FOR ALL PROPERTIES CONVEYED, WHETHER THE 1% FEE APPLIES OR DOES NOT APPLY

	Total Assessed Valuation	÷ Director's Ratio	= Equalized Valuation
Property Class 4B	$ 4,349,300.00	÷ 39.42 %	= $ 11,033,231.86
Property Class ____	$ ____	÷ ____ %	= $ ____
Property Class ____	$ ____	÷ ____ %	= $ ____
Property Class ____	$ ____	÷ ____ %	= $ ____

(E) REQUIRED EQUALIZED VALUE CALCULATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS: (See Instructions #6 and #7 on reverse side)

Total Assessed Valuation ÷ Director's Ratio = Equalized Value

$______ ÷ ______ % = $______

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed valuation. If Director's Ratio is equal to or exceeds 100%, the assessed valuation will be equal to the equalized value.

(3) TOTAL EXEMPTION FROM FEE (See Instruction #8 on reverse side)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through Chapter 33, P.L. 2006, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.

(4) Deponent makes Affidavit of Consideration for Use by Buyer to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith pursuant to the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 27 day of October, 20 11

[signature] Signature of Deponent

50 Bryla, LLC — Grantee Name

15 Maple Ave. Morristown NJ 07960 — Deponent Address

15 Maple Ave. Morristown NJ — Grantee Address at Time of Sale

Eddington Title Agency, LLC — Name/Company of Settlement Officer

MICHELLE BUSHNAUSKAS
Commission # 2357437
Notary Public, State of New Jersey
My Commission Expires
March 20, 2012

County recording officers: forward one copy of each RTF-1EE to:

STATE OF NJ - DIVISION OF TAXATION
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

FOR OFFICIAL USE ONLY

Instrument Number ______ County ______

Deed Number ______ Book ______ Page ______

Deed Dated ______ Date Recorded ______

The Director, Division of Taxation, Department of the Treasury has prescribed this form, as required by law. It may not be altered or amended without prior approval of the Director. For further information on the Realty Transfer Fee or to print a copy of this Affidavit or any other relevant forms, visit: www.state.nj.us/treasury/taxation/lpt/localtax.shtml.

GIT/REP-3
(2-07)

State of New Jersey

Seller's Residency Certification/Exemption

(C.55, P.L. 2004)

(Please Print or Type)

SELLER(S) INFORMATION (see Instructions, page 2):

Name(s) Saint-Gobain Containers, Inc.

Current Resident Address 1509 S. Macedonia Avenue

City, Town, Post Office Muncie State IN Zip Code 47307

PROPERTY INFORMATION (Brief Property Description):

Block(s) 2705 Lot(s) 4 Qualifier ______

Street Address 50 Bryla Street

City, Town, Post Office Carteret State NJ Zip Code 07008

Seller's Percentage of Ownership 100% Consideration 9,375,000 Closing Date 10/31/2011

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 8 apply to NON-residents):

1. ☐ I am a resident taxpayer (individual, estate or trust) of the State of New Jersey pursuant to N.J.S.A. 54A:1-1 et seq. and will file a resident gross income tax return and pay any applicable taxes on any gain or income from the disposition of this property.
2. ☐ The real property being sold or transferred is used exclusively as my principal residence within the meaning of section 121 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 121.
3. ☐ I am a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. ☐ Seller, transferor or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. ☒ Seller is not an individual, estate or trust and as such not required to make an estimated payment pursuant to N.J.S.A.54A:5-1-1 et seq.
6. ☐ The total consideration for the property is $1,000 or less and as such, the seller is not required to make an estimated payment pursuant to N.J.S.A. 54A:5-1-1 et seq.
7. ☐ The gain from the sale will not be recognized for federal income tax purposes under I.R.C. Section 721, 1031, 1033 or is a cemetery plot. (CIRCLE THE APPLICABLE SECTION.) If such section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey income tax return for the year of the sale.
8. ☐ Transfer by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this state.

SELLER(S) DECLARATION:

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein could be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete.

10/27/11 — Date

Peter J. Walters

Peter J. Walters, Vice President Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

______ Date

______ Signature
(Seller) Please indicate if Power of Attorney or Attorney in Fact

Exhibit 8

NARRATIVE DESCRIPTION OF PROJECT

The Project shall consist of performance of all site work and construction of the core and shell of an approximately 460,000 square foot warehouse building in accordance with the Site Plans (attached hereto as Exhibit 9) and the Site Plan Approval (attached hereto as Exhibit 10), as same may be amended in accordance with applicable law.

Exhibit 9

SITE PLAN APPROVAL BY PLANNING BOARD

Site plans are enclosed with this Application.

Exhibit 10

SITE PLAN APPROVAL RESOLUTION

RESOLUTION OF FINDINGS AND CONCLUSIONS

Application No. PB-13-002

WHEREAS, by Application No. **PB-13-002, 50 BRYLA LLC**, the owner of the property located at 50 Bryla Street, and designated as Lot 4 in Block 2705, requests preliminary and final site plan approval and a number of deviations from the standards in the Federal Boulevard Redevelopment Plan in order to construct a 459,500 square foot warehouse and related site improvements; and

WHEREAS, a meeting was conducted on **April 24, 2013**; and

WHEREAS, the following members of the Borough of Carteret Planning Board heard the testimony and read the documents submitted:

Chairman Joseph Agliata
Vice-Chairman Daniel Croson Jr.
Mr. Robert Brown
Councilman Jorge Diaz
Mr. Carlos Torres
Mr. Richard Hennessey (First Alternate)
Ms. Sophia Medina (Second Alternate)
Ms. Deborah Bialowarczuk (Mayor's Alternate)

and

WHEREAS, at said meeting all those who desired to be heard were heard, and the testimony was recorded by the Planning Board of the Borough of Carteret; and

WHEREAS, the testimony was carefully considered and the following findings of fact were made:

FINDINGS OF FACT

1. Applicant is the owner of the property located at 50 Bryla Street, and designated as Lot 4 in Block 2705 on the Tax Map of the Borough of Carteret.

2. Applicant's property contains an area of 33.27 acres and has a small amount of frontage (139.25 feet) on Bryla Street, at its intersection with Milik Street. Only a small portion of the site is visible from Bryla and Milik Streets.

3. The property is improved with an existing metal structure containing approximately 247,535 square feet. That building has been vacant for a number of years and was used for decades as a glass manufacturing plant. The property includes a landfill area which was used to deposit waste glass from the manufacturing process.

4. The property is located in the Federal Boulevard Redevelopment Zone.

5. Applicant presented testimony that the property has been designated as an area in need of redevelopment and that applicant wishes to be designated as the redeveloper of the site.

6. In connection with the application and the engineering plans, applicant also submitted a Stormwater Management Report and Environmental Impact Statement, both dated March 27, 2013, and a Traffic Impact Study prepared by Langan Engineering and Environmental Services dated March 26, 2013.

7. Applicant is proposing to demolish the existing structure and all existing site improvements, and construct a 459,500 square foot warehouse distribution center and site improvements such as parking areas, truck loading facilities, stormwater management facilities, lighting and landscaping. It is anticipated that no blasting will be necessary as part of the demolition process.

8. Kevin Webb, applicant's engineer, reviewed the proposed improvements in detail, providing the following particulars concerning the applicant's proposal:

A. The warehouse space within the building shall total 438,500 square feet.

B. This is anticipated to be a multi-tenanted building, and there will be an office area of 11,500 square feet in the northeast corner of the building, and an additional 9,500 square feet of office space in the southwest corner of the building.

C. The structure is proposed as a cross-dock facility, with docks on both the east and west sides of the structure.

D. The extent of the development is modest in scope as applicant is proposing an FAR of .32, whereas a maximum of .75 is allowed.

E. The height of the building will be 42.5 feet, which is less than the maximum permitted 45 foot height.

F. 182 car parking spaces are being proposed, and this number meets the requirement in the Federal Boulevard Redevelopment Plan.

G. The layout of the site can accommodate a W67 design vehicle.

9. Mr. Webb also testified that the applicant has obtained a landfill closure permit from the New Jersey Department of Environmental Protection, which will involve the capping of the landfill, utilizing a combination of the building, pavement in parking areas, and a small dirt cover landscaped area.

10. In response to inquiries from the Board, Mr. Webb testified that there is no contamination present to either the soil or groundwater, and that no clay or other lining under the landfill is required.

11. Mr. Webb identified several deviations from the Federal Boulevard Redevelopment Plan which the applicant is seeking, as follows:

A. Two of the walls of the warehouse structure are proposed to have a length of 920 feet, where the maximum permitted is 150 feet.

B. Certain of the two-way drive aisle widths have been designed with a width of 24 feet, whereas a width of 25 feet is required. This is limited to the vehicular parking areas.

C. Parking spaces are proposed with a distance of as little as 17 feet from the face of the warehouse structure, whereas a minimum of 20 feet is required.

D. The reveal of the concrete curbing is proposed to be 6 inches, where as 8 inches is required.

additional 9,500 square feet of office space in the southwest corner of the building.

C. The structure is proposed as a cross-dock facility, with docks on both the east and west sides of the structure.

D. The extent of the development is modest in scope as applicant is proposing an FAR of .32, whereas a maximum of .75 is allowed.

E. The height of the building will be 42.5 feet, which is less than the maximum permitted 45 foot height.

F. 182 car parking spaces are being proposed, and this number meets the requirement in the Federal Boulevard Redevelopment Plan.

G. The layout of the site can accommodate a W67 design vehicle.

9. Mr. Webb also testified that the applicant has obtained a landfill closure permit from the New Jersey Department of Environmental Protection, which will involve the capping of the landfill, utilizing a combination of the building, pavement in parking areas, and a small dirt cover landscaped area.

10. In response to inquiries from the Board, Mr. Webb testified that there is no contamination present to either the soil or groundwater, and that no clay or other lining under the landfill is required.

11. Mr. Webb identified several deviations from the Federal Boulevard Redevelopment Plan which the applicant is seeking, as follows:

A. Two of the walls of the warehouse structure are proposed to have a length of 220 feet, where the maximum permitted is 150 feet.

920

B. Certain of the two-way drive aisle widths have been designed with a width of 24 feet, whereas a width of 25 feet is required. This is limited to the vehicular parking areas.

C. Parking spaces are proposed with a distance of as little as 17 feet from the face of the warehouse structure, whereas a minimum of 20 feet is required.

D. The reveal of the concrete curbing is proposed to be 6 inches, where as 8 inches is required.

E. Ten of the lighting stanchions and twenty of the wall pack lighting units are proposed to be mounted at a height of 30 feet, whereas the maximum permitted height is 25 feet.

12. Mr. Webb provided the applicant's rationale for each of the deviations. In particular, he indicated that the benefit of reducing the aisle width by a de minimus one foot would result in less impervious coverage, and that the same rationale applies to the deviation of the distance between a parking space and the face of the structure. Mr. Webb opined that the 17 foot distance will still provide adequate light, air and open space. Mr. Webb continued that the reason for the deviation for the concrete curb reveal is due to topographic conditions and the applicant's desire to minimize the substantial amount of fill which must be imported onto the property in order to construct the project. Finally, as to the height of the light poles and wall packs, Mr. Webb testified that the additional height is needed because of the large horizontal distance in the truck parking areas.

13. Mr. Webb advised the Board that the demolition of the building will need to comply with certain requirements and controls of the Freehold Soil Conservation District, and that applicant will adhere to those regulations and controls, particularly with respect to dust control during demolition.

14. As to the exterior lighting, the Board advised the applicant of its satisfaction with the wall lighting plan on the recently constructed Prologis warehouse located in the Borough. Mr. Webb, on behalf of the applicant, voluntarily agreed, as a condition of the approval, to provide substantially similar facade lighting on applicant's building as on the Prologis building. It was noted that the Prologis lighting plan provides areas of illumination and shade which will provide further articulation for the long walls of the proposed structure.

15. Mr. Webb also reviewed John Dupont's engineering memorandum dated April 23, 2013, on a point by point basis. In summary, Mr. Webb advised the Board that the applicant would comply, to Mr. Dupont's reasonable satisfaction, with items, 2, 6, 7, 8, 9, 10 and 11. As to item 1, this comment was addressed by the architect's testimony. As to item 3, applicant agreed that it would provide sprinklers throughout the landscape areas unless the applicant applies for and receives a LEED Certification. As to item 4, the proposed signage was described and discussed by the applicant's engineer. As to item 5, applicant acknowledged that the Borough's redevelopment engineer must review and approve applicant's stormwater management report. Finally, as to item 8, applicant acknowledged that the building department must also review and approval the proposed retaining wall and detail. This compliance with the Dupont report was offered as a voluntary condition of the approval.

16. Karl Pehnke, applicant's traffic engineer, testified that the trip generations from the proposed warehouse use will be modest and will certainly not be heavy during normal traffic peak hours. He also indicated that the levels of service at the nearby intersections will not be negatively impacted; that the driveways will operate safely and efficiently; and that the interior traffic circulation plan will also operate safely and efficiently.

17. Scott Murdoch, applicant's architect, described the building facades, noting that a variety of materials would be utilized, including glazing, metal panels and precast concrete. The glazing and metal panels will highlight the areas around the main entrance, which is the only area visible from Bryla and Milik Streets. Mr. Murdoch continued that further articulation along the building walls is provided, utilizing windows and doors which act as punctuations along the wall.

18. Mr. Murdoch rendered his professional opinion that the architectural standards of the Federal Boulevard Redevelopment Plan are met by virtue of the proposed facades. He also

rendered his opinion that the applicant's use of a variety of materials and other articulation allows applicant to meet the spirit of the ordinance, and breaks up the length of building wall.

Based upon the above findings of fact, the Board concludes as follows:

CONCLUSIONS

1. Applicant's site plan will not only be beneficial to the subject property, but also to surrounding properties.

2. The deviation with regard to the maximum permitted wall length can be granted both under a hardship theory or under the flexible (c)(2) analysis. In this case, applicant would be faced with a practical difficulty in designing a cross-dock warehouse distribution facility if it was required to change the perimeter of the outer walls at certain intervals in order to meet the Redevelopment Plan standard. Changing the building width would interrupt the free flow of goods from one dock to the other. In addition, there are numerous benefits to the Borough in approving the application as a whole. These benefits include the elimination of a vacant and obsolete industrial building; remediating a site with an open landfill; providing for a permitted use in a redevelopment zone; providing a more efficient use of land by virtue of replacing the existing 247,535 square foot existing structure with a modern 459,500 square foot facility; and providing for a significant aesthetic benefit. The Board perceives no detriments from granting the deviation with regard to the wall length, primarily due to the architectural design, use of a variety of materials, architectural articulation and punctuations. This permits the Board to conclude that, on balance, the benefits substantially outweigh any detriment.

3. The deviation with regard to the two-way aisle width is justified under the flexible (c)(2) analysis and the same benefit and detriment analysis in Conclusion #2 above also applies

to this deviation. Moreover, an additional benefit will be realized by reducing the amount of impervious coverage with the 24 foot wide aisle design.

4. The deviation with regard to the distance between a parking stall and the building can also be granted using the flexible (c)(2) analysis and the same benefit and detriment analysis noted in Conclusion #2. In addition, the Board concludes that there will still be sufficient light, air and open space on the site, notwithstanding the relatively modest deviation of 3 feet requested by applicant.

5. With regard to the deviation concerning the reveal of the concrete curb, this deviation can be granted both under the (c)(1) hardship argument and the flexible (c)(2) analysis. There is a topographic condition in the form of a ditch on the property, as well as a second topographic condition requiring the importation of substantial amounts of fill material in order to construct the project. Reducing the reveal of a concrete curb will minimize the amount of fill necessary. The Board also credits the engineer's testimony that there will be no drainage impact by reducing the curb reveal. This deviation is also supported by the flexible (c)(2) analysis noted in Conclusion #2.

6. The deviation with regard to the height of the lighting fixtures is also justified both under the hardship theory and the flexible (c)(2) analysis. The hardship is the large horizontal distance in the truck parking areas, which dictate the height of the lighting fixtures. The same flexible (c)(2) benefit and detriment analysis noted in Conclusion #2 also supports this deviation.

NOW, THEREFORE, be it resolved that the application of **50 BRYLA LLC**, for preliminary and final site plan approval, and the deviations from the Federal Boulevard Redevelopment Plan which are noted above, be and the same is approved, subject to the voluntary conditions in paragraphs 14 and 15, and the following additional conditions:

1. Applicant must be designated as the redeveloper of the property and execute an appropriate Redevelopment Agreement with the Borough of Carteret;

2. Applicant will obtain all other necessary governmental approvals;

3. Applicant will post all bonds and pay all inspection fees;

4. Applicant will pay the fees of the Board's professionals;

5. Applicant will pay all real estate taxes and assessments due to the Borough of Carteret through and including the second quarter of 2013.

The above is a memorialization of a motion duly made and seconded on **April 24, 2013,** on the following vote:

ROLL CALL VOTE

Those in Favor: Agliata, Brown, Diaz, Torres, Hennessey, Medina, Bialowarczuk

Opposed: Croson

Abstained: None

Joseph Agliata
JOSEPH AGLIATA, Chairman

Rhoda Weissman
RHODA WEISSMAN, Secretary

Dated: 5-29-13

Exhibit 11

TOTAL PROJECT COST ESTIMATE

KSS

337 Witherspoon Street, Princeton, New Jersey 08542 t 609 921 1131 www.kssarchitects.com

ARCHITECTURE
PLANNING
INTERIORS

09 December 2013

Ms. Kim Stirba-Reynolds
Senior Investment Manager
The Hampshire Companies
22 Maple Avenue
Morristown, NJ 07960

Re: New Distribution Center
50 Bryla Road, Carteret, NJ
Construction Cost Certification
KSS Project No 21802

Dear Kim:

We have reviewed the Proposal from Tishman for the referenced project, dated 11/5/2013. To the best of our professional knowledge this proposal represents the cost of the project based upon the Contract Documents dated 09/10/2013 and Addendums 1-3, dated 10/03/2013, 10/04/2013 and 10/08/2013 respectively.

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

Sincerely,

Scot H. Murdoch

Scot H. Murdoch, AIA
Principal

cc. Dean Conrad, The Hampshire Companies
Alicia Weaver, KSS Architects, LLP

K:\2012-21802 Hampshire 50 Bryla Core and Shell\Administration\01 Correspondence\1.01 Owner\2013-12-09_Stirba_Pilot Cert.doc

The Hampshire Companies
50 Bryla Road
Carteret, New Jersey
Project Construction Bid
November 5, 2013

Division Estimate			Cost 11/5/13	%	460,000 SF
A.	Division				
	2	**Sitework**			
	2000	Demolition	NIC		
	2100	Site logistics, protection & cleaning	$6,594,350	27.11%	$14.35
	2200	Surveys	W/Trades		
	2200	Excavation and backfill	W/Site		
	2515	Misc site improvements	W/Site		
	2700	Site Utilities	W/Site		
	2850	Lawn irrigation			
	2900	Landscaping	$80,000	0.33%	$0.17
	3	**Concrete**			
	3300	Building concrete	$4,700,000	19.32%	$10.23
		Pre-Cast	$1,685,000	6.93%	$3.67
	4	**Masonry**			
	4200	Stone & masonry	**$93,000**	0.38%	$0.20
	5	**Metals**			
	5120	Structural steel & metal deck	**$3,100,000**	12.74%	$6.75
	5500	Misc. metals	**$328,250**	1.35%	$0.71
	6	**Wood & Plastics**			
	6400	Carpentry	**$70,000**	0.29%	$0.15
	7	**Thermal & Moisture Protection**			
	7123	Dampproofing & waterproofing	$254,000	1.04%	$0.55
	7250	Insulation	NIC		
	7550	Roofing	**$1,572,180**	6.46%	$3.42
	7810	Spray-on fireproofing insulation	NIC		
		Metal Panel	$320,000	1.32%	$0.70
	8	**Doors & Windows**			
	8110	Doors, frames, & hardware	$48,000	0.20%	$0.10
		Overhead Doors	$264,000	1.09%	$0.57
	8500	Aluminum & glass	**$378,000**	1.55%	$0.82
	9	**Finishes**			
	9250	Drywall, carpentry		0.00%	$0.00
	9300	Ceramic tile, & stonework	NIC		
	9650	Carpet & resilient flooring	NIC		
	9900	Painting	$167,000	0.69%	$0.36
	10	**Specialties**			
	10800	Toilet partitions & accessories		0.00%	$0.00
		Misc Specialties	**$34,330**	0.14%	$0.07
	10400	Signage	By Owner		
	11	**Equipment**			
	12	**Furnishings**			
		Food Service Equipement	NIC		
	12600	Window shades	NIC		
	13	**Special Construction**			
	14	**Conveying Systems**			
	14200	Hydraulic elevator	NIC		
	15	**Mechanical**			
	15100	Plumbing	$820,000	3.37%	$1.78
	15300	Fire protection	$789,870	3.25%	$1.72
	15700	HVAC	**$355,000**	1.46%	$0.77
	16	**Electrical**			
	16100	Electrical	**$685,000**	2.82%	$1.49
	Total Trade Cost		$22,337,980	91.83%	$48.61
		General conditions	$913,565	3.76%	$1.99
		Fee	$500,000	2.06%	$1.09
		Insurance	$573,420	2.36%	$1.25
		Permit Allowance	Not Included		
		P&P Bond	Not Included		
	Total		**$24,325,000**	100.00%	$52.94

Exhibit 12

COST ESTIMATE FOR EACH UNIT TYPE

This section is not applicable to this Application. The development of the Project consists of the construction of a warehouse building on the Property. There are no units being developed or constructed in connection with the Project.

Exhibit 13

PROJECT PRO FORMA

50 Bryla
Income & Expenses

	2015	2016	2017	2018	2019	2020	2021
REVENUE							
Base Rents	2,783,335	3,389,256	3,440,095	3,491,697	3,544,072	3,597,233	3,651,192
Ground Lease	-	-	-	-	-	-	-
CAM Reimb	1,052,681	1,070,830	1,089,401	1,108,396	1,127,819	1,147,673	1,166,215
TaxReimb	1,038,251	1,038,251	1,038,251	1,038,251	1,038,251	1,038,251	1,038,251
Other	-	-	-	-	-	-	-
Subtotal	**4,874,267**	**5,498,337**	**5,567,747**	**5,638,344**	**5,710,142**	**5,783,157**	**5,855,658**
OPERATING EXPENSES							
Repairs & Maintenance	(421,225)	(427,543)	(433,957)	(440,466)	(447,073)	(453,779)	(460,586)
Management Fee	(48,743)	(54,983)	(55,677)	(56,383)	(57,101)	(57,832)	(58,557)
RE Taxes	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)
Insurance	(69,400)	(72,800)	(76,400)	(80,200)	(84,200)	(88,400)	(91,052)
Utilities	(466,900)	(473,903)	(481,012)	(488,227)	(495,551)	(502,984)	(510,529)
NonReimb Expenses	-	-	-	-	-	-	-
Other	(95,156)	(96,584)	(98,032)	(99,503)	(100,995)	(102,510)	(104,048)
Amortization of Capital Costs	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)
Returns on Institutional Equity Financing	(1,416,635)	(1,534,321)	(1,652,711)	(1,784,928)	(1,927,722)	(2,087,867)	(2,248,969)
Subtotal	**(6,794,288)**	**(6,936,363)**	**(7,074,018)**	**(7,225,936)**	**(7,388,871)**	**(7,569,601)**	**(7,749,971)**
NET PROFIT	**(1,920,021)**	**(1,438,026)**	**(1,506,271)**	**(1,587,592)**	**(1,678,729)**	**(1,786,444)**	**(1,894,313)**
margin	*-39.4%*	*-26.2%*	*-27.1%*	*-28.2%*	*-29.4%*	*-30.9%*	*-32.4%*

2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
3,705,959	3,761,549	3,495,438	2,738,604	4,148,984	4,211,219	4,274,387	4,338,503	4,403,581	4,469,635
-	-	-	-	-	-	-	-	-	-
1,185,074	1,204,256	1,121,788	829,079	1,263,809	1,284,350	1,305,246	1,326,504	1,348,131	1,370,135
1,038,251	1,038,251	951,730	692,167	1,038,251	1,038,251	1,038,251	1,038,251	1,038,251	1,038,251
-	-	-	-	-	-	-	-	-	-
5,929,284	**6,004,056**	**5,568,956**	**4,259,850**	**6,451,044**	**6,533,820**	**6,617,884**	**6,703,258**	**6,789,963**	**6,878,021**
(467,494)	(474,507)	(481,624)	(488,849)	(496,182)	(503,624)	(511,179)	(518,846)	(526,629)	(534,528)
(59,293)	(60,041)	(55,690)	(42,599)	(64,510)	(65,338)	(66,179)	(67,033)	(67,900)	(68,780)
(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)
(93,784)	(96,597)	(99,495)	(102,480)	(105,554)	(108,721)	(111,982)	(115,342)	(118,802)	(122,366)
(518,187)	(525,959)	(533,849)	(541,857)	(549,984)	(558,234)	(566,608)	(575,107)	(583,733)	(592,489)
-	-	-	-	-	-	-	-	-	-
(105,609)	(107,193)	(108,801)	(110,433)	(112,089)	(113,771)	(115,477)	(117,209)	(118,967)	(120,752)
(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)
(2,428,887)	(2,623,198)	(2,841,119)	(3,060,343)	(3,305,171)	(3,569,584)	(3,866,126)	(4,164,441)	(4,497,597)	(4,857,404)
(7,949,483)	**(8,163,724)**	**(8,396,807)**	**(8,622,790)**	**(8,909,719)**	**(9,195,502)**	**(9,513,780)**	**(9,834,207)**	**(10,189,857)**	**(10,572,548)**
(2,020,199)	**(2,159,668)**	**(2,827,851)**	**(4,362,940)**	**(2,458,675)**	**(2,661,682)**	**(2,895,896)**	**(3,130,949)**	**(3,399,894)**	**(3,694,527)**
-34.1%	*-36.0%*	*-50.8%*	*-102.4%*	*-38.1%*	*-40.7%*	*-43.8%*	*-46.7%*	*-50.1%*	*-53.7%*

2032	2033	2034	2035	2036	2037	2038	2039	2040
4,536,679	4,604,729	4,673,800	2,757,494	4,785,270	4,857,049	4,929,904	5,003,853	5,078,911
-	-	-	-	-	-	-	-	-
1,392,523	1,415,302	1,438,479	852,869	1,486,058	1,510,477	1,535,326	1,560,613	1,586,347
1,038,251	1,038,251	1,038,251	605,646	1,038,251	1,038,251	1,038,251	1,038,251	1,038,251
-	-	-	-	-	-	-	-	-
6,967,453	**7,058,282**	**7,150,530**	**4,216,009**	**7,309,579**	**7,405,777**	**7,503,481**	**7,602,717**	**7,703,509**
(542,546)	(550,685)	(558,945)	(567,329)	(575,839)	(584,477)	(593,244)	(602,142)	(611,174)
(69,675)	(70,583)	(71,505)	(42,160)	(73,096)	(74,058)	(75,035)	(76,027)	(77,035)
(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)	(1,038,251)
(126,037)	(129,818)	(133,713)	(137,724)	(141,856)	(146,112)	(150,495)	(155,010)	(159,660)
(601,377)	(610,397)	(619,553)	(628,847)	(638,279)	(647,853)	(657,571)	(667,435)	(677,446)
-	-	-	-	-	-	-	-	-
(122,563)	(124,402)	(126,268)	(128,162)	(130,084)	(132,035)	(134,016)	(136,026)	(138,067)
(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)
(5,260,931)	(5,666,871)	(6,120,221)	(6,609,838)	(7,158,948)	(7,711,341)	(8,328,249)	(8,994,509)	(9,741,723)
(10,999,358)	**(11,428,985)**	**(11,906,434)**	**(12,390,290)**	**(12,994,331)**	**(13,572,105)**	**(14,214,839)**	**(14,907,378)**	**(15,681,334)**
(4,031,905)	**(4,370,703)**	**(4,755,904)**	**(8,174,281)**	**(5,684,752)**	**(6,166,328)**	**(6,711,358)**	**(7,304,661)**	**(7,977,825)**
-57.9%	*-61.9%*	*-66.5%*	*-193.9%*	*-77.8%*	*-83.3%*	*-89.4%*	*-96.1%*	*-103.6%*

2041	2042	2043	2044
5,155,094	5,232,421	5,310,907	4,936,322
-	-	-	-
1,612,538	1,639,193	1,666,321	1,552,773
1,038,251	1,038,251	1,038,251	951,731
-	-	-	-
7,805,883	**7,909,865**	**8,015,479**	**7,440,826**
(620,342)	(629,647)	(639,092)	(594,622)
(78,059)	(79,099)	(80,155)	(74,408)
(1,038,251)	(1,038,251)	(1,038,251)	(951,731)
(164,450)	(169,384)	(174,465)	(164,725)
(687,608)	(697,922)	(708,391)	(659,098)
-	-	-	-
(140,138)	(142,240)	(144,373)	(134,328)
(3,237,978)	(3,237,978)	(3,237,978)	(3,237,978)
(10,493,407)	(11,332,880)	(12,239,510)	(12,093,423)
(16,460,233)	**(17,327,401)**	**(18,262,215)**	**(17,910,314)**
(8,654,350)	**(9,417,536)**	**(10,246,736)**	**(10,469,488)**
-110.9%	*-119.1%*	*-127.8%*	*-140.7%*

Exhibit 14

PROJECT FINANCING PLAN

50 Bryla Urban Renewal, LLC is a New Jersey limited liability company and an affiliate of the Hampshire Companies. The cost of the Project is anticipated to be funded through a combination of private investment equity contributed by the Hampshire Companies or an affiliate and debt financing that will be secured in whole or in part by a mortgage on the Property and the Project. In addition, certain public improvements in the Redevelopment Area are being funded by Redevelopment Area Bonds.

Exhibit 15

PRIVATE FINANCING COMMITMENTS

Not applicable.

Exhibit 16

EXPLANATION OF NEED FOR TAX EXEMPTION

The stability and predictability of the Annual Service Charge will make the Project more competitive and help the Applicant attract a tenant or tenants for the Project. This will also make the Project more attractive to financial institutions and private investors whose participation is necessary in order to finance the Project.

Exhibit 17

PROJECT SCHEDULE

1	The Borough and the Applicant Execute and Deliver the Redevelopment Agreement	November 22, 2013
2	The Borough and the Applicant Execute and Deliver the Financial Agreement	By March 22, 2014
3	Applicant obtains all Governmental Approvals required for Commencement of Construction	By May 21, 2014
4	Applicant closes on financing	By August 19, 2014
5	Commencement of Construction	By November 17, 2014
6	Completion of Construction	Within 24 months after the Commencement of Construction

Exhibit 18

SUMMARY OF PROJECT BENEFITS

The Property is currently blighted and the Project will alleviate this blight and provide the area with a new major, state-of-the-art warehouse. In addition, parts of the surrounding area are also blighted and this Project may benefit the community by serving as a catalyst for further private investment in the area. The Project is expected to produce approximately 125 construction jobs and approximately 75 permanent jobs. The Project is projected to generate revenue for the Borough of Carteret in excess of the revenue generated by ad valorem taxes.

Exhibit 19

FORM OF FINANCIAL AGREEMENT

FINANCIAL AGREEMENT

THIS FINANCIAL AGREEMENT (hereinafter "Agreement" or "Financial Agreement"), made this ___ day of _________, 2013, by and between [**50 BRYLA URBAN RENEWAL LLC**], a New Jersey limited liability company and an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, *N.J.S.A.* 40A:20-1, *et seq.* (the "Long Term Tax Exemption Law"), with offices at 50 Bryla Street, Carteret, New Jersey 07008 (the "Entity") and the **BOROUGH OF CARTERET**, a municipal corporation of the State of New Jersey in the County of Middlesex with offices located at 61 Cooke Avenue, Memorial Municipal Building, Carteret, New Jersey 07008 (the "Borough", and together with the Entity, the "Parties").

WITNESSETH:

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

WHEREAS, by resolution duly adopted on January 26, 2006, the Borough Council (the "Borough Council") of the Borough designated the properties known as Block 49.1, Lots 4, 9 and 11, Block 49.2, Lot 2, Block 64.1, Lots 1, 2, 3, 4.01, 4.03, 4.04, 5, 6.01, 6.02, 7 and 8, and Block 64.2, Lots 2.01 and 2.02 on the Borough's tax map (collectively, the "Redevelopment Area") as an area in need of redevelopment under the Act; and

WHEREAS, by Ordinance No. 06-54, finally adopted on October 26, 2006, the Borough Council adopted a redevelopment plan for the Redevelopment Area (the "Redevelopment Plan"), along with other properties also designated as an area in need of redevelopment; and

WHEREAS, the Entity is the owner of a portion of the Redevelopment Area consisting of Block 2705, Lot 4 (formerly Block 49.2, Lot 2), as more particularly described in **Exhibit A** annexed hereto (the "Land"); and

WHEREAS, the Entity was formerly known as 50 Bryla LLC prior to changing its name and converting to an Urban Renewal Entity pursuant to the Long Term Tax Exemption Law; and

WHEREAS, the Borough and the Entity (as 50 Bryla LLC) entered into that certain Redevelopment Agreement, dated _____, 2013 (the "Redevelopment Agreement"), pursuant to which, among other things, the Entity agreed to undertake the construction, on the Land, of a project consisting of an approximately 460,000 square foot warehouse, and related improvements as more particularly described in **Exhibit B** annexed hereto (the "Project"); and

WHEREAS, pursuant to and in accordance with the provisions of the Act and the Long Term Tax Exemption Law, the Borough is authorized to provide for a tax exemption within a redevelopment area and for payments in lieu of taxes; and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Borough will enter into this Agreement with the Entity governing the payments made to the Borough in lieu of taxes on the Project pursuant to the Long Term Tax Exemption Law and the Act; and

WHEREAS, in accordance with the Long Term Tax Exemption Law, the Entity filed an application, which is incorporated herein by reference (the "Application"), with the Borough for approval of a long term tax exemption for the Improvements (as defined herein); and

WHEREAS, upon review of the Application and the Project, the Borough has made the following findings:

A. Relative Benefits of the Project:
The Project will provide the region with a new major, state-of-the-art warehouse. The Redevelopment Area is currently underutilized and could benefit from a large facility upgrade that generates revenues and creates jobs. The Project is expected to produce [____] construction jobs and approximately [____] permanent jobs.

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

The Entity is making a significant equity contribution toward the cost of the Project. In order to improve the economic viability of the development of the Project, the Borough has agreed to provide the tax exemption for the Project pursuant to this Agreement. The stability and predictability of the Annual Service Charge (as defined herein) will make the Project more competitive and assist the Entity to undertake the Project in the Borough.

WHEREAS, the Borough Council on [____________, 2013] adopted an ordinance approving the Application and authorizing the execution of this Agreement (the "Ordinance"), a copy of which is attached hereto as **Exhibit C**; and

WHEREAS, in order to set forth the terms and conditions under which the Entity and the Borough shall carry out their respective obligations with respect to the payment of an annual service charge by the Entity, in lieu of real property taxes, the Parties have determined 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:

ARTICLE I
GENERAL PROVISIONS

Section 1.01 Governing Law. This Financial Agreement shall be governed by the provisions of (a) the Long Term Tax Exemption Law, the Act and such other statutes as may be the sources of relevant authority, and (b) the Ordinance. It is expressly understood and agreed that the Borough relies upon the facts, data, and representations contained in the Application in granting this tax exemption.

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

Act

Agreement/Financial Agreement

Application

Borough

Borough Council

Entity

Land

Long Term Tax Exemption Law

Ordinance

Parties

Project

Redevelopment Agreement

Redevelopment Area

Redevelopment Plan

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

Administrative Fee: As defined in Section 4.09.

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

Allowable Profit Rate: The greater of twelve percent (12%) or the percentage per annum arrived at by adding one and one quarter percent (1.25%) to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of twelve percent (12%) or the percentage per annum arrived at by adding one and one quarter percent (1.25%) per annum to the interest rate per annum that the Borough determines to be the prevailing rate of mortgage financing on comparable improvements in the county. The provisions of *N.J.S.A.* 40A:20-3(b) are incorporated herein by reference.

Annual Gross Revenue: Annual gross rents and other ordinary income received by the Entity and derived from or generated by the leasing of the Land, specifically excluding, without limitation, extraordinary items, condemnation awards, insurance proceeds, gains from sales, transfers, or assumption of the Project or any part thereof, proceeds of any financing or refinancing, proceeds from any disposition of a partner or a partner's interest in the Entity or any successor entity, and any revenue or other amounts received by the Entity and derived from or generated by the Project.

Annual Service Charge: The amount the Entity has agreed to pay the Borough pursuant to Article IV herein with respect to the Improvements (but not the Land), which: (a) Entity has agreed to pay in part for municipal services supplied to the Project, (b) is in lieu of any taxes on the Improvements pursuant to *N.J.S.A.* 40A:20-12, (c) shall be paid on the Annual Service Charge Payment Dates, and (d) shall be pro-rated in the year in which this Agreement begins and the year in which this Agreement terminates.

Annual Service Charge Payment Dates: February 1, May 1, August 1 and November 1 of each year commencing on the first such date after the date that a Certificate of Occupancy is issued for the Project and ending on the Termination Date.

Annual Service Charge Start Date: The first Annual Service Charge Payment Date.

Applicable Law: All federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable to the Project including, but not limited to, the Act, the Long Term Tax Exemption Law, relevant construction codes including construction codes governing access for people with disabilities, and such zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations thereunder, including all applicable environmental laws, applicable federal and State labor standards and all applicable laws or regulations with respect to the payment of prevailing wages

Auditor's Report: An annual audited statement which clearly identifies the calculation of Net Profit as provided in *N.J.S.A.* 40A:20-3(c)(2). The contents of the Auditor's Report shall be prepared by a certified public accountant licensed to practice in the State in conformity with generally accepted accounting principles.

Certificate of Occupancy: A Certificate of Occupancy (temporary or permanent), as such term is defined in the New Jersey Administrative Code, issued with respect to the Project.

Chief Financial Officer: The Borough's chief financial officer.

Default: A breach or the failure to perform any obligation imposed by the terms of this Agreement, or under Applicable Law.

Effective Date: The date of this Agreement.

Improvements: All improvements on the Land comprising the Project.

In Rem Tax Foreclosure: A summary proceeding by which the Borough may enforce the lien for taxes due and owing by a tax sale in accordance with the Tax Sale Law.

Land Taxes: The amount of taxes assessed on the value of Land, on which the Project is located.

Land Tax Payments: Payments made on the quarterly due dates for Land Taxes as determined by the Tax Assessor and the Tax Collector in accordance with Applicable Law.

Net Profit: The Annual Gross Revenue of the Entity less all operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles and the provisions of *N.J.S.A.* 40A:20-3(c). Without limiting the foregoing, included in expenses shall be an amount sufficient to amortize the Total Project Cost in accordance with generally accepted accounting principles as well as all other expenses permitted under the provisions of *N.J.S.A.* 40A:20-3(c).

Notice: As defined in Section 15.01.

Property: The Land and the Improvements.

Security Arrangements: As defined in Section 8.02(a).

State: The State of New Jersey.

Tax Assessor: The Borough tax assessor.

Tax Collector: The Borough tax collector.

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

Termination Date: The earlier to occur of (i) the thirty-fifth (35th) anniversary of the Effective Date; (ii) the thirtieth (30th) anniversary date of the Annual Service Charge Start Date; or (iii) such other date as this Financial Agreement may terminate pursuant to the terms hereof or pursuant to Applicable Law.

Total Project Cost: The cost of developing the Project as determined in accordance with N.J.S.A. 40A:20-3(h), as certified by a qualified architect or engineer and as permitted pursuant to *N.J.S.A.* 40A:20-3(h).

Section 1.02 Interpretation and Construction. In this Financial Agreement, unless the context otherwise requires:

(a) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Financial Agreement, refer to this Financial Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Financial Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, as well as natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Financial Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Financial Agreement, nor shall they affect its meaning, construction or effect.

(e) Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any person or party hereunder shall not be unreasonably withheld, conditioned, or delayed.

(f) All Notices to be given hereunder and responses thereto shall be given, unless a certain number of days is specified, within a reasonable time, which shall not be less than ten (10) days nor more than twenty (20) days, unless the context dictates otherwise.

(g) This Financial Agreement shall become effective upon its execution and delivery by the Parties.

(h) 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. The Borough hereby grants its approval for a tax exemption for the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of Applicable Law, which Improvements shall be constructed and/or renovated on the Land.

Section 2.02 Approval of Entity. The Entity represents that its Certificate of Formation and Certificate of Authority as attached as **Exhibit [ ]** to the Application contain all the requisite provisions of law, have been reviewed and approved by the Commissioner of the Department of Community Affairs, and have been filed with, as appropriate, the Secretary of Treasury, all in accordance with *N.J.S.A.* 40A:20-5.

Section 2.03 Improvements to be Constructed. The Entity represents that it will construct the Project in accordance with the Redevelopment Agreement, the Redevelopment Plan and Applicable Law, the use of which is more specifically described in the Application.

Section 2.04 Ownership, Management and Control. The Entity represents that it is the owner of the Land upon which the Improvements are to be constructed and which is the subject of this Agreement.

Section 2.05 Financial Plan. The Entity represents that the Improvements shall be financed in accordance with the financial plan attached as ***Exhibit [__]*** to the Application.

Section 2.06 Statement of Projected Revenues. The Entity represents that projected Annual Gross Revenue is set forth in ***Exhibit [__]*** attached to the Application.

Section 2.07 Representations and Covenants Regarding Use, Management and Operations of the Project by the Entity. The Entity expressly covenants, warrants and represents that upon completion, the Project, including all Land and Improvements, shall be used, managed and operated for the purposes set forth in the Application, in accordance with the Redevelopment Agreement, Redevelopment Plan and all Applicable Laws. The Entity represents that the representations and covenants required under *N.J.S.A.* 40A:20-9 are set forth in the Application.

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 the Annual Service Charge required under Article IV hereof and the tax exemption granted and referred to in Section 2.01 hereof, shall remain in effect until the Termination Date. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Land is owned by a corporation, association or other entity formed and operating under the Long Term Tax Exemption Law, except for permitted conveyances as stated in Sections 8.01 and 8.02 of this Financial Agreement. Upon the Termination Date, the tax exemption for the Improvements shall expire and same shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Borough. Upon the Termination Date, all restrictions and limitations upon the Entity shall terminate upon the Entity's rendering and the Borough's acceptance of its final accounting, pursuant to *N.J.S.A.* 40A:20-13.

Section 3.02 Date of Termination. The Termination Date shall be deemed to be the fiscal year end of the Entity.

ARTICLE IV
ANNUAL SERVICE CHARGE

Section 4.01 Annual Service Charge. In consideration for the tax exemption, the Entity shall make payment to the Borough of an Annual Service Charge in the amounts set forth in **Schedule A** attached hereto. The Borough will finance a portion of the costs associated with off-site public improvements related to the Project with Bonds (as defined in the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 et. seq. (the "RAB Law"). In light of the foregoing, the Parties hereby specifically acknowledge and agree that, pursuant to the RAB Law, specifically N.J.S.A. 40A:12A-66(a), the minimum and maximum percentages established in the Long Term Tax Exemption Law (N.J.S.A. 40A:20-12), and the staged increases in annual service charges, do not apply to this Agreement.

Section 4.02 Consent of Entity to Annual Service Charge. The Entity hereby consents and agrees to the amount of Annual Service Charge and to the liens established in this Financial Agreement, and the Entity shall not contest the validity or amount of any such lien. Subject to the terms of this Agreement, the Entity's obligation to pay the Annual Service Charge shall be absolute and unconditional and shall not be subject to any defense, set-off, recoupment or counterclaim under any circumstances, including without limitation any loss of status of Entity as an "urban renewal entity" qualified under and as defined in the Long Term Tax Exemption Law. The Entity's remedies shall be limited to those specifically set forth herein and otherwise provided by law.

Section 4.03 Quarterly Installments. After the Annual Service Charge Start Date, the Entity agrees that payment of the Annual Service Charge shall be paid to the Borough on a quarterly basis on each Annual Service Charge Payment Date. In the event that Entity fails to timely pay any installment, the amount past due shall bear the highest rate of interest permitted under applicable State law and then being assessed by the Borough against other delinquent taxpayers in the case of unpaid taxes or tax liens until paid.

Section 4.04 Material Conditions. It is expressly agreed and understood that all payments of Land Taxes, Annual Service Charges and any interest payments, penalties or costs of collection due thereon, are material conditions of this Financial Agreement. If any other term, covenant or condition of this Financial Agreement or the Application, as to any person or circumstance shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Financial Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term, covenant or condition of this Financial Agreement shall be valid and enforced to the fullest extent permitted by Applicable Law.

Section 4.05 No Reduction in Payment of the Annual Service Charge. The Parties agree that neither the amounts nor dates established for payment of the Annual Service Charge, as provided in Section 4.01 hereof shall be reduced or amended or otherwise modified through any tax appeal on the Improvements or any other legal proceeding regarding the Project during the term of this Agreement.

Section 4.06 Service Charges as Municipal Lien. In accordance with the provisions of the Long Term Tax Exemption Law, upon recordation of this Financial Agreement and the Ordinance, any amount due and owing hereunder, including the Annual Service Charge shall be and constitute a continuous municipal lien on the Project.

Section 4.07 Security for Payment of Annual Service Charges. In order to secure the full and timely payment of the Annual Service Charges, the Borough reserves the right to prosecute an In Rem Tax Foreclosure action against the Property, as more fully set forth in this Agreement.

Section 4.08 Land Taxes. Land Taxes shall be assessed only on the Land portion of the Property without regard to any Improvements or increase in value to the Land because of the Improvements. The Borough agrees that it shall not impose an added assessment, omitted added assessment or similar assessment on the value of the Improvements from the date of this Agreement to the Annual Service Charge Start Date.

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity shall be entitled to a credit for the amount, without interest, of the Land Taxes paid on the Property in the last four preceding quarterly installments against the Annual Service Charge.

The Entity is obligated to make timely Land Tax Payments in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. No credit will be applied against the Annual Service Charge for partial payments of Land Taxes. In any year that the Entity fails to make any Land Tax Payments, beyond any notice and cure period, such delinquency shall render the Entity ineligible for any Land Tax credits against the Annual Service Charge for that year and such failure shall constitute a Default under this Agreement. In addition, the Borough shall have, among this remedy and other remedies, the right to proceed against the Property pursuant to the Tax Sale Law and/or may terminate this Agreement in a manner consistent with the Default provisions set for in Article XIII hereof.

Section 4.09 Administrative Fee. In addition to the Annual Service Charge, the Entity shall pay to the Borough an annual fee of two percent (2%) of the projected Annual Service Charge upon the Annual Service Charge Start Date and each anniversary thereafter prior to the Termination Date (the "Administrative Fee").

In the event the Entity fails to pay the Administrative Fee when due and owing, the amount paid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens in the Borough until paid.

Section 4.10 Remittance to County. The Borough shall remit to the County of Middlesex five percent (5%) of the Annual Service Charge received each year from the Entity, pursuant to *N.J.S.A.* 40A:20-12(b)(2)(e).

ARTICLE V
CERTIFICATE OF OCCUPANCY

Section 5.01 Filing of Certificate of Occupancy. It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of the Certificate of Occupancy.

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

ARTICLE VI
ANNUAL AUDITS

Section 6.01 Accounting System. The Entity agrees to calculate its Net Profit pursuant to *N.J.S.A.* 40A:20-3(c). As stated in *N.J.S.A.* 40A:20-3(c), this calculation shall be made in accordance with generally accepted accounting principles.

Section 6.02 Periodic Reports.

(a) Auditor's Report: Within ninety (90) days after the close of each fiscal year during the term of the exemption pursuant to this Agreement, the Entity shall submit to the Mayor, Borough Council, the Tax Collector and the Borough Clerk, who shall advise those municipal officials required to be advised, and the State Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall clearly identify and calculate the Net Profit for the Entity during the previous year and shall include, but not be limited to, itemizations of operating and non-operating expenses, mortgage interest and terms, amortization of Improvements and such other computations of income, expense and other details as may relate to the financial status of the Entity. The Entity assumes all costs associated with preparation of the periodic reports. All such periodic reports shall remain confidential except as otherwise required by law.

(b) Disclosure Statement: Within thirty (30) days after each anniversary date of the execution of this Agreement, the Entity shall submit to the Borough Council, a disclosure statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each.

Section 6.03 Inspection. The Entity shall, upon request, permit the inspection of its property, equipment, buildings and other facilities of the Project and also permit, upon request, examination and audit of its books, contracts, records, documents and papers by representatives duly authorized by the Borough, and State Division of Local Government Services in the Department of Community Affairs pursuant to *N.J.S.A.* 40A:20-9(e). Such inspection shall be made upon seven (7) business days' written notice during the Entity's regular business hours, in the presence of an officer or agent designated by the Entity. To the extent reasonably possible, the inspection will not materially interfere with construction or operation of the Project.

ARTICLE VII
LIMITATION ON PROFITS AND RESERVES

Section 7.01 Limitation on Profits and Reserves. During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of *N.J.S.A.* 40A:20-15. Pursuant to *N.J.S.A.* 40A:20-3(c), this calculation is completed in accordance with generally accepted accounting principles.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to ten percent (10%) of the Annual Gross Revenues of the Entity for the last full fiscal year and may retain such part of the excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in *N.J.S.A.* 40A:20-15. In no event shall any portion of the excess Net Profits be retained or contributed to such reserve if the amount of the reserve as of the end of such fiscal year equals or exceeds ten percent (10%) of the preceding year's Annual Gross Revenues. The reserve is to be noncumulative.

Section 7.02 Payment of Dividend and Excess Profit Charge. In the event the Net Profits of the Entity shall exceed the Allowable Net Profits for the period, taken as one accounting period, commencing on the Annual Service Charge Start Date and terminating at the end of the last full fiscal year, then the Entity, within one hundred (120) days after the end of that fiscal year, shall pay such excess Net Profits to the Borough as an additional service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned Section 7.01. The calculation of Net Profit and Allowable Net Profit shall be made in the manner required pursuant to *N.J.S.A.* 40A:20-3(b) and (c) and 40A:20-15.

Section 7.03 Payment of Reserve/Excess Net Profit Upon Termination, Expiration or Sale. The Termination Date of this Agreement, or the date of sale or transfer of the Improvements shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the Borough the amount of the reserve, if any, maintained by it pursuant to Section 7.01 and the excess Net Profits, if any.

ARTICLE VIII
ASSIGNMENT AND/OR ASSUMPTION

Section 8.01 Restrictions on Transfer.

(a) Except as set forth in the following subsections, the Entity may not voluntarily transfer more than ten percent (10%) of the ownership of the Land or any portion thereof until it has first removed both itself and the Land from all restrictions imposed by the Long Term Tax Exemption Law, in the manner provided by the Long Term Tax Exemption Law. Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10 percent (10%), is disclosed to the Council in the annual disclosure statement required pursuant to Section 6.02(b) of this Agreement or in correspondence sent to the Borough in advance of the annual disclosure.

(b) As permitted by *N.J.S.A.* 40A:20-10, it is understood and agreed that the Borough, on written application by the Entity, will consent to a sale of the Land and the transfer of this Agreement provided that: (1) the transferee entity is formed and eligible to operate under the Long Term Tax Exemption Law; (2) the transferee entity does not own any other project subject to long term tax exemption at the time of transfer; (3) the Entity is not then in Default of this Agreement or Applicable Law; and (4) the Entity's obligations under this Agreement are fully assumed by the transferee entity.

Section 8.02 Collateral Assignment. Notwithstanding the foregoing, it is expressly understood and agreed that the Entity has the right to encumber and/or assign the fee title to the Land and/or Improvements for purposes of (i) financing the design, development and construction of the Project and (ii) permanent mortgage financing.

(a) The Borough acknowledges that the Entity and/or its affiliates intend to obtain secured financing in connection with the acquisition, development and construction of the Project. The Borough agrees that the Entity and or its affiliates may assign, pledge, hypothecate or otherwise transfer its rights under this Agreement and/or its interest in the Project to one or more secured parties or any agents therefore (each, a "**Secured Party**" and collectively, the "**Secured Parties**") as security for obligations of the Entity, and/or its affiliates, incurred in connection with such secured financing (collectively, the "**Security Arrangements**"). The Entity shall give the Borough written Notice of any such Security Arrangements, together with the name and address of the Secured Party or Secured Parties. Failure to provide such Notice waives any requirement of the Borough hereunder to provide any Notice of Default or Notice of intent to enforce its remedies under this Agreement.

(b) Without limiting the generality of Article XIII hereof, if the Entity shall Default in any of its obligations hereunder, the Borough shall give Notice of such Default to the Secured Parties and the Borough agrees that, in the event such Default is not waived by the Borough or cured by the Entity, its assignee, designee or successor, within the period provided for herein, before exercising any remedy against the Entity hereunder, the Borough will provide the Secured Parties a reasonable period of time to cure such Default, but in any event not less than fifteen (15) days from the date of such notice to the Secured Parties with regard to a failure of the Entity to pay the Annual Service Charge or Land Taxes and ninety (90) days from the date the Entity was required to cure any other Default.

(c) In the absence of a Default by the Entity, the Borough agrees to consent to any collateral assignment by the Entity to any Secured Party or Secured Parties of its interests in this Agreement and to permit each Secured Party to enforce its rights hereunder and under the applicable Security Arrangement and shall, upon request of the Secured Party, execute such documents as are typically requested by secured parties to acknowledge such consent. This provision shall not be construed to limit the Borough's right to payment from the Entity, nor shall the priority of such payments be affected by the Secured Party exercising its rights under any applicable Security Arrangement.

(d) Notwithstanding anything to the contrary contained herein, and in addition to all other rights and remedies of Secured Parties set forth in this Agreement, the provisions of N.J.S.A. 55:17-1 – N.J.S.A. 55:17-11 shall apply to this Agreement to protect the interests of any Secured Party.

ARTICLE IX
WAIVER

Section 9.01. Waiver. Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the Borough or Entity of any rights and remedies provided by Applicable Law. Nothing herein shall be deemed to limit any right of recovery that the Borough or Entity has under law, in equity, or under any provision of this Financial Agreement.

ARTICLE X
COMPLIANCE

Section 10.01 Statutes and Ordinances. The Entity hereby agrees at all times prior to the Termination Date to remain bound by the provisions of the Application and Applicable Law, including, but not limited to, the Long Term Tax Exemption Law. The Entity's failure to comply with such statutes or ordinances shall constitute a Default under this Agreement and the Borough shall, among its other remedies, have the right to terminate this Agreement, subject to the Default procedure provisions of Article XIII herein.

ARTICLE XI
CONSTRUCTION

Section 11.01 Construction. This Financial Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid or any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the Borough have combined in their review and approval of same.

ARTICLE XII
INDEMNIFICATION

Section 12.01 Indemnification. It is understood and agreed that in the event the Borough shall be named as party defendant in any action brought against the Borough or Entity by allegation of any breach, Default or a violation by the Entity of any of the provisions of this Agreement and/or the provisions of Applicable Law, the Entity shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of Entity and/or by reason of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of Applicable Law, including without limitation, the Long Term Tax Exemption Law, except for any misconduct by the Borough or any of its officers, officials, employees or agents, and Entity shall defend the suit at its own expense. Notwithstanding the foregoing, the Borough maintains the right to intervene as a party thereto, to which intervention Entity hereby consents, the expense thereof to be borne by Entity. To the extent practical and ethically permissible, the Entity's attorneys shall jointly defend and represent the interest of the Borough and the Entity as to all claims indemnified in connection with this Agreement.

ARTICLE XIII
DEFAULT AND REMEDIES

Section 13.01 Cure Upon Default. Should the Entity be in Default, the Borough shall notify the Entity and any Secured Party in writing of said Default. Said notice shall set forth with particularity the basis of said Default. Except as provided in Section 8.02(b) hereof or otherwise limited by law, the Entity shall have sixty (60) days after it receives Notice to cure any Default (other than a Default in payment of any installment of the Annual Service Charge, which Default must be cured within fifteen (15) days after the Entity receives Notice). Curing the Default shall be the sole and exclusive remedy available to the Entity or the Secured Party, as applicable; provided, however, that if, in the reasonable opinion of the Borough, the Default cannot be cured within the applicable cure period using reasonable diligence, the time to cure may be extended upon written Notice for an additional ninety (90) day period of time.

Upon the expiration of the cure period, or any approved extension thereof, and providing that the Default is not cured, the Borough shall have the right to terminate this Agreement in accordance with Section 13.02 of this Agreement.

Section 13.02 Remedies Upon Default.

(a) In the event the Entity or a Secured Party fails to cure or remedy the Default within the time period provided in Sections 13.01 or 8.02(b), respectively, the Borough may terminate this Agreement upon written Notice to the Entity and the Secured Party.

(b) Upon any Default in payment of any installment of the Annual Service Charge not cured within fifteen (15) days, the Borough in its sole discretion shall have the right to immediately exercise the following remedies: (1) terminate this Agreement, at which time: the Improvements on the Land shall be subject to conventional taxation; or (2) exercise any other remedy available to the Borough in law or equity. The Borough as a courtesy will give Entity and any Secured Party Notice of the intention to exercise its remedies.

(c) No Default hereunder by the Entity shall terminate the tax exemption (except as described herein and after Notice and cure as provided for herein) and its obligation to make Annual Service Charges, which shall continue in effect for the duration of the term hereof and subject to Section 13.03 hereinafter.

(d) All of the remedies provided in this Agreement to the Borough, and all rights and remedies granted 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 of any of its remedies or actions against the Entity because of the 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 to 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 an In Rem Tax Foreclosure action consistent with the terms and provisions of this Agreement.

Section 13.03 Final Accounting. Within ninety (90) days after the Termination Date, the Entity shall provide a final accounting and pay to the Borough the reserve, if any, pursuant to the provisions of *N.J.S.A.* 40A:20-13 and 15 as well as any excess Net Profits. For purposes of rendering a final accounting, the Termination Date of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 13.04 Conventional Taxes. Upon the Termination Date, the tax exemption for the Project shall expire and the Land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the Borough.

ARTICLE XIV
DISPUTE RESOLUTION

Section 14.01 Arbitration. In the event of a dispute arising between the Parties in reference to the terms and provisions as set forth herein, the Parties shall submit the dispute to the American Arbitration Association in the State to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. Each Party to this Agreement shall designate an arbitrator, and the two (2) arbitrators shall choose a third arbitrator. The arbitrators designated and acting under this Agreement shall make a determination regarding the issue(s) in controversy in strict conformity with the terms of this Agreement and Applicable Law. Costs for said arbitration shall be borne equally by both Parties. In the event of a Default on the part of the Entity to pay any installment of the Annual Service Charge required by Article IV above, the Borough, in addition to their other remedies, and subject to Article 13 of this Agreement, reserves the right to proceed against the Land, in the manner provided by law, including the Tax Sale Law, and any act supplementary thereto or amendatory thereof. 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 Entity does not waive any defense it may have to contest the rights of the Borough to proceed in the above-mentioned manner.

Notwithstanding anything herein to the contrary, no arbitrator shall have any power or authority to amend, alter, or modify any part of this Agreement, in any way.

ARTICLE XV
NOTICE

Section 15.01 Notice. Formal notices, demands and communications between the Borough and Entity shall be deemed given if dispatched to the address set forth below by registered or certified mail, postage prepaid, return receipt requested, or by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available ("Notice"). In that case such Notice is deemed effective upon delivery. Such written Notices may be sent in the same manner to such other addresses as either party may from time to time designate by written notice. Notice given by counsel to a party in accordance with this Section 15.01 shall be effective for all purposes hereunder.

Copies of all notices, demands and communications shall be sent as follows:

If to the Borough:

Borough of Carteret
Memorial Municipal Building
61 Cooke Avenue
Carteret, New Jersey 07008
Attn: Borough Clerk

with copies to:

Borough of Carteret
Memorial Municipal Building
61 Cooke Avenue
Carteret, New Jersey 07008
Attn: Director of Law

Kevin P. McManimon, Esq.
McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, NJ 07068

If to Entity:

[50 BRYLA URBAN RENEWAL, LLC]
22 Maple Avenue
Morristown, New Jersey 07960
Attn: Mark Rosen

With copies to:

Drinker Biddle & Reath LLP
500 Campus Drive
Florham Park, New Jersey 07932

Attention: Glenn S. Pantel, Esq.

ARTICLE XVI
MISCELLANEOUS

Section 16.01 Conflict. The Parties agree that in the event of a conflict between the Application and this Financial Agreement, the language in this Financial Agreement shall govern and prevail.

Section 16.02 Oral Representations. There have been no oral representations made by either of the Parties which are not contained in this Financial Agreement. This Financial Agreement, the Ordinance and the Application constitute the entire agreement between the Parties and there shall be no modifications thereto other than by a written instrument executed by the Parties and delivered to each of them.

Section 16.03 Entire Document. All conditions in the Ordinance are incorporated in this Agreement and made a part hereof. This Agreement, with all attachments and exhibits, the Ordinance and the Application shall constitute the entire agreement between the Parties, shall be incorporated herein by reference thereto and there shall be no modifications thereto other than by a written instrument approved and executed by and delivered to each Party. All prior agreements and understandings, if any, are superseded.

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

Section 16.05 Recording. This entire Agreement will be filed and recorded with the Middlesex County Clerk by the Entity at the Entity's expense. Upon Termination of this Agreement, the parties shall execute and record an instrument discharging this Agreement of record in form reasonably satisfactory to the parties.

Section 16.06 Municipal Services. The Entity and/or its successors (including without limitation any owner's or similar association) will be responsible to provide and/or pay for the following services:

(a) Water & Sewer – The Entity shall make payments for water and sewer charges and any other services that create a lien on the Property superior to the lien for the Land Taxes and Annual Service Charge, as required by law.

(b) Waste and Refuse Disposal – Collection and disposition of all solid waste, refuse and recyclables emanating from the Project, shall be the responsibility of the Entity to have picked up and disposed of by a licensed collector, hauler or scavenger, at the Entity's cost and expense. The Borough may establish regulations for the collection and for the storage and recycling of solid waste, discarded or old newspaper and/or other recyclables; compliance therewith shall be by and at the sole expense of the Entity.

Section 16.07 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 16.08 Financing Matters. The financial information required by the final paragraph of *N.J.S.A.* 40A:20-9 is set forth in the Application.

Section 16.09 Amendments. This Agreement may not be amended, changed, modified, altered or terminated without the written consent of the Parties hereto.

Section 16.10 Certification. The Borough Clerk shall certify to the Tax Assessor, pursuant to *N.J.S.A.* 40A:20-12, that a Financial Agreement with an urban renewal entity, i.e., the Entity, for the development of the Project, has been entered into and is in effect as required by the Long Term Tax Exemption Law. Delivery by the Borough Clerk to the Tax Assessor of a certified copy of the Ordinance and this Financial Agreement shall constitute the required certification. Upon certification as required hereunder and upon the Annual Service Charge Start Date, the Tax Assessor shall implement the exemption and continue to enforce that exemption without further certification by the clerk until the expiration of the entitlement to exemption by the terms of this Financial Agreement or until the Tax Assessor has been duly notified by the Borough Clerk that the exemption has been terminated.

Further, upon the adoption of this Financial Agreement, a certified copy of the Ordinance and this Financial Agreement shall forthwith be transmitted to the Director of the Division of Local Government Services by the Borough Clerk.

Section 16.11 Conditions Precedent.

This Agreement is expressly subject to the satisfaction by the Entity or the Borough of the following conditions precedent:

(a) Receipt by the Entity of all federal, State, county and municipal approvals required for the construction of the Project.

(b) Enactment by the Borough of all ordinances and other official action necessary under the Long Term Tax Exemption Law to enter into and effectuate the terms of this Agreement.

Section 16.12 Construction. This Agreement shall be construed and enforced in accordance with the laws of the State, and without regard to or aid of any presumption or other rule requiring construction against the Party drawing or causing this Agreement to be drawn since counsel for both the Entity and the Borough have combined in their review and approval of same.

<u>SCHEDULES AND EXHIBITS</u>

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

Schedules

A. Annual Service Charge Payments

Exhibits

A. Metes and Bounds description of the Land
B. Project Description
C. Ordinance

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

ATTEST: **BOROUGH OF CARTERET**

_________________________ By: ______________________________

Kathleen M. Barney **Daniel J. Reiman**
Borough Clerk **Mayor**

STATE OF NEW JERSEY

COUNTY OF MIDDLESEX

The foregoing instrument was acknowledged before me this ______ day of ________________, 2013, by the Borough of Carteret in the County of Middlesex, State of New Jersey, by Mayor Daniel J. Reiman, on behalf of the Borough.

____
Notary Public

Commission Expiration: __________________

50 BRYLA URBAN RENEWAL, LLC

By: ______________________________

Managing Member

STATE OF ___________________________)
)
COUNTY OF __________________________)

The foregoing instrument was acknowledged before me this ______ day of ________________, 2013, by 50 BRYLA URBAN RENEWAL, LLC, a [______] corporation, by _________________________, its _____________________, on behalf of the company.

____
Notary Public

Commission Expiration: __________________

SCHEDULE A

ANNUAL SERVICE CHARGE PAYMENTS

Year	Annual Service Charge Payment
1	$1,038,251
2	$1,038,251
3	$1,038,251
4	$1,038,251
5	$1,038,251
6	$1,038,251
7	$1,038,251
8	$1,038,251
9	$1,038,251
10	$1,038,251
11	$1,297,814
12	$1,297,814
13	$1,297,814
14	$1,297,814
15	$1,297,814
16	$1,297,814
17	$1,297,814
18	$1,297,814
19	$1,297,814
20	$1,297,814
21	$1,557,377
22	$1,850,477
23	$1,908,767
24	$1,968,894
25	$2,707,885
26	$2,793,183
27	$2,881,169
28	$2,971,926
29	$3,065,541
30	$3,162,106

EXHIBIT A

METES AND BOUNDS DESCRIPTION OF THE LAND

EXHIBIT B

PROJECT DESCRIPTION

EXHIBIT C
ORDINANCE

Exhibit 20

PROPOSED RATES AND PHASES

Year	Annual Service Charge Payment
1	$1,038,251
2	$1,038,251
3	$1,038,251
4	$1,038,251
5	$1,038,251
6	$1,038,251
7	$1,038,251
8	$1,038,251
9	$1,038,251
10	$1,038,251
11	$1,297,814
12	$1,297,814
13	$1,297,814
14	$1,297,814
15	$1,297,814
16	$1,297,814
17	$1,297,814
18	$1,297,814
19	$1,297,814
20	$1,297,814
21	$1,557,377
22	$1,850,477
23	$1,908,767
24	$1,968,894
25	$2,707,885
26	$2,793,183
27	$2,881,169
28	$2,971,926
29	$3,065,541
30	$3,162,106