

OFFICE OF THE TOWN CLERK
Matthew K. Stechauner - Town Clerk
Robin J. Kesselmeyer - Deputy Town Clerk

May 22, 2014

Division of Local Government Services

NJ Department of Community Affairs

101 South Broad Street

PO Box 800

Trenton, NJ 08625-0880

Director,

Enclosed please find:

Ordinance O-18-2014, "Approving the Financial Agreement for Long Term Tax Exemption by and Between the Town of Morristown and Speedwell, CVS Urban Renewal" adopted by the Town Council at a Regular meeting held on May 13, 2014.

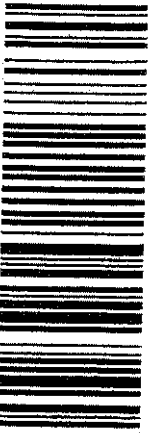
A fully- executed financial agreement for long term tax exemption by and between the Town of Morristown and Speedwell Urban Renewal, LLC.

If there is any additional information you require please contact me at your convenience.

Very truly yours,

Robin J. Kesselmeyer,

Deputy Town Clerk



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TOWN OF MORRISTOWN

ORDINANCE O-¹⁸ -2014

ORDINANCE APPROVING THE FINANCIAL AGREEMENT FOR LONG TERM TAX EXEMPTION BY AND BETWEEN THE TOWN OF MORRISTOWN AND SPEEDWELL CVS URBAN RENEWAL, LLC

WHEREAS, the Town Council of the Town of Morristown in its capacity as the municipal governing body (the "Town Council") is responsible for implementing redevelopment plans and carrying out redevelopment projects pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law").

WHEREAS, the Town Council, pursuant to Resolution R-148-00, adopted on October 30, 2000, directed the Town Planning Board (the "Planning Board") to undertake a preliminary investigation in order to make recommendations as to whether certain parcels of property, including Tax Block 5803 and portions of Tax Blocks 5001 and 5702 (the "Study Area"), may be designated as an "area in need of redevelopment" pursuant to the Redevelopment Law.

WHEREAS, the Planning Board commissioned a study by Phillips Preiss Shapiro Associates to determine whether the Study Area may be designated as an "area in need of redevelopment" pursuant to the Redevelopment Law.

WHEREAS, Phillips Preiss Shapiro Associates prepared a report entitled "Redevelopment Study for Three Select Areas within the Town of Morristown, New Jersey," dated December 2002, which concluded that certain lots within the Study Area met the statutory criteria in the Redevelopment Law for designation as an "area in need of redevelopment."

WHEREAS, after public hearings held on April 28, 2003, May 22, 2003, July 24, 2003 and August 28, 2003, the Planning Board accepted the conclusions of Phillips Preiss Shapiro Associates and recommended to the Town Council, pursuant to a Planning Board resolution adopted on August 28, 2003, that the recommended lots within the Study Area be designated as an "area in need of redevelopment" pursuant to the Redevelopment Law.

WHEREAS, following the preliminary investigation conducted by the Planning Board, including the public hearing, the Governing Body designated the Study Area as "an area in need of redevelopment", by adoption of Resolution No. 31-04, on February 10, 2004, in accordance with the Redevelopment Law.

WHEREAS, the lots designated by the Town Council designated as an "area in need of redevelopment" in Resolution No. 31-04 included Tax Block 5803, Lots 1, 2, 3, 4, 5, 6, 7.01, 7.02, 7.03, 7.04, 7.05, 7.06, 7.07, 7.08, 7.09, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 44.01, 44.02 and 44.03; Tax Block 5702, Lots 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29; and Tax Block 5001 Lots 4, 5, 6, 7, 7.01, 8, 9, 10, 11 and 12, all as shown on the official Tax Maps of the Town of Morristown (the "Redevelopment Area").

WHEREAS, on August 8, 2007, pursuant to Ordinance O-30-07, the Town Council introduced a redevelopment plan relating to the Redevelopment Area entitled "Speedwell Avenue Redevelopment Plan", prepared by Phillips Preiss Shapiro Associates and dated August 2007 (hereinafter referred to as the "Original Redevelopment Plan").

WHEREAS, pursuant to the Redevelopment Law the Town Council referred the Original Redevelopment Plan to the Planning Board, which reviewed the Original Redevelopment Plan and

recommended to the Town Council that it approve and adopt the Original Redevelopment Plan by adopting Ordinance O-30-07.

WHEREAS, the Town Council, in accordance with the Redevelopment Law and the Municipal Land Use Law, (i) adopted the Original Redevelopment Plan on September 18, 2007, pursuant to Ordinance O-30-07, (ii) subsequently amended the Original Redevelopment Plan on November 29, 2007, pursuant to Ordinance O-38-07, (iii) further amended the Original Redevelopment Plan on October 13, 2011, pursuant to Ordinance O-19-11, and (iv) further amended the Original Redevelopment Plan on November 29, 2012, pursuant to Ordinance O-41-12 (collectively, as amended, the "Redevelopment Plan"), which last amendment was adopted in order to, among other things, provide for certain amendments and modifications to Phase Four (which includes Lots 4, 5, 6, 7, 7.01, 8, 9, 10, 11 and 12, Block 5001) of the Redevelopment Plan and to address the Parties' agreement, including but not limited to (a) dividing Phase Four of the Redevelopment Plan into Phase 4.1 (including Lots 4, 5, 6, 7 and 7.01, Block 5001) (the "Project Premises"), and Phase 4.2 (including Lots 8, 9, 10, 11 and 12, Block 5001); and (b) provide the planning and design criteria for Phase 4.1 and Phase 4.2 of the Redevelopment Plan.

WHEREAS, First Hartford Realty Corp. (the "Redeveloper") is the contract purchaser of the Project Premises, and pursuant to Resolution R-62-14, the Redeveloper was designated the redeveloper of the Project Premises.

WHEREAS, the Redeveloper obtained preliminary and final site plan approval, as set forth in Resolution No. 12-12 of the Planning Board, adopted on February 28, 2013 (the "Site Plan Approval"), for an approximately 14,900 square foot retail pharmacy building with two (2) drive-thru lanes and approximately seventy nine (79) parking spaces to be constructed by the Redeveloper on the Project Premises in accordance with the provisions of the Redevelopment Plan and including (a) the acquisition of the Project Premises, (b) demolition of the existing structures on the Project Premises, (c) clearance of the Project Premises, (d) the environmental remediation of the Project Premises in accordance with applicable environmental laws, and (e) the construction and development of all project improvements and related on-site and off-site improvements, and utilities and infrastructure improvements, all in accordance with the Redevelopment Plan and as set forth in the Redevelopment Agreement (defined below) as more particularly described in the Site Plan Approval (collectively, the "Project").

WHEREAS, on March 19, 2014, the Town and First Hartford Realty Corp., as Redeveloper, entered into a redevelopment agreement, which was approved by the Town Council on March 13, 2014, pursuant to Resolution R-62-14 (the "Redevelopment Agreement").

WHEREAS, the Redevelopment Agreement sets forth the terms and conditions by which the Redeveloper will redevelop the Project on the Project Premises.

WHEREAS, the Redeveloper created the entity, Speedwell CVS Urban Renewal, LLC, a limited-dividend, urban renewal entity (the "Entity") under the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "LTTE Law") to undertake and own the Project and to seek a long term tax exemption for the Project under the LTTE Law.

WHEREAS, the Entity submitted to the Mayor of the Town (the "Mayor") an application for tax exemption, which is on file with the Town Clerk (the "Application"), requesting an exemption of the improvements constituting the Project pursuant to the LTTE Law.

WHEREAS, with the Mayor's recommendation for approval of the Application, a copy of which recommendation is on file with the Town Clerk, the Town Council accepted and approved the Application in Resolution R-__-2014, finding that Phase One of the Project represents an undertaking permitted by the

LTTE Law, and constitutes improvements made for the purposes of clearance, replanning, development or redevelopment of an area in need of redevelopment within the Town, as authorized by the Redevelopment Law and the LTTE Law.

WHEREAS, the Entity also separately submitted to the Mayor a form of financial agreement (the "Financial Agreement"), establishing the rights, responsibilities and obligations of the Entity under a tax exemption for the Project.

WHEREAS, the Mayor submitted the Financial Agreement to the Town Council with his recommendation for approval, a copy of which recommendation is on file with the Town Clerk.

WHEREAS, the Governing Body has reviewed the information provided in the Financial Agreement and has deemed it appropriate and acceptable.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Town of Morristown in the County of Morris, New Jersey, as follows:

Section 1. The Financial Agreement concerning Speedwell CVS Urban Renewal, LLC and the Long Term Tax Exemption of Phase 4.1 of the Speedwell Avenue Redevelopment Project attached hereto as Exhibit A is hereby approved, and the Mayor is hereby authorized to execute such Financial Agreement, subject to minor modification or revision, as deemed necessary and appropriate after consultation with counsel.

Section 2. The Clerk of the Town is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Township upon such document.

Section 3. The executed copy of the Financial Agreement shall be certified by and be filed with the Office of the Town Clerk. Further, the Clerk of the Town shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Town and the Director of the Division of Local Government Services with the Department of Community Affairs, in accordance with Section 12 of the Long Term Tax Exemption Law.

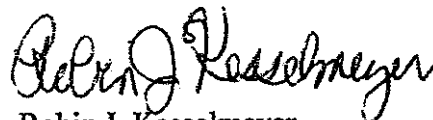
Section 4. If any part(s) of this ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not affect the remaining parts of this ordinance.

Section 5. All ordinances and resolutions or parts thereof inconsistent with this Ordinance are hereby rescinded.

Section 6. This ordinance shall take effect in accordance with applicable law.

I, Robin J. Kesselmeyer, Deputy Town Clerk of the Town of Morristown, do hereby certify the above to be a true and exact copy of an Ordinance duly passed and adopted by the Town Council of the Town of Morristown at a Regular Town Council Meeting held on May 13, 2014.

Dated: May 19, 2014



Robin J. Kesselmeyer
Deputy Town Clerk

**FINANCIAL AGREEMENT FOR
LONG TERM TAX EXEMPTION**

by and between

TOWN OF MORRISTOWN

and

SPEEDWELL CVS URBAN RENEWAL, LLC

TABLE OF CONTENTS

ARTICLE I – GENERAL PROVISIONS	4
Section 1.1 Governing Law	4
Section 1.2 General Definitions	4
ARTICLE II – PROJECT AND PROJECT PREMISES.....	8
Section 2.1. Town’s Findings	8
Section 2.2 Approval of Agreement.....	8
Section 2.3 Approval of the Entity	8
Section 2.4 Redevelopment of the Project Premises	8
Section 2.5 Entity’s Relationship to the Project Premises.....	9
ARTICLE III – OWNERSHIP, MANAGEMENT AND CONTROL	9
Section 3.1 Entity’s Representation	9
Section 3.2 Financial Plan	9
Section 3.3 Estimated Rental Schedule	9
ARTICLE IV – TAX EXEMPTION	9
Section 4.1 Duration of Tax Exemption.....	9
Section 4.2 Calculation of Annual Service Charge.....	9
Section 4.3 Minimum Annual Service Charge.....	10
Section 4.4 Administrative Fee	10
Section 4.5 Land Tax Credit Against Respective Annual Service Charges.....	10
Section 4.6 Quarterly Installments	11
Section 4.7 Rights and Obligations Related to Long Term Tax Exemption	11
Section 4.8. Bond Financing	11
ARTICLE V – DISPUTE RESOLUTION	12
Section 5.1 Agreement to Arbitrate.....	12
Section 5.2 Covenant to Make Payments.....	12
Section 5.3 [Intentionally omitted].....	12
Section 5.4 Notification of Breach Required	12
Section 5.5 Town’s Remedies Upon Default	12
Section 5.6 Force Majeure.....	12
ARTICLE VI – LIMITATION ON PROFITS	13
Section 6.1 Entity’s Covenant of Limitation on Profits.....	13
Section 6.2 Permitted Reserves	13

ARTICLE VII – TERMINATION OF AGREEMENT AND INSPECTIONS	13
Section 7.1 Voluntary Termination of the Financial Agreement by Entity.....	13
Section 7.2 Termination and Final Accounting.....	13
Section 7.3 Taxes After Termination Date.....	14
Section 7.4 Rights of Inspection.....	14
ARTICLE VIII – SALE OR LEASE OF PROJECT	14
Section 8.1 Conveyance of Project.....	14
Section 8.2 Obligations of Entity and Transferee After Conveyance	14
ARTICLE IX – ENTITY'S COVENANTS AND REPRESENTATIONS	15
Section 9.1 Management and Operation	15
Section 9.2 Computation of Gross Revenue.....	15
Section 9.3 Annual Audit Report	15
Section 9.4 Total Project Cost Audit.....	15
Section 9.5 Entity Bound by Exemption Law	15
ARTICLE X – MISCELLANEOUS PROVISIONS	16
Section 10.1 Governing Law and Conflicts.....	16
Section 10.2 Oral Representation	16
Section 10.3 Modification	16
Section 10.4 Notices.....	16
Section 10.5 Indemnification.....	17
Section 10.6 Severability.....	17
Section 10.7 Good Faith.....	18
Section 10.8 Certification.....	18
Section 10.9 Exhibits.....	18
Section 10.10 Recording	18
Section 10.11 Counterparts	18

THIS FINANCIAL AGREEMENT is made this ___ day of May, 2014 (hereinafter this "Agreement" or "Financial Agreement") between **SPEEDWELL CVS URBAN RENEWAL, LLC**, a New Jersey limited liability company having its principal office at c/o CVS Pharmacy, Inc., One CVS Drive, Woonsocket RI 02895 (the "Entity"); and the **TOWN OF MORRISTOWN**, a public body corporate with offices located at 200 South Street, Morristown, New Jersey 07963 (the "Town"; and together with the Entity, the "Parties" or "Party").

WITNESSETH:

WHEREAS, the Town Council of the Town of Morristown in its capacity as the municipal governing body (the "Governing Body") is responsible for implementing redevelopment plans and carrying out redevelopment projects pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Redevelopment Law").

WHEREAS, the Governing Body, pursuant to Resolution R-148-00, adopted on October 30, 2000, directed the Town Planning Board (the "Planning Board") to undertake a preliminary investigation in order to make recommendations as to whether certain parcels of property, including Tax Block 5803 and portions of Tax Blocks 5001 and 5702 (the "Study Area"), may be designated as an "area in need of redevelopment" pursuant to the Redevelopment Law.

WHEREAS, the Planning Board commissioned a study by Phillips Preiss Shapiro Associates to determine whether the Study Area may be designated as an "area in need of redevelopment" pursuant to the Redevelopment Law.

WHEREAS, Phillips Preiss Shapiro Associates prepared a report entitled "Redevelopment Study for Three Select Areas within the Town of Morristown, New Jersey," dated December 2002, which concluded that certain lots within the Study Area met the statutory criteria in the Redevelopment Law for designation as an "area in need of redevelopment."

WHEREAS, after public hearings held on April 28, 2003, May 22, 2003, July 24, 2003 and August 28, 2003, the Planning Board accepted the conclusions of Phillips Preiss Shapiro Associates and recommended to the Governing Body, pursuant to a Planning Board resolution adopted on August 28, 2003, that the recommended lots within the Study Area be designated as an "area in need of redevelopment" pursuant to the Redevelopment Law.

WHEREAS, following the preliminary investigation conducted by the Planning Board, including the public hearing, the Governing Body designated the Study Area as "an area in need of redevelopment", by adoption of Resolution No. 31-04, on February 10, 2004, in accordance with the Redevelopment Law.

WHEREAS, the lots designated by the Governing Body designated as an "area in need of redevelopment" in Resolution No. 31-04 included Tax Block 5803, Lots 1, 2, 3, 4, 5, 6, 7.01, 7.02, 7.03, 7.04, 7.05, 7.06, 7.07, 7.08, 7.09, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 44.01, 44.02 and 44.03; Tax Block 5702, Lots 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29 and Tax Block 5001 Lots 4, 5, 6, 7, 7.01, 8, 9, 10, 11 and 12, all as shown on the official Tax Maps of the Town of Morristown (the "Redevelopment Area").

WHEREAS, on August 8, 2007, pursuant to Ordinance O-30-07, the Governing Body introduced a redevelopment plan relating to the Redevelopment Area entitled "Speedwell Avenue

Redevelopment Plan”, prepared by Phillips Preiss Shapiro Associates and dated August 2007 (hereinafter referred to as the “Original Redevelopment Plan”).

WHEREAS, pursuant to the Redevelopment Law the Governing Body referred the Original Redevelopment Plan to the Planning Board, which reviewed the Original Redevelopment Plan and recommended to the Governing Body that it approve and adopt the Original Redevelopment Plan by adopting Ordinance O-30-07.

WHEREAS, the Governing Body, in accordance with the Redevelopment Law and the Municipal Land Use Law, (i) adopted the Original Redevelopment Plan on September 18, 2007, pursuant to Ordinance O-30-07, (ii) subsequently amended the Original Redevelopment Plan on November 29, 2007, pursuant to Ordinance O-38-07, (iii) further amended the Original Redevelopment Plan on October 13, 2011, pursuant to Ordinance O-19-11, and (iv) further amended the Original Redevelopment Plan on November 29, 2012, pursuant to Ordinance O-41-12 (collectively, as amended, the “Redevelopment Plan”), which last amendment was adopted in order to, among other things, provide for certain amendments and modifications to Phase Four (which includes Lots 4, 5, 6, 7, 7.01, 8, 9, 10, 11 and 12, Block 5001) of the Redevelopment Plan and to address the Parties’ agreement, including but not limited to (a) dividing Phase Four of the Redevelopment Plan into Phase 4.1 (including Lots 4, 5, 6, 7 and 7.01, Block 5001) (the “Project Premises”), and Phase 4.2 (including Lots 8, 9, 10, 11 and 12, Block 5001) (“Phase 4.2”); and (b) provide the planning and design criteria for Phase 4.1 and Phase 4.2 of the Redevelopment Plan.

WHEREAS, the Redeveloper has obtained preliminary and final site plan approval, as set forth in Resolution No. 12-12 of the Planning Board, adopted on February 28, 2013, attached hereto and made a part hereof as Exhibit A (the “Site Plan Approval”), for an approximately 14,900 square foot retail pharmacy building with two (2) drive-thru lanes and approximately seventy nine (79) parking spaces to be constructed by the Redeveloper on the Project Premises in accordance with the provisions of the Redevelopment Plan and including (a) the acquisition of the Project Premises, (b) demolition of the existing structures on the Project Premises, (c) clearance of the Project Premises, (d) the environmental remediation of the Project Premises in accordance with applicable environmental laws, and (e) the construction and development of all project improvements and related on-site and off-site improvements, and utilities and infrastructure improvements, all in accordance with the Redevelopment Plan and as set forth in this Redevelopment Agreement (as defined below) as more particularly described in the Site Plan Approval (collectively, the “Project”).

WHEREAS, First Hartford Realty Corp. (the “Redeveloper”) is the contract purchaser of the Project Premises, and pursuant to Resolution R-62-14, the Redeveloper was designated the redeveloper of the Project Premises.

WHEREAS, on March 19, 2014, the Town and First Hartford Realty Corp., as Redeveloper, entered into a redevelopment agreement, which was approved by the Governing Body on March 13, 2014, pursuant to Resolution R-62-14 (the “Redevelopment Agreement”).

WHEREAS, the Redevelopment Agreement sets forth the terms and conditions by which the Redeveloper will redevelop the Project on the Project Premises.

WHEREAS, the Entity has been formed pursuant to the Exemption Law (as defined herein), to own and develop the Project and the Project Premises.

WHEREAS, the Entity applied to the Governing Body for a long term tax exemption pursuant to the Exemption Law with respect to the Project Premises pursuant to the application annexed hereto as **Exhibit B** (the "**Application**").

WHEREAS, by Ordinance, dated May 13, 2014 (the "**Ordinance**"), a copy of which is annexed hereto as **Exhibit C**, the Governing Body granted the long term tax exemption requested by the Entity, subject to the terms and conditions of this Financial Agreement.

WHEREAS, pursuant to this Financial Agreement, the Town and the Entity desire to set forth in detail their mutual rights and obligations with respect to the long term tax exemption applicable to The Project Premises.

WHEREAS, the Governing Body has reviewed the Application and has made the following findings:

A. Benefits of Project v. Costs.

i. The total real estate tax revenue for the Tax Year 2013 received by the Town from those parcels of property upon which The Project Premises is anticipated to be constructed was approximately \$115,643.00.

ii. The development and construction of the Project, including infrastructure improvements as set forth in the Redevelopment Agreement and Redevelopment Plan will be beneficial to the overall community; will achieve the goals and objectives of the Redevelopment Plan; will help revitalize the Redevelopment Area; will improve the quality of life for the community; will serve as a catalyst for further private investment in areas surrounding the Redevelopment Area and will enhance the economic development of the Town.

iii. It is anticipated that the Project will create a substantial number of full-time equivalent construction jobs over the duration of the construction of the Project, as well as other job opportunities after the completion of same.

iv. Pursuant to this Financial Agreement, the Project is projected to generate revenue for the Town well in excess of the revenue generated by the existing ad valorem taxes received in Tax Year 2013. The Town's authorized officers and employees have determined that the benefits to the Town accruing as a result of the Project will substantially outweigh the costs to the Town resulting from the long term tax exemption granted herein.

B. Importance of Long Term Tax Exemption.

The Governing Body's approval of the long term tax exemption set forth herein is essential to the success of this Project because:

i. The relative stability and predictability of the Annual Service Charge associated with the Project will make it more attractive to financial institutions whose participation is necessary in order to finance the Project. Without a long-term tax exemption for the Project, it will not be financially viable.

ii. The relative stability and predictability of the Annual Service Charge will allow the Entity to provide a high level of maintenance for the Project Premises and will have a positive impact on the surrounding area and community.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the Parties to this Agreement mutually covenant and agree as follows:

ARTICLE I – GENERAL PROVISIONS

Section 1.1 Governing Law

This Financial Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., as amended and supplemented (the “Exemption Law”), the Redevelopment Law, the Ordinance, and all other Applicable Laws. It is expressly understood and agreed that the Town relied upon the facts, data, and representations contained in the Application in its granting of the Long Term Tax Exemption, and the Application is hereby incorporated into this Financial Agreement by reference.

Section 1.2 General Definitions

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

- i. **Administrative Fee** – The annual fee paid to the Town by the Entity, as set forth in Section 4.4 of the Agreement.
- ii. **Agreement or Financial Agreement** – Shall have the meaning specified in the preamble hereof.
- iii. **Allowable Net Profit (also referred to as "ANP")** – The amount arrived at by multiplying the Allowable Profit Rate by the Total Project Cost pursuant to the Exemption Law.
- iv. **Allowable Profit Rate (also referred to as the "APR")** - The greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the annual interest percentage rate payable on the Entity's permanent mortgage financing for the Project. 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 APR shall be the greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the prevailing per annum interest rate on mortgage financing on comparable mixed-use projects within Morris County.
- v. **Annual Gross Revenue (also referred to as the "AGR")** – Annual gross revenue for the Project, as determined pursuant to the Exemption Law and the terms of this Financial Agreement.

- vi. **Annual Service Charge** (also referred to as the “ASC”) – The total annual amount that the Entity has agreed to pay the Town for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements pursuant to the Exemption Law. The Annual Service Charge shall be calculated pursuant to Article IV hereof.
- vii. **Annual Audited Statement** – Shall mean a complete financial statement outlining the financial status of the Project, which shall also include a computation of the Total Project Cost, Net Profit, and Annual Gross Revenue, prepared annually by the Entity’s certified public accountant. The contents of each Annual Audited Statement shall be prepared in conformity with Generally Accepted Accounting Principles and this Financial Agreement.
- viii. **Applicable Law** – Shall mean any and all federal, state and local laws, rules, regulations, rulings, court orders, statutes and ordinances applicable to the Project, the Project Premises and the Long Term Tax Exemption.
- ix. **Application** – Shall have the meaning specified in the preamble of this Financial Agreement.
- x. **ASC Commencement Date** – The date of issuance of a Certificate of Occupancy for the Project.
- xi. **Certificate of Occupancy** – A temporary or permanent certificate of occupancy issued by the appropriate Town official, pursuant to N.J.S.A. 52:27D-133, authorizing the occupancy of a building or any portion thereof.
- xii. **Certificate of Completion** – A written certificate issued by the Town, pursuant to the Redevelopment Agreement, acknowledging that the Redeveloper has performed all of its duties and obligations pursuant to the Redevelopment Agreement with regard to the Project, and the issuance of which shall release the Project, and the Project Premises, from the obligations, liabilities and covenants and restrictions contained in the Redevelopment Agreement, the Redevelopment Plan and Applicable Law.
- xiii. **Days** – Whenever the word “Days” is used to denote time, it shall mean calendar days.
- xiv. **Debt Service** – The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the Project for the Exemption Term.
- xv. **Default** – A breach or failure of the Town or the Entity to perform any obligation imposed by the terms of this Financial Agreement, or under the Exemption Law, beyond any applicable grace or cure periods set forth in this Financial Agreement.
- xvi. **Effective Date** – The Date of this Agreement.

- xvii. **Entity** – Shall mean the entity specified in the preamble of this Financial Agreement, which shall be qualified as an urban renewal entity under the Exemption Law. Unless the context provides otherwise, it shall also include any Transferee.
- xviii. **Excess Net Profits** – The amount of Net Profits that exceeds the Allowable Net Profits (ANP) for the applicable accounting period as determined in accordance with the Exemption Law.
- xix. **Exemption Law** – Shall have the meaning specified in Section 1.1 of this Financial Agreement.
- xx. **Exemption Term** – The period beginning on the ASC Commencement Date and ending on the Termination Date.
- xxi. **Financial Plan** – The statement attached and annexed to the Application as **Exhibit D**, which outlines the proposed sources of funding and capital contributions for the Project.
- xxii. **Governing Body** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxiii. **Improvements** – Shall mean any building, structure or fixture permanently affixed to the Project Premises to be constructed and exempt under this Agreement.
- xxiv. **Land Taxes** – Shall mean the amount of real estate taxes levied on the Project Premises, exclusive of any Improvements related thereto.
- xxv. **Land Tax Payments** – Quarterly payments made on the due dates, including approved grace periods, if any, for the Land Taxes as determined by Applicable Law.
- xxvi. **Long Term Tax Exemption** – The long term tax exemption granted in accordance with the Exemption Law pursuant to this Financial Agreement.
- xxvii. **Minimum Annual Service Charges** – The amount of the land taxes levied against the Project Premises in the last full tax year in which the Project Premises was subject to taxation. The Parties acknowledge and agree that the land taxes levied against the Project Premises in the last full tax year in which the Project Premises was subject to taxation was \$115,643.
- xxviii. **Net Profit** – Annual Gross Revenue (AGR) less all operating and non-operating expenses and costs of the Entity, all determined in accordance with Generally Accepted Accounting Principles and the provisions of the Exemption Law; where such operating and non-operating expenses and costs shall include but not be limited to the Debt Service and an annual amount sufficient to amortize (utilizing straight line methodology), the Total Project Cost over the life of the long term tax exemption granted herein but shall exclude depreciation and obsolescence, income taxes, and salaries, bonuses and other compensation paid to directors, officers and stockholders of the Entity as set forth in the Exemption Law.

- xxix. **Ordinance** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxx. **Original Redevelopment Plan** – Shall have the meaning defined in the preamble of this Financial Agreement.
- xxxi. **Party or Parties** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxxii. **Project** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxxiii. **Project Premises** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxxiv. **Redeveloper** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxxv. **Redevelopment Agreement** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xxxvi. **Redevelopment Area** – Shall have the meaning defined in the preamble of this Financial Agreement.
- xxxvii. **Redevelopment Area Bond Financing Law** – The Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 et seq., as amended and supplemented.
- xxxviii. **Redevelopment Law** – Shall have the meaning defined in the preamble of this Financial Agreement.
- xxxix. **Redevelopment Plan** – Shall have the meaning defined in the preamble of this Financial Agreement.
- xl. **Rental Unit** – Shall mean the entirety of the Project Premises subject to that certain lease entitled “Ground Lease by and between Speedwell CVS Urban Renewal, LLC as Landlord and New Jersey CVS Pharmacy, LLC as Tenant,” by and between the Entity, as landlord, and the Tenant, as tenant (the “Lease”).
- xli. **Reserve** – Shall have the meaning defined in Section 6.2 of this Financial Agreement.
- xl.ii. **Tenant** – New Jersey CVS Pharmacy, LLC.
- xl.iii. **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 ASC Commencement Date; or (iii) such other date as this Financial Agreement may terminate pursuant to the terms hereof or pursuant to Applicable Law.

- xliv. **Total Project Cost (also referred to as "TPC")** – The total cost of developing the Project in accordance with the Exemption Law.
- xliv. **Town** – Shall have the meaning specified in the preamble of this Financial Agreement.
- xlvi. **Transfer** – Shall have the meaning specified in Section 8.1 of this Financial Agreement.
- xlvii. **Transferee** – Shall have the meaning specified in Section 8.1 of this Financial Agreement.

ARTICLE II – PROJECT AND PROJECT PREMISES

Section 2.1. Town's Findings

Pursuant to the Exemption Law, the Town finds that the Long Term Tax Exemption granted pursuant to this Financial Agreement will benefit the Town and the community by assuring the success of the redevelopment of the Redevelopment Area, which has exhibited the statutorily recognized redevelopment criteria for several years. The benefits of granting the Long Term Tax Exemption will substantially outweigh the costs, if any, associated with the Long Term Tax Exemption. The Long Term Tax Exemption is important to the Town, the Entity and the Tenant because without the incentive of the Long Term Tax Exemption, it is unlikely that the Project would be undertaken. The Long Term Tax Exemption is expected to attract future occupants to the Project and it will help to offset the extraordinary costs of developing and constructing the Project. The high costs associated with the development and construction of the Project and the real estate taxes that would otherwise be levied upon the Project would operate as a disincentive to the redevelopment of the Redevelopment Area, and would therefore frustrate the objectives and goals of the Redevelopment Plan and would make the Project materially less competitive in the marketplace.

Section 2.2 Approval of Agreement

The Town hereby approves a Long Term Tax Exemption for the Project, which is to be constructed and maintained on the Project Premises in accordance with the terms and conditions set forth herein and the provisions of the Exemption Law.

Section 2.3 Approval of the Entity

The Town hereby approves of the Entity based on the Entity's representation that its Certificate of Formation attached to the Application as Exhibit J contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the Department of Community Affairs, and has been filed with, as appropriate, the Department of Treasury, all in accordance with N.J.S.A. 40A:20-5.

Section 2.4 Redevelopment of the Project Premises

The Entity represents that it will develop and construct the Project in accordance with the terms of the Redevelopment Agreement and the Redevelopment Plan.

Section 2.5 Entity's Relationship to the Project Premises

The parcels of property within the Project Premises are owned in fee simple by a third party. The Redeveloper has negotiated the acquisition of each parcel with the owner thereof in accordance with the terms of the Redevelopment Agreement. At the closing of the sale of each of the parcels, Redeveloper will cause such owner to convey fee title to the parcels directly to the Entity.

ARTICLE III – OWNERSHIP, MANAGEMENT AND CONTROL

Section 3.1 Entity's Representation

The Entity represents that, after the Entity acquires fee title to the Project Premises, it shall remain the fee simple owner of record of the Project Premises throughout the development and construction of same, subject to its right of Transfer in accordance with Section 8.1 hereof.

Section 3.2 Financial Plan

Attached and annexed to the Application as **Exhibit D** is a copy of the Financial Plan for the Project. The Financial Plan sets forth (a) the estimated Total Project Cost, (b) the anticipated source of funds for the construction of the Project, (c) the anticipated interest rate to be paid and the amounts representing capital investment and (d) the term of any mortgage amortization. The Parties hereto acknowledge and agree that the Entity reserves the right to modify and/or amend the Financial Plan in any reasonable manner allowed in accordance with the Redevelopment Agreement.

Section 3.3 Estimated Rental Schedule and Computation of AGR

The Entity sets forth in **Exhibit E** attached and annexed hereto (a) its good faith projections of the rental price and lease term of the Rental Unit to the Tenant, and (b) the method of computing Annual Gross Revenue for the Entity.

The terms of this Agreement and the tax exemption contemplated herein are subject to and contingent upon the Entity and the Tenant entering into the Lease reflecting the Entity's lease of the Rental Unit to the Tenant for a term and rental price, which the parties agree shall be the basis for calculating AGR as contemplated herein, as set forth in **Exhibit E** attached and annexed hereto, and the Entity providing to the Town a fully executed copy of such Lease prior to the ASC Commencement Date. The Entity shall not modify the term or the rental price under the Lease as set forth in **Exhibit E** attached and annexed hereto without the Town's consent in its sole discretion.

ARTICLE IV – TAX EXEMPTION

Section 4.1 Duration of Tax Exemption

The Improvements proposed for development and construction within and upon the Project Premises shall be exempt from taxation during the Exemption Term.

Section 4.2 Calculation of Annual Service Charge

In consideration of the Town granting the Entity the exemption set forth in Section 4.1 of this Financial Agreement, during the Exemption Term, the Entity shall pay to the Town for municipal

services supplied to the Project, as provided in the Exemption Law, an Annual Service Charge as follows:

(a) **Stage One:** From the ASC Commencement Date until the tenth (10th) anniversary of the ASC Commencement Date, the Annual Service Charge shall be fifteen percent (15%) of AGR;

(b) **Stage Two:** From the first day after the tenth (10th) anniversary of the ASC Commencement Date until the fifteenth (15th) anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of be fifteen percent (15%) of AGR or twenty percent (20%) of the amount of the taxes otherwise due on the value of the Project Premises and the Improvements;

(c) **Stage Three:** From the first day after the fifteenth (15th) anniversary of the ASC Commencement Date until the twentieth (20th) anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of be fifteen percent (15%) of AGR or forty percent (40%) of the amount of the taxes otherwise due on the value of the Project Premises and the Improvements;

(d) **Stage Four:** From the first day after the twentieth (20th) anniversary of the ASC Commencement Date until the twenty-fifth (25th) anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of be fifteen percent (15%) of AGR or sixty percent (60%) of the amount of the taxes otherwise due on the value of the Project Premises and the Improvements;

(e) **Final Stage:** From the first day after the twenty-fifth (25th) anniversary of the ASC Commencement Date until the thirtieth (30th) anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of be fifteen percent (15%) of AGR or eighty percent (80%) of the amount of the taxes otherwise due on the value of the Project Premises and the Improvements.

Section 4.3 Minimum Annual Service Charge

Notwithstanding anything to the contrary in this Financial Agreement, including, without limitation, Section 4.2 hereof, the Annual Service Charge for the Project shall not be less than the Minimum Annual Service Charge.

Section 4.4 Administrative Fee

The Entity shall pay annually an Administrative Fee to the Town in addition to the Annual Service Charge. The Administrative Fee shall be computed as two percent (2%) of the Annual Service Charge or Minimum Annual Service Charge, as applicable. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.5 Land Tax Credit Against Respective Annual Service Charges

The Entity, or its Transferee, shall pay the Annual Service Charge or the Minimum Annual Service Charge in accordance with the terms of this Financial Agreement. The Entity, or its Transferee, shall be entitled to a credit against the Annual Service Charge for the amount, without

interest, of the pro rata portion of the Land Tax payments made in the last four (4) preceding quarterly installments.

Section 4.6 Quarterly Installments

The Annual Service Charge or the Minimum Annual Service Charge, as the case may be, shall be paid in quarterly installments on those dates when ad valorem real estate tax payments on other properties within the Town are due, subject to adjustment for over payment or underpayment within thirty (30) days after the close of each calendar year.

Section 4.7 Rights and Obligations Related to Long Term Tax Exemption

(a) All Annual Service Charge or Minimum Annual Service Charge payments, as the case may be, made pursuant to this Financial Agreement shall be in lieu of taxes and the Town shall have the rights and remedies of tax enforcement granted to a municipality by Applicable Law just as if said payments constituted regular real property tax obligations on other real properties within the Town.

(b) If the ASC Commencement Date occurs on a date other than the last day of a quarter, the amount of the ASC for such period shall be based on the per diem assessment for such quarter.

(c) Subject to Section 3.3 hereof, any lease of the Rental Unit to the Tenant or the Project Premises shall be subject to the terms of this Financial Agreement and shall not require the consent or approval of the Town. Upon the lease of the subject Rental Unit to the Tenant, the Entity or the Tenant, if required by the terms of its lease agreement, shall be responsible for the payment of the applicable Annual Service Charge or Minimum Service Charge calculated pursuant to this Financial Agreement.

Section 4.8 Bond Financing

The Town may finance all or a portion of any public improvements within the Project, if any, with bonds pursuant to the Redevelopment Area Bond Financing Law ("RA Bonds"). If the Town finances all or a portion of the public improvements with RA Bonds, then the payments in lieu of taxes provided for in this Agreement shall be assigned directly by the Town as payment for the bonds and shall not be included in the general funds of the municipality, nor shall they be subject to any laws regarding the receipt, deposit, investment or appropriation of public funds. The payments in lieu of taxes provided for in this Agreement shall not be used to pay for any bonds other than the RA Bonds permitted pursuant to the Redevelopment Agreement and only in the amount permitted pursuant to the Redevelopment Agreement. Furthermore, if the Town finances all or a portion of the public improvements with bonds pursuant to the Redevelopment Area Bond Financing Law, then the Annual Service Charge shall be the greater of (i) 2.1% of TPC, or (ii) the Minimum Annual Service Charge; and, pursuant to the Redevelopment Area Bond Financing Law, the staged increases to the Annual Service Charge as normally required by the Exemption Law, and as set forth in Section 4.2 of this Agreement, shall not apply.

ARTICLE V- DISPUTE RESOLUTION AND DEFAULT

Section 5.1. Agreement to Arbitrate

If the Town or the Entity breaches this Financial Agreement, or a dispute arises between the Parties regarding the terms and provisions set forth herein, then the Parties shall submit the dispute to the American Arbitration Association in the State of New Jersey, to be resolved in accordance with its rules and regulations in such fashion as to accomplish the purposes of the Exemption Law and this Financial Agreement. The costs of arbitration shall be borne equally by the Parties involved in the arbitration. The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with Applicable Law in any court having jurisdiction.

Section 5.2 Covenant to Make Payments

The Entity agrees that the timely payment of the Land Taxes, and the Minimum Annual Service Charge or the Annual Service Charge, to the Town, as well as continued compliance with the Applicable Laws, are material conditions of this Financial Agreement. The failure to make any of the aforesaid payments in timely fashion shall constitute both a breach of this Financial Agreement and a tax payment delinquency under Applicable Law.

Section 5.3 [Intentionally omitted]

Section 5.4 Notification of Breach Required

The Town shall notify the Entity in writing of any breach relating to the terms of this Financial Agreement. If the Entity fails to cure the breach identified within sixty (60) Days after the actual delivery of such notice by the Town, or within any additional periods to which the Parties may agree to, in writing, the Town may move to invalidate the Long Term Tax Exemption upon (60) Days final written notice to the Entity, which shall inform the Entity that the Long Term Tax Exemption shall terminate due to the breach of the terms of this Financial Agreement. The Town shall not unreasonably refuse to grant a reasonable extension of the cure period. If the Parties agree that the breach is not reasonably capable of cure within sixty (60) Days from the mailing or delivery of the default notice, the Parties shall agree in writing to extend the cure period for an appropriate period of time.

Section 5.5 Town's Remedies Upon Default

The Town's remedies upon its declaration of default shall be cumulative and concurrent. No determination under this Financial Agreement shall deprive the Town of its right to proceed against the Entity for the nonpayment of the applicable Land Taxes, Minimum Annual Service Charge or Annual Service Charge, as the case may be, including any arrearage that would accrue in the absence of such determination.

Section 5.6 Force Majeure

Neither Party shall be liable to the other for failure to perform its obligations under this Agreement due to fire, flood, strikes, or other industrial disturbances, accidents, war, riot, insurrection, or other causes beyond the reasonable control of the Parties.

ARTICLE VI- LIMITATION ON PROFITS

Section 6.1 Entity's Covenant of Limitation on Profits

During the Exemption Term, the Entity's profits shall be limited, according to the provisions of the Exemption Law and the definitions set forth therein. For any period, taken as one accounting period, commencing on the ASC Commencement Date, and terminating at the end of the last full fiscal year of the Exemption Term, in which the Entity's Net Profits exceed the Allowable Net Profit, the Excess Net Profits shall be paid to the Town as an additional Annual Service Charge within One Hundred Twenty (120) Days of the close of the Entity's fiscal year.

Section 6.2 Permitted Reserves

During the term of this Financial Agreement, the Entity may maintain a separate reserve against vacancies, unpaid rents and other contingencies in an amount not to exceed ten (10%) percent of the Entity's Annual Gross Revenues (AGR) for the last full fiscal year and the Entity may retain such part of the Excess Net Profits as is necessary to eliminate any deficiency in the reserve as provided in the Exemption Law (the "Reserve").

ARTICLE VII- TERMINATION OF AGREEMENT AND INSPECTIONS

Section 7.1 Voluntary Termination of the Financial Agreement by Entity

Pursuant to the Exemption Law, the Entity or any Transferee may at any time after the expiration of one (1) year from the ASC Commencement Date, notify the Town that, as of a certain date designated in the notice, it relinquishes its status as an urban renewal entity under the Exemption Law and that the Entity, or Transferee, has obtained the consent of the Commissioner of the Department of Community Affairs, if required by Applicable Law. As of that date, all of the obligations and requirements contained in this Financial Agreement shall terminate. Notwithstanding the foregoing, pursuant to the Redevelopment Area Bond Financing Law, if the Town finances all or a portion of the public improvements with bonds pursuant to the Redevelopment Area Bond Financing Law, then the Entity, or any Transferee, shall not have the right to relinquish its status as an urban renewal entity pursuant to this Section 7.1 as long as the RA Bonds remain outstanding. If the Town finances all or a portion of the public improvements with RA Bonds, the Town shall cause the RA Bonds to be retired prior to the expiration of this Agreement. Upon retirement of the RA Bonds, the Entity or any Transferee shall again have the right to relinquish its status as an urban renewal entity pursuant to this Section 7.1 whereupon all of the obligations and requirements contained in this Financial Agreement shall terminate.

Section 7.2 Termination and Final Accounting

Within Ninety (90) Days after the Termination Date, whether by affirmative action of the Entity or by virtue of the provisions of the Applicable Law or pursuant to the terms of this Financial Agreement, the Entity shall provide a final accounting and pay to the Town the Reserve, if any, pursuant to N.J.S.A. 40A:20-15, as well as any Excess Net Profits, if any payable as of that date. For purposes of rendering a final accounting, the termination of the Financial Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 7.3 Taxes After Termination Date

After the Termination Date, the Long Term Tax Exemption shall expire, and the relevant portion of the Project Premises and the Improvements constructed thereupon shall thereafter be assessed and conventionally taxed according to Applicable Law as other real property in the Town.

Section 7.4 Rights of Inspection

Pursuant to a reasonable written request, the Entity shall authorize the Town or its representatives to examine (a) the Project Premises and equipment and other facilities of the Entity, and (b) the Entity's books, contracts, records and documents, related to the Project. Such examination shall be made during reasonable business hours, in the presence of a member or agent of the Entity. The Parties agree that Ten (10) Days written notice shall constitute a reasonable request for inspection. Notwithstanding the foregoing, the Entity may request an extension of time for such examination and the Town shall consent to any reasonable request. Except to the extent required by Applicable Law, all information and documentation provided hereunder shall remain confidential and not subject to public disclosure.

ARTICLE VIII- SALE OR LEASE OF PROJECT

Section 8.1 Conveyance of Project

The Town and the Entity acknowledge and agree that the Town will consent to the transfer of the Project to another urban renewal entity, qualified and organized under the Exemption Law (hereinafter referred to as a "Transferee"), provided such Transferee owns no other project subject to the Exemption Law at the time of the transfer, and provided that the Transferee assumes the Entity's obligations under this Financial Agreement (a "Transfer"). A Transfer under this Section 8.1 shall not include the leasing of the Rental Unit to the Tenant. Upon a Transferee's assumption of the Entity's obligations under this Financial Agreement, the Long Term Tax Exemption shall continue to the benefit of the Transferee and any of its Transferees. If the Entity transfers the Project to a Transferee pursuant to this Section 8.1, then upon such transfer the Entity shall pay an administrative fee to the Town equal to two percent (2%) of the ASC for the processing of such request for the continuation of the Long Term Tax Exemption to the benefit of the Transferee and any of its Transferees.

Section 8.2 Obligations of Entity and Transferee After Conveyance

If the Entity Transfers the Project Premises to a Transferee pursuant to Section 8.1 hereof, then the Entity shall be absolutely discharged from any further obligations regarding the Project and shall be qualified to undertake another project pursuant to the Exemption Law. Within ninety (90) Days after the date of a Transfer, the Entity shall pay to the Town any Reserve maintained by it pursuant to this Financial Agreement, as well as any Excess Net Profits payable to the Town pursuant to this Financial Agreement and the Exemption Law.

ARTICLE IX- ENTITY'S COVENANTS AND REPRESENTATIONS

Section 9.1 Management and Operation

Subject to its right to Transfer pursuant to Section 8.1 of this Financial Agreement, the Entity represents and covenants that the Entity will manage and operate the Project as a retail pharmacy Project as described herein in a manner consistent with the Redevelopment Agreement and the Redevelopment Plan, or will contract with a third-party management company to perform same. The Entity shall be free to enter into a lease for the Rental Unit to the Tenant, without the consent of the Town.

Section 9.2 Computation of Gross Revenue

The Entity shall calculate the Annual Gross Revenue (as defined herein) in accordance with this Financial Agreement and shall be shown on the Entity's Annual Audit Statement.

Section 9.3 Annual Audit Report

For so long as the Entity owns the Project and within ninety (90) Days after the close of each fiscal or calendar year (depending on the Entity's accounting basis) that this Financial Agreement shall continue in effect, the Entity shall submit to the Mayor of the Town, the Governing Body and the New Jersey Division of Local Government Services within the New Jersey Department of Community Affairs, its Annual Audited Statement for the preceding fiscal or calendar year in accordance with the Exemption Law. The report shall clearly identify and calculate the Net Profit for the Entity during the previous fiscal year. The Entity assumes all costs associated with preparation of the Annual Audited Statements. Except to the extent required by Applicable Law, all financial information provided hereunder shall remain confidential and not subject to public disclosure.

Section 9.4 Total Project Cost Audit

(a) Within ninety (90) days after a Certificate of Completion is issued for the Project, the Entity shall submit to the Mayor and Governing Body, an audit of Total Project Cost, certified as to actual construction costs by the Entity's architect.

(b) The Entity represents that (i) the original projection of the Total Project Cost for the Project was approximately \$7,400,000 and that due to additional unanticipated environmental site remediation costs, construction costs, land costs and changes in the condition of the Project Premises since the preparation of the original budget projection, the Total Project Cost as reflected in Exhibit C of the Application exceeds the original budget projection (*i.e.*, a budget/cost overrun) by at least \$1,700,000; and (ii) but for the terms of this Agreement and the tax exemption contemplated herein, the Project would not be financially viable.

Section 9.5 Entity Bound by the Exemption Law

The Entity shall, at all times prior to the Termination Date, remain bound by the provisions of the Exemption Law.

ARTICLE X - MISCELLANEOUS PROVISIONS

Section 10.1 Governing Law and Conflicts

This Financial Agreement shall be governed by the provisions of Applicable Law including but not limited to the Exemption Law. The Parties agree that in the event of a conflict between this Financial Agreement and the Application, the language contained in this Financial Agreement shall govern and prevail.

Section 10.2 Oral Representation

Neither Party hereto has made any oral representation that is not contained in this Financial Agreement. This Financial Agreement and the Application, including all of the Exhibits attached and annexed thereto, constitute the entire Financial Agreement by and between the Parties.

Section 10.3 Modification

There shall be no modification of this Financial Agreement except by virtue of a written instrument executed by and between both Parties.

Section 10.4 Notices

All notices required hereunder shall be sent by certified mail, return receipt requested, or by recognized overnight courier, with proof of delivery, addressed as follows:

a) When sent by the Town to the Entity:

Speedwell CVS Urban Renewal, LLC
c/o CVS Pharmacy, Inc.
One CVS Drive
Woonsocket, RI 02895

with a copy to:

Thomas J. Malman, Esq.
Day Pitney, LLP
One Jefferson Road
Parsippany, New Jersey 07054-2891

b) When sent by the Entity to the Town:

Honorable Mayor Timothy Dougherty
Town of Morristown
200 South Street, CN 914
Morristown, New Jersey 07963-0914

with a copy to:

Vijayant Pawar, Esq., Town Attorney
Town of Morristown
200 South Street, CN 914
Morristown, New Jersey 07963-0914

with a copy to:

Michael Rogers, Business Administrator
Town of Morristown
200 South Street, CN 914
Morristown, New Jersey 07963-0914

and a copy to:

John P. Inglesino, Esq.
Inglesino, Wyciskala & Taylor, LLC
600 Parsippany Road, Suite 204
Parsippany, New Jersey 07054

In addition, if the Entity delivers formal written notice to the Town in accordance with this Agreement, of the name and address of Entity's mortgagee, then the Town shall provide such mortgagee with a copy of any notice required to be sent to the Entity.

Section 10.5 Indemnification

If the Town becomes named as a party defendant in any action brought against the Entity by reason of any breach, default, or violation of any provision of this Financial Agreement and/or the Exemption Law, but not including any taxpayer actions brought against the Town or the Entity, the Entity shall defend, indemnify and hold the Town harmless to the extent that the Entity is found to be liable in the action, except for any negligence or misconduct by the Town or any of its officers, officials, employees, consultants or agents, and the Entity agrees to defend the suit and indemnify the Town as set forth herein at its own expense.

Section 10.6 Severability

If any term, covenant or condition of this Financial Agreement shall be judicially declared 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 term, covenant or condition of this Financial Agreement shall be valid and be enforced to the fullest extent permitted by Applicable Law.

If any portion of this Financial Agreement shall be judicially declared to be invalid and unenforceable and provided that a default has not been declared pursuant to this Financial Agreement, the Parties shall cooperate with each other to take the actions reasonably required to restore the Financial Agreement in a manner contemplated by the Parties, including, but not limited to the authorization and amendment of this Financial Agreement in a form reasonably drafted to effectuate the original intent of the Parties.

Section 10.7 Good Faith

The Entity and the Town agree to act in good faith in all of their dealings with each other.

Section 10.8 Certification

The Town Clerk shall certify to the Town Tax Assessor, pursuant to the Exemption Law, that this Financial Agreement entered into by the Town and the Entity has been lawfully entered into and is in effect pursuant to the Exemption Law. The delivery by the Town Clerk to the Town Tax Assessor of a certified copy of the Ordinance shall constitute the required certification. Upon the delivery of the certification as required hereunder, the Town Tax Assessor shall implement the Long Term Tax Exemption and continue to enforce the Long Term Tax Exemption without further certification by the Town Clerk until the Termination Date. Further, upon the adoption of this Financial Agreement, the Ordinance shall be transmitted to the Director of the Division of Local Government Services State of New Jersey Department of Community Affairs by the Town Clerk.

Section 10.9 Exhibits

This Financial Agreement in its proposed form appears as an attachment to the Application for Long Term Tax Exemption as Exhibit B. This Financial Agreement along with each Exhibit attached and annexed hereto is incorporated into the Application.

Section 10.10 Recording

This Agreement, or a memorandum of this Agreement, may be filed and recorded with the Morris County Clerk by the Entity, and same may be discharged by the Town upon the Termination Date.

Section 10.11 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.

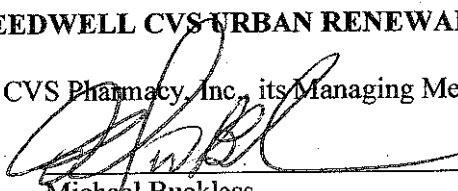
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IN WITNESS WHEREOF, the Parties have caused this Financial Agreement to be executed the day and year first above written.

SPEEDWELL CVS URBAN RENEWAL, LLC

By: CVS Pharmacy, Inc., its Managing Member

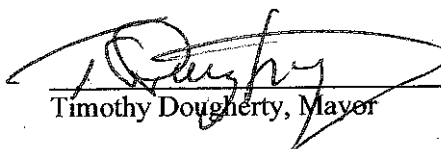
By:


Michael Buckless
Vice President

ATTEST:

TOWN OF MORRISTOWN


Patricia Kesselmeier
Town Clerk


Timothy Dougherty, Mayor

ACKNOWLEDGEMENT

STATE OF *New Jersey*)
COUNTY OF *Burlington*)

SS.:

Be it remembered that on the *7th* day of *May*, 2014, **Michael Buckless** personally appeared before me, and this person acknowledged under oath, to my satisfaction that:

- (a) he is the Vice President of **CVS Pharmacy, Inc.**, the Managing Member of **Speedwell CVS Urban Renewal, LLC**, the limited liability company named as Entity in the attached Financial Agreement;
- (b) he is authorized to execute the attached Financial Agreement on behalf of the Entity;
- (c) he executed the attached Financial Agreement on behalf of and as the act of the Entity; and
- (d) the attached Financial Agreement was signed and made by the Entity as its duly authorized and voluntary act.

Carol A. Olsen
notary

CAROL A. OLSEN
NOTARY PUBLIC
STATE OF NEW JERSEY
COUNTY OF BURLINGTON
COMMISSION #2377716
COMMISSION EXPIRES 9/5/2018

ACKNOWLEDGEMENT

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

BE IT REMEMBERED, that on this 21 day of May, 2014 before me, the subscriber, personally appeared **Timothy Dougherty**, who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction that he is the Mayor of the **Town of Morristown**, the Town named in the within Instrument; that the execution, as well as the making of this Instrument, have been duly authorized by the Town, that deponent well knows the seal of said Town; and that the seal affixed to said Instrument is the proper seal and was hereto affixed by ~~Matthew Stechauner~~, Deputy Town Clerk, and said Instrument was signed and delivered by said Mayor as and for the voluntary act and deed of said Town.

Robin J.
Kesselmeier

Robin J. Kesselmeier, Deputy

Notary:

VILMA D. LARA
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES SEPT. 15, 2016
ID# 2279169

EXHIBIT A

EXHIBIT A – SITE PLAN APPROVAL

[Attached]

**RESOLUTION OF THE MORRISTOWN PLANNING BOARD
GRANTING PRELIMINARY AND FINAL SITE PLAN APPROVAL WITH
WAIVERS/DESIGN EXCEPTIONS
FIRST HARTFORD REALTY CORP.
APPLICATION NO. 12-12
SPEEDWELL AVENUE REDEVELOPMENT (PHASE 4.1)
BLOCK 5001, LOTS 4, 5, 6, 7 & 7.01
MORRISTOWN, NEW JERSEY**

WHEREAS, on February 10, 2004, pursuant to the "Local Redevelopment and Housing Law," P.L. 1992,c.79 (C.40A:12A-1 et seq.) (the "Redevelopment Law"), the Town Council of the Town of Morristown, acting as the Town's redevelopment entity (the "Town Council") adopted a resolution determining that certain properties within Blocks 5001, 5702 and 5803 as shown on the tax map of the Town of Morristown, County of Morris, New Jersey (the "Town") qualified as an area in need of redevelopment; and

WHEREAS, in furtherance of the redevelopment of the area designated as an area in need of redevelopment, a redevelopment plan was prepared by Phillips Preiss Shapiro Associates, Inc., dated August 2007 (the "Redevelopment Plan"); and

WHEREAS, on September 18, 2007 and November 28, 2007, pursuant to the Redevelopment Law, the Town Council adopted Ordinance O-30-07 and Ordinance O-38-07 (respectively) approving and amending (respectively) the Redevelopment Plan governing properties in the Town known as Block 5001, Lots 4, 5, 6, 7, 7.01, 8, 9, 10, 11 and 12; Block 5702, Lots 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29; and Block 5803, Lots 1, 2, 3, 4, 5, 6, 7, 7.01, 7.02, 7.03, 7.04, 7.05, 7.06, 7.07, 7.08, 7.09, 29, 30, 31, 32, 33, 34, 35, 36, 37, 37.01, 38, 39, 40, 41, 42, 43, 44, 44.01, 44.02, and 44.03 in the Official Tax Maps of the Town, commonly referred to as the Speedwell Avenue Redevelopment Area (the "Redevelopment Area"); and

WHEREAS, the Town Council amended the Redevelopment Plan on October 13, 2011, pursuant to Ordinance O-19-11, and further amended the Redevelopment Plan on November 29, 2012, pursuant to Ordinance O-41-12, which last amendment was adopted in order to, among other things, provide for certain amendments and modifications to Phase Four (which includes Lots 4, 5, 6, 7, 7.01, 8, 9, 10, 11 and 12, Block 5001), including but not limited to (a) dividing Phase Four of the Redevelopment Plan into Phase 4.1 (including Lots 4, 5, 6, 7 and 7.01, Block 5001) ("Phase 4.1"), and Phase 4.2 (including Lots 8, 9, 10, 11 and 12, Block 5001) ("Phase 4.2"); and (b) provide the planning and design criteria for Phase 4.1 and Phase 4.2 of the Redevelopment Plan; and

WHEREAS, in accordance with the Redevelopment Plan for Phase 4.1, First Hartford Realty Corp. ("Applicant") submitted an application for preliminary and final major site plan approval ("Application") from the Board to allow the construction of an approximately 14,900 square foot ("SF") CVS Pharmacy retail store with drive-thru pharmacy facility, parklet and other related improvements ("Project") on property identified as Block 5001, Lots 4, 5, 6, 7 & 7.01 on the official tax map of the Town of Morristown, New Jersey (the "Property"). The Property is within Phase 4.1 of the Speedwell Avenue Redevelopment Area, and is located at the intersection of Speedwell Avenue and Spring Street; and

WHEREAS, a public hearing was held on the Application before the Board on January 24, 2013; and

WHEREAS, the Applicant was represented by Thomas Malman, Esq. with the law firm of Day Pitney, LLP; and

WHEREAS, the Applicant presented testimony from the following witnesses at the hearing: (1) Brett Skapinetz, PE- Project Engineer; (2) Carolle Huber, AIA- Landscape Architect; (3) Marco Neves, AIA – Project Architect; and (4) Nicholas Verderese, PE – Project Traffic Engineer; and

WHEREAS, in addition to the application and the documents submitted therewith to the Board, the Applicant entered into evidence the following Exhibits over the course of the public hearing.

- A-1 Site Plan Cover Sheet
- A-2 Aerial Map Narrative
- A-3 Speedwell Redevelopment Plan Aerial Map
- A-4 Existing Rendering Exhibit Narrative
- A-5 Existing Rendering Exhibit –Color Rendered
- A-6 Site Photograph
- A-7 Site Photograph
- A-8 Site Photograph
- A-9 Site Photograph
- A-10 Site Photograph
- A-11 Site Photograph
- A-12 Site Plan Exhibit Narrative
- A-13 Site Plan Exhibit- Color Rendered
- A-14 Vehicle/Pedestrian Circulation Exhibits Narrative
- A-15 Speedwell Ave. North Bound A Circulation Exhibit
- A-16 Speedwell Ave., North Bound B Circulation Exhibit
- A-17 Speedwell Ave., South Bound Circulation Exhibit
- A-18 Spring Street East Bound Circulation Exhibit
- A-19 Spring Street West Bound Circulation Exhibit
- A-20 Early Street Circulation Exhibit
- A-21 Drive Thru Circulation Exhibit
- A-22 Pedestrian Exhibit Narrative
- A-23 Pedestrian Circulation Exhibit
- A-24 Signage Exhibit Narrative
- A-25 Proposed Signage Plan – Color Rendered
- A-26 Carolle Huber Landscape Architecture Narrative
- A-27 Carolle Huber Landscape Architecture Planting Plan Narrative
- A-28 Landscape Plan – Color Rendered
- A-29 Parklet Plan Narrative
- A-30 Parklet Plan – Color Rendered
- A-31 Site amenities cover sheet
- A-32 Exhibit showing various site amenities proposed within the parklet

- A-33 Planting Plan – Color Rendered
- A-34 Marco Neves – Architecture Narrative
- A-35 Outline Plan Exhibit prepared by Neves Architecture and Design, LLC
- A-36 Exterior Elevations Plan
- A-37 Roof Plan and Details
- A-38 Color Rendering of the Proposed CVS Pharmacy depicting trees and plantings at initial planting heights
- A-39 Color Rendering of CVS Pharmacy depicting conditions ten (10) years after construction
- A-40 Aerial Plan Exhibit Narrative
- A-41 Aerial Plan Exhibit with Site Plan Superimposed – Color Rendered
- A-42 Vehicle Circulation Plan for a WB-50 Vehicle
- A-43 CD containing the entire power point presentation, including Exhibits A-1 to A-42 and Traffic Simulation Exhibits presented during the public hearing.

WHEREAS, in addition to Preliminary and Final Major Site Plan approval, CVS also applied for the following exceptions/design waivers from the provisions of the Speedwell Redevelopment Plan:

1. Page 36, Item 3 (Minimum Sidewalk Width), fourth bullet: the sidewalk proposed along Spring Street is approximately 9.5 feet in width where 10 feet is required.
2. Page 38, Item 1A (Building Setbacks), fourth bullet: the proposed building will have front yard setback of approximately 68.8 feet, or a maximum of 56 feet as permitted to the existing curb.
3. Page 39, Item 2D (Signage), third bullet: the proposed façade signage is 48 inches in height where a maximum of 30 inches is permitted.
4. Page 40, Item 2H (Curb Cuts for Entries), first bullet: curb cut widths of approximately 40 feet and 45.1 feet are proposed where a maximum width of 24 feet is permitted.
5. Page 42, Item 1, fourth bullet: Applicant is seeking relief from requirement to meet with the Arts Council and Morristown Partnership prior to filing the site plan application.
6. Page 49 (Phase 4.1 – Specific Guidelines, Signage), first bullet: each façade sign is proposed to be approximately 53.26 SF in size where a maximum wall sign area of 50 SF is permitted on any one façade.
7. Page 53 (Sitting Wall), fourth bullet: the proposed benches do not conform to the Morristown Partnership standard (bench design was selected by Town's Planning Consultants).
8. The Applicant is proposing to allocate the eight (8) parking spaces located on the northerly property boundary adjacent to Block 5001, Lot 8 to the owner of Block 5001, Lot 8 for

future development purposes rather than allocating same to the Morristown Parking Authority, provided an agreement is reached with the owner of Lot 8.

WHEREAS, the Board received and reviewed the following reports from its professionals:

1. Planning Report prepared by Jonathan Rose Companies in association with William R. Mikesell, PP, Mikesell & Associates, dated January 17, 2013;
2. Engineering review letters prepared by the Alaimo Group dated January 14, 2013 and January 24, 2013;
3. Landscape Review Report prepared by T&M Associates dated January 23, 2013;
4. Traffic Review Report prepared by T&M Associates dated January 23, 2013; and

WHEREAS, the Board has made the following findings and conclusions based upon the evidence presented:

1. The subject Property is located in Phase 4.1 of the Speedwell Avenue Redevelopment Area.
2. The Applicant's attorney, Thomas Malman, provided an introduction to the application, advising the Board that this is an application for Phase 4.1 of the Speedwell Avenue Redevelopment Area, which provides for the construction of an approximately 14,900 SF CVS Pharmacy retail store with a drive-thru pharmacy facility, parklet and other related improvements in accordance with the Redevelopment Plan.
3. Mr. Malman noted that in addition to seeking preliminary and final major site plan approval, that there are a number of exceptions and/or design waivers from the Speedwell Avenue Redevelopment Plan which are being sought by the Applicant.
4. The Applicant first witness was Brett Skapinetz, P.E., a professional engineer with the firm of Dynamic Engineering Consultants PC, the Project Engineers.
5. Mr. Skapinetz provided an overview of the existing conditions throughout the area through the introduction of Exhibits A-4 and A-5, noting that the Property was previously utilized by an automobile dealership. He noted that the existing impervious coverage is 87.4%, with a 23.8% building coverage. He further noted that the existing site condition includes six (6) driveways entering the Property off of Speedwell Avenue and Spring Street.
6. The proposed plans provide for only two driveway entrances to the Property, off of Speedwell Avenue and Spring Street respectively, creating a much safer ingress and egress to the Property.

7. The access plans call for an alignment of the driveway off of Speedwell Avenue with Early Street.

8. The proposed plans call for a decrease in impervious coverage of approximately 8.4% from the existing condition. As a result, the total impervious coverage for the proposed Project will be 79%.

9. A parklet is also proposed at the front of the site for use by the general public.

10. Through the introduction of Exhibit A-13, Mr. Skapinetz provided an overview of the site plan, circulation and parking areas.

11. During testimony, there was a discussion with respect to the eight (8) proposed parking spaces located along the northerly property boundary adjacent to Block 5001, Lot 8. The amended Redevelopment Plan, with respect to Phase 4.1, suggests that those eight (8) parking spaces should be under the authority and control of the Morristown Parking Authority. However, Mr. Malman indicated that his client has been in discussions with the owner of adjacent Lot 8, and provided that an agreement is reached with the owner of Lot 8, the Applicant is willing to allocate those eight (8) parking spaces to the neighbor for the neighbor's use should the neighbor proceed with the redevelopment of its property in the future. It was noted that this allocation would require a waiver from the provision in the Amended Redevelopment Plan calling for those eight (8) spaces to be conveyed to the Parking Authority.

12. Mr. Skapinetz provided detailed testimony regarding the stormwater management plan for the proposed Project, noting that the plan would result in a reduction in the total impervious coverage from the existing site conditions of approximately 8%.

13. Mr. Skapinetz testified that the stormwater management plan designs meet all applicable State and local standards. In fact, he stated that the plan is oversized from a stormwater management perspective.

14. He provided testimony with respect to proposed rain gardens intended to capture and infiltrate water into the ground water table, and provided other details of the system.

15. Mr. Skapinetz provided detailed testimony through the introduction of Exhibits A-14 through A-23 with respect to vehicular and pedestrian circulation throughout the Property.

16. With respect to deliveries, Mr. Skapinetz testified that the CVS would receive one tractor trailer delivery per week, which would enter and exit at the Speedwell Avenue driveway. All tractor trailer deliveries will be undertaken at off-peak hours. The approximate unloading time for the tractor trailer will be forty-five (45) minutes to one hour.

17. In addition to the tractor trailer delivery, the CVS is expected to receive five to seven box truck deliveries per day.

18. With respect to refuse, the Applicant has proposed a masonry enclosure with a dumpster and compactor. It was noted that most of the waste is recyclable cardboard. Refuse and recycling pickups are anticipated to be one to two times weekly.

19. Mr. Skapinetz provided detailed testimony with respect to the signage, referring to Exhibit A-24 and A-25. With respect to signage, the Applicant is seeking a waiver with respect to letter height of the façade sign letters. The maximum permitted by Ordinance is thirty (30) inches, whereas the Applicant is proposing forty-eight (48) inch letters. Furthermore, the maximum wall sign area permitted on any one façade is 50 SF, whereas the Applicant is proposing 53.26 SF.

20. The Applicant is also providing two ground mounted signs at the Speedwell Avenue frontage and at the entrance to the site on Spring Street. While the Board did not take issue with the ground mounted sign at the Spring Street entrance, the Board collectively did not believe that the additional ground mounted sign on Speedwell Avenue is necessary given the total amount of signage already proposed. As a result, the Applicant agreed to remove the proposed ground mounted sign on Speedwell Avenue from its plans.

21. In response to questions from the Board, Mr. Skapinetz testified that the Applicant would comply with all comments contained in the report of the Board's engineering consultant, Alaimo Engineering.

22. Mr. Skapinetz testified that the Applicant would look at providing a four foot safety fence along the Salvation Army property line due to the proximity of the playground area. Mr. Skapinetz testified that the proposed hours of operation are seven (7) days per week, 7:00 a.m. to 11:00 p.m.

23. One Board Member questioned whether a "Minute Clinic" type operation would be undertaken in the CVS. The Applicant responded that a "Minute Clinic" is not proposed at the present time, but may be implemented in the future. The Board and its consultants confirmed that this use is permitted by the Ordinance and the Redevelopment Plan, and may be installed by the Applicant in the future.

24. The Applicant's next witness was Carolle Huber, the Landscape Architect. Ms. Huber provided detailed testimony with respect to the landscaping plan and the parklet plans, including all of the additional amenities being proposed.

25. She testified that a community bulletin board would be provided. In this regard, she testified that she is working with the Town's Arts Council to come up with an appropriate design.

26. Ms. Huber stated that the Applicant would comply in all respects with the T&M Landscape report. In addition to working with the Arts Council, Ms. Huber testified that she has been working with the Morristown Partnership with respect to lighting, trash receptacles and other aspects of the parklet design.

27. Ms. Huber agreed that one of the decorative bollards in the parklet area would be modified to serve as an ashtray.

28. Ms. Huber further agreed that she would work with the Board's Professionals to finalize the design of the parklet, the front driveway lane, sitting wall, driveway signage, paving texture, materials and colors and other parklet amenities.

29. The Applicant's next witness was Marco Neves, the Project Architect.

30. Mr. Neves provided detailed testimony with respect to the overall design of the Project. He presented Exhibit A-38 which is a colored rendering showing the appearance of the building at initial construction and planting. Exhibit A-38 shows the true height of the trees at the time that the store opens.

31. Exhibit A-39 is another rendering depicting anticipated site conditions ten (10) years after opening, showing more mature tree growth on the site.

32. Mr. Neves testified that the parapets will conceal all HVAC and other roof top mechanical equipment.

33. Mr. Neves provided testimony with respect to the efforts to achieve sustainability as outlined in his January 23, 2013 memo.

34. The building will be sprinklered.

35. The Applicant's final witness was Nicholas Verderese, traffic engineer.

36. Mr. Verderese provided detailed testimony with respect to the traffic impact study he prepared, noting that information previously produced by Dewberry was utilized.

37. Mr. Verderese testified that the Applicant is undertaking major improvements, starting with the provision of necessary rights-of-way for road widening at that intersection.

38. The Applicant will be undertaking changes to signal timing, installing ADA ramps and undertaking other improvements that will improve circulation at the intersection.

39. Mr. Verderese testified that the six (6) existing curb cuts along the Property frontage would be closed and replaced with two (2) curb cuts that are located at the furthest points away from the intersection of Speedwell Avenue and Spring Street.

40. Mr. Verderese provided simulation plans for the intersections which were included in Exhibit A-43, including both a.m. and p.m. peak simulations.

41. Mr. Verderese noted that the proposed Project will result in 50% less traffic than was called for in the original Redevelopment Plan for Phase 4.

42. Mr. Verderese noted that at least 50% of the traffic anticipated to go to the CVS is drive by traffic which is already in the flow of traffic today.

43. With respect to exiting at Spring Street, the Applicant agreed to impose a no left turn restriction out of the site from 4:00 p.m. to 7:00 p.m., Mondays through Fridays.. Signage will be proposed in this regard at both the top of the Spring Street driveway and the bottom of the driveway.

44. The Applicant has also agreed to provide a "Don't Block the Box" striping on Spring Street at the Spring Street entrance to the Property..

45. The Applicant has agreed that the entire traffic circulation plan will be analyzed with the Town Professionals six (6) months after the CVS is opened to determine if the improvements are working and whether any additional measures may be necessary.

46. The Board engaged in deliberations with respect to the application. The Board found creditable and persuasive the testimony of the Applicant's engineer, architect, landscape architect and traffic engineer and finds that it has met its burden of proof for the grant of Preliminary and Final Major Site Plan Approval.

47. With respect to the waivers and/or design deviations, the Board found the testimony of the Applicants to be incredibly persuasive. The Board determined that the grant of the exceptions and/or design waivers, as requested in the application and outlined hereinabove, is appropriate.

48. One additional exception/design waiver relative to the eight (8) parking spaces on the north side was appended to the application as a result of discussions by and between the Applicant and the adjoining property owner. Though no formal agreement has been reached, the Applicant acknowledged that it will allocate the eight (8) parking spaces proposed on the northerly portion of the site to the adjoining property owner for that property owner's use in conjunction with future development activities on the Property, rather than allocating those parking spaces to the Morristown Parking Authority as set forth in the Amended Redevelopment Plan. To the extent that an agreement is reached by and between the property owners, this deviation shall be deemed approved. If no such agreement is reached, the spaces will be allocated to the Morristown Parking Authority in accordance with the Amended Redevelopment Plan.

49. For the reasons set forth above, the Board finds and concludes that the Applicant has met the requirements of the Municipal Land Use Law and the Amended Redevelopment Plan for Phase 4 of the Speedwell Avenue Redevelopment Area for the granting of preliminary and final major site plan approval, with exceptions and/or design waivers.

NOW, THEREFORE, BE IT RESOLVED on this 28th day of February, 2013 that the Application of First Hartford Realty Corp. for preliminary and final site plan approval with exceptions and design waivers for Phase 4.1 of the Speedwell Avenue Redevelopment Project is granted subject to the following conditions:

1. The Applicant must comply with all applicable Town, County, State and Federal Laws, ordinances, regulations and directives, including without limitation, obtaining all applicable local, state and federal approvals and permits. The Applicant shall confirm, in writing, the necessary agency approvals required as part of the Project that is the subject of this application and shall provide a certification, in writing, that all such permits and/or requests for said approvals have been applied for and/or obtained. All required permit applications and/or requests to other agencies having jurisdictional oversight with respect to this project shall be submitted to such agencies for review within sixty (60) days from the date of this resolution. Prior to the signing of any approved site plans, the Applicant shall submit proof to the Board Engineer that it has obtained all required governmental approvals and permits required for the project.

2. The Applicant shall be responsible for the submission of any and all revised plans, payment of all fees, charges, escrows, liens, taxes as may be owed to the Town of Morristown, and proof of all permits, approvals, and/or waivers of such agencies having jurisdiction thereof.

3. The Applicant shall comply with all outstanding comments contained in the Review Reports of the Board's Professionals. Copies of the Review Reports of the Board's Professionals are attached hereto as Exhibit A.

4. The Applicant shall redesign the pedestrian ramp at the northeast corner of the intersection of Speedwell Avenue and Spring Street to the satisfaction of the Board Professionals.

5. The Applicant shall amend the plans to provide ADA compatible cross walks at all crossings to the Property as shown on the plans to the satisfaction of the Board Professionals.

6. The Applicant shall coordinate the trash receptacles proposed in the parklet area with the Morristown Partnership requirements.

7. The Applicant shall install a standpipe connection at the building to the satisfaction of the Town's Fire Department.

8. Left turns out of the Property at the Spring Street driveway shall be prohibited from 4:00 p.m. to 7:00 p.m., Mondays through Fridays. The Applicant shall install no left turn signs at the top of the driveway and at the bottom of the driveway at its intersection with Spring Street, noting the time prohibition.

9. The Applicant shall amend its plans to depict an additional recyclable container within the refuse area.

10. The Applicant shall "install a "Don't Block the Box" on the pavement at the Spring Street driveway to preclude vehicles from blocking the driveway ingress and egress off of Spring Street.

11. The Applicant agreed to review the traffic conditions with the Board Professionals six (6) months after the store is opened to determine whether any modifications to traffic signal timing or otherwise will be necessary.

12. The Applicant shall reduce the massing of the ground mounted sign proposed on at the Spring Street entrance to the Property to the satisfaction of the Board Professionals.

13. The Applicant shall remove the second ground mounted monument sign proposed on Speedwell Avenue from the Plans. As a result, the Applicant shall only have one ground mounted monument sign which is that proposed at or near the Spring Street entrance to the Property.

14. The Applicant agreed that it will address any and all environmental issues associated with the Property to the satisfaction of the New Jersey Department of Environmental Protection which is the agency having jurisdiction over same.

15. The Applicant agrees that it will hire a police officer to serve as a traffic safety officer for the first two months of operations from the hours of 4:00 p.m. to 7:00 p.m., Mondays through Fridays to monitor the Speedwell Avenue driveway intersection, and as necessary provide traffic monitoring and direction. After two months, the Applicant will meet with the Morristown Police Chief and the Board Professionals to determine whether it will be necessary to maintain a traffic safety officer at the Speedwell Avenue driveway entrance location for a longer period of time.

16. The Applicant shall enter into a formal Redevelopment Agreement with the Town of Morristown.

17. The Applicant shall, at its sole cost and expense, design and construct a pedestrian beacon at the intersection of Speedwell Avenue and Flagler Street. Applicant shall be responsible to obtain all approvals from the New Jersey Department of Transportation and/or any other agency having jurisdiction over the subject matter. Plans for the pedestrian beacon shall also be submitted to the Board's Professionals for review, comment and approval. The Applicant's obligations regarding the pedestrian beacon will be set out in greater detail in the Redevelopment Agreement but will in no case delay the issuance of a building permit or certificate of occupancy for the Project.

18. The Applicant shall provide additional landscaping to buffer the adjoining residential properties to the satisfaction of the Board's Landscape Professional.

19. The Applicant shall amend its plans to include an additional inlet on the Spring Street entrance driveway to the satisfaction of the Board Engineer.

20. Tractor trailer deliveries to the Property shall be made at off-peak times.
21. The Applicant's Landscape Architect shall work with the Board Professionals to finalize the design of the parklet and its amenities.
22. The Applicant's Landscape Architect shall work with the Board's Professionals to finalize the configuration of the sitting wall that separates the parklet from the front lane. The Board Professionals have recommended the use of periodic "breaks" in the wall to help further calm traffic by creating a more pedestrian environment.
23. The Applicant's Engineer shall work with the Board Professionals to develop a "shared street" signage package for the front lane of the proposed building, which shall include, but not be limited to a speed limit sign indicated five (5) miles per hour. The Applicant shall monitor car and pedestrian circulation safety events to ensure that two (2) way car circulation is safe for pedestrians in the shared street zone. If there is compelling and repeated evidence that the two (2) way car circulation in front of the store is causing safety problems, the Town Engineer shall advise the Applicant and work with the Applicant to enhance pedestrian safety in the area. If such efforts, in the Township Engineer's reasonable opinion, are unsuccessful in improving pedestrian safety, the Township Engineer may recommend that such circulation be modified to a one-way design, in which case the Applicant shall make such change to the circulation pattern in front of the store, or at the Applicant's option, return to the Board to further discuss the issue and the appropriate remedy.
24. The Applicant's Engineer and Landscape Architect shall work with the Board Professionals to finalize differentiating paving patterns and materials at parklet and shared street circulation areas to reduce car speeds and ensure pedestrian safety, to the satisfaction of the Board Professionals. Bollards shall be placed to differentiate between parklet and pedestrian zones. Applicant shall provide cut sheets for bollards. The designs shall include, among other things, down lighting of pedestrian walkways, and designs that include ashtrays, which shall be subject to the review and approval of the Board Professionals.
25. The Applicant shall provide a landscape plan showing fencing details and plant materials at edges of property, particularly in areas where residential uses are directly adjacent to the subject Property. Landscape plant materials shall achieve the objective of creating a visual barrier between the Property and the adjacent properties. Applicant shall install a four to five foot solid fence along the Salvation Army property line to block views into the adjacent playground. Revised plans incorporating the foregoing shall be submitted to the Board Professionals for review and approval.
26. The Applicant presented a building that had unique architectural characteristics, including transparent views into and out of the building. Transparency of the storefront windows shall remain free from interior and exterior obstruction, including furniture, fixtures, or signage. However, a 12" banner sign may be permitted at the base of each window to accommodate interior fixtures. However, under no other circumstances shall interior furniture, fixtures or signage protrude above the banner sign. The requirement to leave windows free from interior obstructions shall remain an ongoing obligation upon the Applicant, subject to the enforcement

of the Zoning Officer.

27. The Town's Planning Division and Zoning Officer will prepare a detailed development checklist to be endorsed by the Applicant prior to the commencement of construction, containing among other things, all conditions of approval.

28. The Applicant shall provide cut sheets for all key exterior fixtures that are specified in the plans, including but not limited to the entrance awning as well as the window and façade details.

29. All construction, use and development of the Phase 4.1 property shall be in conformance with the plans approved herein, all representations of the Applicant and its witnesses during the public hearing, all exhibits introduced by the Applicant, and all terms and conditions of this Resolution. Prior to the commencement of any land disturbance or construction permitted by this approval, the Applicant shall have submitted and received approval for all corrections, amendment and/or additions to the filed plans and reports required by this approval.

30. One set of the revised plans and reports incorporating all additions, amendments and corrections made a part of this approval as indicated during testimony and as required by the Board, the Board's professionals and/or any other agency having jurisdiction in the matter shall be submitted to each of the Board's Administrative Officer, Board Engineer and the Board Planner. All changes from the previously filed plans shall be clearly identified. Said plans and reports shall be delivered within thirty (30) days of the (i) date of this resolution; or (ii) receipt of the final approval from all other agencies with jurisdiction over the project, whichever occurs last; provided, however, that in no event shall such revised plans or reports be submitted more than 180 days from the date of this resolution. In the event that the Redeveloper does not comply with these deadlines, it shall apply to the Board for an extension. Errors and omissions by the Redeveloper in the submission process will not be deemed to be a valid basis for extension requests of the aforementioned timeframes.

31. Upon written confirmation from the Board Engineer that the required plan and report revisions are acceptable, a total of six (6) sets of such final plans and reports shall be delivered to the Board's Administrative Officer no later than thirty (30) days from the date of said written confirmation for signatures by the Board.

32. The Board's approval is expressly subject to the agreement of the Applicant that it will comply with all of the conditions set forth above, and will cooperate in good faith with the Town to comply with the spirit and intent of the approval of this Resolution.

33. If the Applicant desires to make any further changes to the plans, regardless of whether any such changes are material or non-material, the Applicant shall request approval of the change(s) by written application to the Board's Administrative Officer, which application shall clearly identify each change proposed. The Administrative Officer shall determine whether each such change is "material" or "non-material". Changes determined by the Administrative Officer to be non-material may be approved by the Administrative Officer.

Changes determined to be material by the Administrative Officer shall require an application for amended approval to be filed with the Board. Failure to comply with this condition will subject the Applicant to a fine pursuant to Chapter XXX, Land Use Regulations, Section #30-4109, Violations and Penalties and may be sufficient grounds for withholding any certificate of occupancy or revocation of any previously issued certificate of occupancy pursuant to NJAC 5:23, Uniform Construction Code of New Jersey."

34. The Applicant shall be bound to comply with the representations made before this Board by the Applicant and its professionals and the conditions imposed by the Board at the public hearing and the same are incorporated herein and are representations upon which this Board has relied in granting the approval set forth herein and shall be enforceable as if those representations were made conditions of this approval.

35. The Board adopts its findings of fact and conclusions as set forth above, and adopts and incorporates herein by reference all specific conditions of approval set forth therein.

ALL NOTES INCLUDED IN THE APPROVED PLANS, INCLUDING NOTES REQUIRED BY THIS RESOLUTION, SHALL BE DEEMED TO BE CONDITIONS OF APPROVAL HAVING THE SAME FORCE AND EFFECT AS CONDITIONS EXPRESSLY SET FORTH IN THIS RESOLUTION.

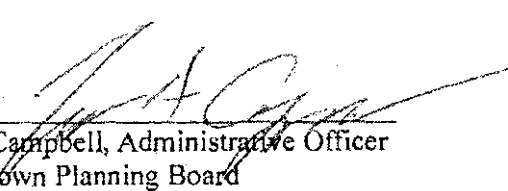
I HEREBY CERTIFY that this is a true copy of the Resolution of the Morristown Planning Board duly adopted at a regular public meeting held on February 28, 2013.

On motion of: *Armington*
Seconded by: *Mayor Dougherty*
The vote on this Resolution is as follows:

AYES: *Armington, Casanova, Gandy, Murphy,*
Mayor Dougherty, Stanley, Strine.
NAYS: *None*

ABSTAINING: *Kane*

ABSENT: *Poole, Tighe*


James Campbell, Administrative Officer
Morristown Planning Board

Dated: *3/5/2013*

EXHIBIT B

EXHIBIT B – APPLICATION

[Attached]

APPLICATION FOR TAX EXEMPTION

OF

SPEEDWELL CVS URBAN RENEWAL, LLC

In accordance with the requirements of the Long Term Exemption Law, N.J.S.A. 40A:20-1, et seq., (the "Exemption Law"), Speedwell CVS Urban Renewal, LLC (the "Applicant" or the "Entity") respectfully submits to the Mayor and Governing Body of the Town of Morristown (the "Town") this Application for Long Term Tax Exemption along with those documents attached and annexed hereto.

Applicant's Name and Address:

Speedwell CVS Urban Renewal, LLC
c/o CVS Pharmacy, Inc.
One CVS Drive
Woonsocket, RI 02895

Project Name:

Speedwell Redevelopment Area – Phase 4.1 (CVS project)

1. Identification of Project Premises:

The Project Premises is located within the Speedwell Redevelopment Plan – Phase 4.1 area and consists of a series of parcels of property containing approximately 1.11 acres of real property identified as 119 Spring Street, 115 Spring Street, 111 Speedwell Avenue, 117 Speedwell Avenue and 127 Speedwell Avenue, and designated on the official Tax Map of Morristown as Lots 4, 5, 6, 7 and 7.01, Block 5001 (the "Project Premises").

2. General Statement of Nature of Redevelopment Project:

This proposed portion of the Speedwell Redevelopment Plan consists of the development, construction and operation of an approximately 14,900 square foot retail pharmacy building with two (2) drive-thru lanes and approximately seventy nine (79) parking spaces to be constructed by the Entity on the Project Premises. The project shall further consist of (a) the acquisition of the Project Premises, (b) demolition of the existing structures on the Project Premises, (c) clearance of the Project Premises, (d) the environmental remediation of the Project Premises in accordance with applicable environmental laws, and (e) the construction and development of all project improvements and related on-site and off-site improvements, and utilities and infrastructure improvements, all in accordance with the Redevelopment Plan and as set forth in this Redevelopment Agreement (the "Project"). The Applicant's undertaking of the Project pursuant to the Speedwell Redevelopment Plan and the Redevelopment Agreement, dated as of March 19, 2014, by and among First Hartford Realty Corp and the Town (the "RDA"), and same conforms to all applicable municipal ordinances. The Project consists of a Phase 4.1 of the Speedwell Redevelopment Plan and accords with such Plan and the Master Plan of the Town.

3. Description of the Project:

The following documents depicting and describing the Project are attached hereto and made a part hereof as **Exhibit A**, including the site plan approved by the planning board, prepared by Dynamic Engineering, dated January 3, 2013 and revised through July 25, 2013.

4. Type of Tax Exemption Requested:

Pursuant to the Exemption Law, the Entity seeks a long-term tax exemption for the Project. The Applicant requests that the Annual Service Charge for the Project be a sum equal to 15% of the Annual Gross Revenues calculated from the first (1st) day of the month following substantial completion of the Project.

5. Term of Exemption:

The Applicant requests that the term of the long-term tax exemption be for a period of Thirty (30) years from the date of the Town's issuance of a Certificate of Occupancy for the Project.

6. Financial Agreement:

The proposed Financial Agreement between the Town and the Applicant (therein referred to as the Entity) is attached and annexed hereto as Exhibit B.

7. Estimation of Total Project Cost:

Pursuant to the Exemption Law, N.J.S.A 40A:20-3(h), the statement prepared by an architect or engineer licensed in the State of New Jersey setting forth the estimated Total Project Cost for the Project (the Project does not include fee simple units) is set forth in the schedule attached and annexed hereto as Exhibit C.

8. Redevelopment Process Timeline:

Attached and annexed hereto as Exhibit D is a copy of the Applicant's proposed Redevelopment Project Timeline containing information relevant to the development and construction of the Project. The proposed Redevelopment Process Timeline also appears as an attachment to the RDA and is subject to the terms thereof.

9. Financial/Fiscal Plan:

A proposed Financial/Fiscal Plan for the Project outlining the schedule of annual gross revenue, the estimated expenditure for operation and maintenance of the Project, payments for interest, amortization of debt and reserves, and payments to be made to the Town pursuant to the Financial Agreement is annexed hereto and made a part hereof as Exhibit E.

10 Sources, Method and Amount of Financing For Project:

The Applicant will finance the development and construction of the Project through a combination of debt financing secured by the Project Premises and the Project, private equity from CVS Caremark and other private equity investors and the equity investment of the Redeveloper as set forth in the RDA.

The estimated amount of financing for the Project to be obtained by the Applicant through each method of financing set forth above and the security, collateral and/or any mortgage or guaranty to be granted or pledged in connection therewith is set forth in the

proposed Financial/Fiscal Plan attached hereto.

11. Applicant's Relationship to Project Premises:

The Applicant is the record owner in fee or has entered into valid and binding contracts to purchase each parcel of property within the Project Premises pursuant to the terms and conditions set forth in the RDA.

12. Minimum Annual Service Charges and Annual Service Charges:

Commencing upon the Effective Date of the Financial Agreement attached hereto the Applicant shall pay the Minimum Annual Service Charge.

Upon the Town's issuance of a Certificate of Occupancy for the Project, the Applicant shall pay the Minimum Annual Service Charge or the Annual Service Charge or pro rata share thereof, whichever is greater.

(A) Minimum Annual Service Charge

The Minimum Annual Service Charge for the Project shall be equal to the amount of Land Taxes levied against the real property upon which the Project is constructed in the last full tax year in which such real property was subject to taxation.

(B) Annual Service Charge

The Annual Service Charge shall be calculated as 15% of the Annual Gross Revenues calculated from the first (1st) day of the month following substantial completion of the Project. Attached and annexed hereto as Exhibit F is a projection of the Annual Service Charge for the Project.

13. Zoning Information:

The Project Premises are situated within the Speedwell Redevelopment Area, designated as an area in need of redevelopment pursuant to the Local Redevelopment and Housing Law. The redevelopment of the Project Premises is subject to the terms, conditions and restrictions contained within the Speedwell Redevelopment Plan, as adopted by the Governing Body, and as may be subsequently amended, and the RDA.

14. Real Estate Taxes:

The total real property taxes paid on the Project Premises for the 2013 Tax Year were one hundred fifteen thousand, six hundred and forty-two and 56/100 dollars (\$115,642.56). Attached and annexed hereto as Exhibit G is a summary of the Project Premises real property taxes for 2013 Tax Year.

15. Municipal Tax Assessment:

The total real property aggregate assessed value of the Project Premises is four million, four hundred seventy-three, six hundred dollars (\$4,473,600) for the 2013 Tax Year. Attached and annexed hereto as **Exhibit H** are the estimated 2014 Real Estate Property Taxes for the Project Premises. The Town has provided the estimated 2014 taxes and believes that same is accurate as presented herein.

16. Disclosure Statement:

The Applicant is an urban renewal limited liability company to be operated pursuant to the laws of the State of New Jersey. Its status as an urban renewal entity has been approved by the Commissioner of the State of New Jersey Department of Community Affairs for approval. Attached and annexed hereto as **Exhibit I** is a true copy of the Disclosure Statement for the Applicant submitted to the Department of Community Affairs

17. Certification as to Commencement of Construction:

The Applicant hereby certifies that it has not and will not commence construction of the Project prior to adoption by the Town's Governing Body of a Resolution approving this Application and an appropriate Ordinance approving and making effective this Long Term Tax Exemption and Financial Agreement and authorizing the Mayor or other appropriate official to execute the Financial Agreement, unless otherwise permitted.

18. Compliance with State Law:

The Project Premises are situated within the Speedwell Redevelopment Area. As such the Project Premises meets the requirements of the Exemption Law for consideration for long term tax exemption. In addition, the Applicant has been approved by the Commissioner of the State of New Jersey Department of Community Affairs as a lawfully established as an urban renewal entity. As a result thereof, it is or will be entitled to receive the benefits of the long term tax exemption under the Exemption Law. The proposed Project will be developed and constructed in accordance with the guidelines, goals and objectives set forth in the Speedwell Redevelopment Plan.

19. Certificate of Formation:

Attached and annexed hereto as **Exhibit J** is a true copy of the Certificate of Formation of Speedwell CVS Urban Renewal, LLC, which has been approved by the Commissioner of the State of New Jersey Department of Community Affairs for approval.

20. Exhibits:

The following exhibits are attached and annexed to this Application for Long Term Tax Exemption and are hereto incorporated herein:

Exhibit A: Description of Project

Exhibit B: Financial Agreement

Exhibit C: Total Project Cost

Exhibit D: Development Process Timeline

Exhibit E: Financial/Fiscal Plan

Exhibit F: Projected Annual Service Charge

Exhibit G: 2013 Real Estate Taxes

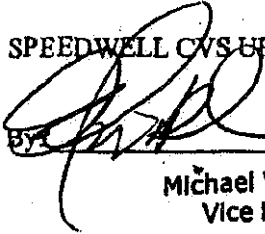
Exhibit H: Estimated 2014 Real Estate Taxes

Exhibit I: Disclosure Statement

Exhibit J: Certificate of Formation

I hereby certify to the best of my knowledge and belief, that all of the information contained in this application is true and correct.

SPEEDWELL CVS URBAN RENEWAL, LLC

BY 

Michael W. Buckless
Vice President

Exhibit A
Description of Project

The Project consists of the development, construction and operation of an approximately 14,900 square foot retail pharmacy building with two (2) drive-thru lanes and approximately seventy nine (79) parking spaces to be constructed by the Entity on the Project Premises. The project shall further consist of (a) the acquisition of the Project Premises, (b) demolition of the existing structures on the Project Premises, (c) clearance of the Project Premises, (d) the environmental remediation of the Project Premises in accordance with applicable environmental laws, and (e) the construction and development of all project improvements and related on-site and off-site improvements, and utilities and infrastructure improvements, all in accordance with the Redevelopment Plan and as set forth in the Redevelopment Agreement

Exhibit B

Financial Agreement

Exhibit C
Total Project Cost

Project Costs

Property Acquisition	3,256,500
Soft Costs	1,126,665
Site Costs	1,838,561
Building Costs	1,871,585
Developer Profit	265,000
FFE-NAI Costs	536,880
Total	8,895,191
Environmental in Estimate	48,000
Net without Environmental	8,847,191
New Environmental Est.	1,200,000
Project Cost w New Environmental	10,047,191



DYNAMIC ENGINEERING

April 15, 2014
Via Email

Day Pitney, LLP
One Jefferson Road
Parsippany, NJ 07054

Attn: Mr. Craig M. Gianetti, Esq.

RE: Proposed CVS Pharmacy
Block 5001; Lots 4, 5, 6, 7 & 7.01
NJSH 202 & Spring St.
Township of Morristown
Morris County, NJ
DEC# 0469-11-016

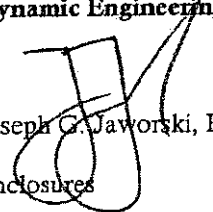
Dear Mr. Gianetti,

As discussed we have reviewed the attached project cost information provided by the developer regarding for the above referenced project. The site and building costs appear to be a reasonable estimate of such costs for the project. The remaining information is outside of our purview but is information provided by the developer.

Please feel free to contact our office if you have any questions of require additional information.

Sincerely,

Dynamic Engineering Consultants, PC


Joseph G. Jaworski, PE, CME, CFM

Enclosures

Cc: Tony Gallinari

Exhibit C
Total Project Cost

Project Costs

Property Acquisition	3,256,500
Soft Costs	1,126,665
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Net without Environmental	8,847,191
New Environmental Est.	1,200,000
Project Cost w New Environmental	10,047,191

Exhibit D

Development Process Timeline

REDEVELOPMENT PROJECT SCHEDULE

1. 5/14/2014 Redeveloper to close on purchase of Project Premises.
2. 5/14/2014 Redeveloper to obtain all Governmental Approvals for Project.
3. 5/14/2014 Redeveloper to commence demolition and Environmental Remediation.
4. 6/1/2014 Redeveloper to commence construction of the Project Improvements.
5. 10/6/2014 Redeveloper to substantially complete the Project and Project Improvements.
6. 10/24/2014 Completion of Project Improvements/Town to issue C/O.
7. 11/1/2014 Town to issue Certificate of Completion and Compliance.

Exhibit E-1

CVS Morristown Financing Plan

Project Cost	10,047,191
Equity Ratio	30%
Owner's Equity	3,014,157
Net Mortgage Required	7,033,034
Financing Costs of Mortgage	70,330
Total Mortgage Principal	7,103,364
Term	30
Rate	0.06
Annual P&I	516,052

Exhibit E-2
Operating Pro-Forma

Please refer to the enclosed Excel Spreadsheet

CVS Morristown

Financial Analysis
Operating Projection by Year

Description	Unit Size	# Units	5 Year Est.	Initial Rxn2/SE	Year 1 1.000	Year 2 1.000	Year 3 1.000	Year 4 1.000	Year 5 1.000	Year 6 1.000	Year 7 1.000	Year 8 1.000	Year 9 1.000	Year 10 1.000	Year 11 1.000	Year 12 1.000
Occupancy Factor																
Escalation Indicator																
Revenue																
Property Rents	14,900	1	0.100	60.00	894,000	894,000	894,000	894,000	894,000	983,400	983,400	983,400	983,400	983,400	1,081,740	1,081,740
Gross Revenue					894,000	894,000	894,000	894,000	894,000	983,400	983,400	983,400	983,400	983,400	1,081,740	1,081,740
Expenses																
	Rate per SF or AGR	Base	Ann. Est.													
Operating Expenses	6.000	14,900	0.020		89,400	91,788	93,012	94,872	96,769	98,705	100,679	102,692	104,746	106,841	108,978	111,158
PILOT (@15% of AGR)	0.150	AGR (w Statutory Minimums)			195,336	134,100	134,100	134,100	134,100	147,510	147,510	147,510	147,510	147,510	162,261	162,261
Replacement Reserve	0.500	14,900	0.020		7,450	7,599	7,751	7,906	8,064	8,225	8,390	8,558	8,729	8,903	9,082	9,263
Management Fee	0.850	Gross Rev			44,700	44,700	44,700	44,700	44,700	49,170	49,170	49,170	49,170	49,170	54,067	54,067
Total Operating Expense					297,186	232,887	234,863	236,878	238,934	254,440	256,579	258,760	260,985	263,255	280,321	282,682
Net Operating Income		Land Equity	Cash Equity		601,814	661,113	659,137	657,122	655,066	728,960	726,821	724,640	722,415	720,145	801,419	799,058
Equity Investment	3,014,157	0	3,014,157													
Mortgage Principal	7,103,364															
Rate	0.0600															
Term	30															
Annual Debt Payment	516,052				516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052
Projected Cash Flow					85,762	145,061	143,086	141,070	139,015	212,908	210,770	208,588	206,363	204,094	285,368	283,007
Coverage Ratio (Operating Cash Flow/Debt Service Requirement)					116.6%	128.1%	127.7%	127.3%	126.9%	141.3%	140.3%	140.4%	140.0%	139.5%	155.3%	154.8%

*Year 1 PILOT Payment includes land tax for that year.

Year 13 1.000	Year 14 1.000	Year 15 1.000	Year 16 1.000	Year 17 1.000	Year 18 1.000	Year 19 1.000	Year 20 1.000	Year 21 1.000	Year 22 1.000	Year 23 1.000	Year 24 1.000	Year 25 1.000	Year 26 1.000	Year 27 1.000	Year 28 1.000	Year 29 1.000	Year 30 1.000
1,081,740	1,081,740	1,081,740	1,189,914	1,189,914	1,189,914	1,189,914	1,189,914	1,308,905	1,308,905	1,308,905	1,308,905	1,308,905	1,308,905	1,439,796	1,439,796	1,439,796	1,439,796
1,081,740	1,081,740	1,081,740	1,189,914	1,189,914	1,189,914	1,189,914	1,189,914	1,308,905	1,308,905	1,308,905	1,308,905	1,308,905	1,308,905	1,439,796	1,439,796	1,439,796	1,439,796
113,381	115,648	117,961	120,321	122,727	125,182	127,685	130,239	132,844	135,501	138,211	140,975	143,794	146,670	149,604	152,596	155,648	158,761
162,261	162,261	162,261	178,487	178,487	178,487	178,487	178,487	196,336	196,336	196,336	196,336	196,336	240,475	245,285	250,190	255,194	260,298
9,448	9,637	9,830	10,027	10,227	10,432	10,640	10,853	11,070	11,292	11,518	11,748	11,983	12,223	12,467	12,716	12,971	13,230
54,087	54,887	55,687	59,496	59,496	59,496	59,496	59,496	65,445	65,445	65,445	65,445	65,445	65,445	71,990	71,990	71,990	71,990
285,090	287,547	290,053	308,834	311,441	314,100	316,813	319,579	340,250	343,128	346,064	349,059	352,113	399,368	407,355	415,502	423,812	432,289
796,650	794,193	791,687	881,080	878,473	875,814	873,101	870,335	968,656	965,777	962,841	959,847	956,792	1,040,428	1,032,441	1,024,254	1,015,984	1,007,507
516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052	516,052
280,598	278,142	275,636	365,023	362,421	359,762	357,050	354,283	452,604	449,726	446,790	443,795	440,741	524,376	516,389	508,242	499,932	491,456
154.4%	153.9%	153.4%	170.7%	170.2%	169.7%	169.2%	168.7%	187.7%	187.1%	186.6%	186.0%	185.4%	201.6%	200.1%	198.5%	196.9%	195.2%

Exhibit F

CVS Morristown

Equalized Value of Land (Year 1)	2,777,469
Equalized Tax Rate (Year 1)	2.2047%
Projected Annual Tax Rate Increase	0.0200
5 Year Escalation Rate	0.1000
First Year Rent	894,000
Municipal Share of Taxes	40.7420%

PILOT Details

Proj. Eq. Value	8,310,311
Proj. Full Taxes	183,221
PILOT Rate	15.000%
Equalization Rate	0.8529

<u>Year</u>	<u>Annual</u> <u>Gross</u> <u>Revenue</u>	<u>Esc</u> <u>Ind.</u>	<u>Formula</u> <u>PILOT</u> <u>Payment</u>	<u>Taxes in</u> <u>Year</u> <u>Prior</u> <u>to</u> <u>PILOT</u>	<u>Min</u> <u>%</u> <u>of</u> <u>Full</u> <u>Taxes</u>	<u>Projected</u> <u>Theoretical</u> <u>Taxes</u>	<u>PILOT</u> <u>Payable</u> <u>by</u> <u>Statute</u>
1	894,000		134,100	115,643	0%	183,221	134,100
2	894,000		134,100	115,643	0%	186,886	134,100
3	894,000		134,100	115,643	0%	190,623	134,100
4	894,000		134,100	115,643	0%	194,436	134,100
5	894,000		134,100	115,643	0%	198,325	134,100
6	983,400	1	147,510	115,643	0%	202,291	147,510
7	983,400		147,510	115,643	0%	206,337	147,510
8	983,400		147,510	115,643	0%	210,464	147,510
9	983,400		147,510	115,643	0%	214,673	147,510
10	983,400		147,510	115,643	0%	218,966	147,510
11	1,081,740	1	162,261	115,643	20%	223,346	162,261
12	1,081,740		162,261	115,643	20%	227,813	162,261
13	1,081,740		162,261	115,643	20%	232,369	162,261
14	1,081,740		162,261	115,643	20%	237,016	162,261
15	1,081,740		162,261	115,643	20%	241,757	162,261
16	1,189,914	1	178,487	115,643	40%	246,592	178,487
17	1,189,914		178,487	115,643	40%	251,524	178,487
18	1,189,914		178,487	115,643	40%	256,554	178,487
19	1,189,914		178,487	115,643	40%	261,685	178,487
20	1,189,914		178,487	115,643	40%	266,919	178,487
21	1,308,905	1	196,336	115,643	60%	272,257	196,336
22	1,308,905		196,336	115,643	60%	277,702	196,336
23	1,308,905		196,336	115,643	60%	283,256	196,336
24	1,308,905		196,336	115,643	60%	288,922	196,336
25	1,308,905		196,336	115,643	60%	294,700	196,336
26	1,439,796	1	215,969	115,643	80%	300,594	240,475
27	1,439,796		215,969	115,643	80%	306,606	245,285
28	1,439,796		215,969	115,643	80%	312,738	250,190
29	1,439,796		215,969	115,643	80%	318,993	255,194
30	1,439,796		215,969	115,643	80%	325,373	260,298

Exhibit G
2013 Real Estate Taxes

CVS Morristown Project Property Data

2013 Tax Rate 0.02585
Eq. Ratio 0.8529

<u>Address</u>	<u>Block</u>	<u>Lot</u>	<u>2013</u> <u>Land</u> <u>Value</u>	<u>2013</u> <u>Improve.</u> <u>Value</u>	<u>2013</u> <u>Total</u> <u>Value</u>	<u>2013</u> <u>Land</u> <u>Tax</u>	<u>2013</u> <u>Improve.</u> <u>Tax</u>	<u>2013</u> <u>Total</u> <u>Tax</u>
119 Spring Street	5001	4	536,000	17,100	553,100	13,856	442	14,298
115 Spring Street	5001	5	400,000	1,800,000	2,200,000	10,340	46,530	56,870
111 Speedwell Ave	5001	6	246,400	23,100	269,500	6,369	597	6,967
117 Speedwell Ave	5001	7	888,000	265,300	1,153,300	22,955	6,858	29,813
127 Speedwell Ave	5001	7	294,400	3,300	297,700	7,610	85	7,696
Total			2,364,800	2,108,800	4,473,600	61,130	54,512	115,642.56

Exhibit H
Estimated 2014 Real Estate Taxes

CVS Morristown Project Property Data

2014 Tax Rate 0.02637
 Eq. Ratio 0.8529

<u>Address</u>	<u>Block</u>	<u>Lot</u>	<u>2014</u> <u>Land</u> <u>Value</u>	<u>2014</u> <u>Improve.</u> <u>Value</u>	<u>2014</u> <u>Total</u> <u>Value</u>	<u>2014</u> <u>Land</u> <u>Tax</u>	<u>2014</u> <u>Improve.</u> <u>Tax</u>	<u>2014</u> <u>Total</u> <u>Tax</u>
119 Spring Street	5001	4	536,000	17,100	553,100	14,133	451	14,584
115 Spring Street	5001	5	400,000	1,800,000	2,200,000	10,547	47,461	58,007
111 Speedwell Ave	5001	6	246,400	23,100	269,500	6,497	609	7,106
117 Speedwell Ave	5001	7	888,000	265,300	1,153,300	23,414	6,995	30,409
127 Speedwell Ave	5001	7	294,400	3,300	297,700	7,762	87	7,849
Total - - -			2,364,800	2,108,800	4,473,600	62,353	55,603	117,955.41

Exhibit I
Disclosure Statement

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF CODES AND STANDARDS
BUREAU OF HOMEOWNER PROTECTION
PO BOX 805
TRENTON, NEW JERSEY 08625-0805

URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION

Instructions for Completion: You have filed an application for approval of an urban renewal entity pursuant to the Long Term Tax Exemption Law (N.J.S.A. 40A:20-1 et seq.). In order for us to process the application, we require that you provide the following information and forward this form to the above address or fax it to (609)292-2839. This form must be completed prior to Division approval of the entity. If you have any questions, please call Karen Schwacha at (609)984-5831.

Name of Urban Renewal Entity: Speedwell CVS Urban Renewal, LLC

SECTION 1: TYPE OF APPROVAL REQUESTED (check one):

- ☒ Original certificate (of incorporation, limited partnership, formation, etc.)
- ☐ Amendment to original certificate (of incorporation, limited partnership, formation, etc.). Note: In the case of amendments, please forward a copy of original certificate marked "filed, State Treasurer" or "filed, Secretary of State" with this form.
- ☐ Other (please specify) _____

SECTION 2: PROJECT INFORMATION

Project Name: Morristown CVS Pharmacy / Retail Store

Project Street Address: Speedwell Avenue & Spring Street

Project Block Number(s) 5001 Project Lot Numbers 4, 5, 6, 7 & 7.01

Municipality in which the Project is located Morristown

County in which the Project is located Morris County

SECTION 3 (for project listed in SECTION 2.)

(Check one)

- ☒ 1. This project is solely a commercial project (with no housing units) developed in a redevelopment area pursuant to a municipal redevelopment plan.

-next-

URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION, PAGE 2

NAME OF URBAN RENEWAL ENTITY: Speedwell CVS Urban Renewal

SECTION 3 (cont.)

☐ 2. This project consists solely of market rate housing units developed in a redevelopment area pursuant to a municipal redevelopment plan.

NOTE: If you checked 1 or 2, complete **SECTIONS 4, 6, and 7.**

☐ 3. The project consists of low and moderate income housing units, which may include senior citizen low and moderate income housing units.

NOTE: If you checked 3, complete **SECTION 5, 6, and 7.**

☐ 4. This project consists of mixed uses.

Specify type:

☐ Market rate and low and moderate income housing.

☐ Commercial and market rate housing.

☐ Commercial and low and moderate income housing.

☐ Other (please describe) _____

NOTE: If you checked 4, complete **SECTIONS 4, 5, 6, and 7.**

SECTION 4: REDEVELOPMENT PLAN INFORMATION

Name of Municipal Redevelopment Agency The Town of Morristown

Citation of municipal ordinance adopting the redevelopment plan 0-30-07, amended 0-19-11,
amended 0-41-12

For housing projects, complete the following:

Specify type and number of units as applicable:

☐ Condominium units _____

☐ Market rate rental _____

☐ Low and moderate income in mixed use projects _____

☐ Senior citizen in mixed use projects _____

☐ Other (please specify) _____

Total number of units _____

SECTION 5: PROJECT FUNDING SOURCES

The low and moderate income housing project will be financed or insured by which of the following (check all applicable):

☐ Private funds (Please specify) _____

☐ State or Federal financing or insuring agencies (Please specify below) _____

☐ Other (Please specify) _____

-next-

URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION, PAGE 3

NAME OF URBAN RENEWAL ENTITY: Speedwell CVS Urban Renewal, LLC

SECTION 5: PROJECT FUNDING SOURCES (cont.)

State or Federal Financing or Insuring Agencies for the Project (check all that apply):

NJ Department of Community Affairs:

- ☐ Neighborhood Preservation Balanced Housing
- ☐ Downtown Living Initiative Program
- ☐ HOME - Housing Production Investment Fund
- ☐ HOME - Neighborhood Preservation
- ☐ HOME - Rental Rehabilitation

NJ Housing and Mortgage Finance Agency:

- ☐ NJ Community Housing Demo Program (developmental disabilities)
- ☐ NJ Supportive Housing Program
- ☐ Shared Residence Rental Housing Program (community residence)
- ☐ Transitional Housing Revolving Loan Program
- ☐ Multifamily Rental Housing Program
- ☐ Public Housing Construction and Permanent Loan Program
- ☐ Rental Housing Incentive Finance Fund
- ☐ 100% Mortgage Program
- ☐ Urban Home Ownership Recovery Program
- ☐ Low-Income Housing Tax Credit Allocation Program

NJ Redevelopment Authority:

- ☐ NJ Urban Site Acquisition Program

US Department of Housing and Urban Development (HUD)

- ☐ Section 811 Supportive Housing for Persons with Disabilities
- ☐ Section 202 Supportive Housing for the Elderly
- ☐ HOPE VI Grants
- ☐ HOME Program

US Department of Agriculture

- ☐ Rural Resources Administration (formerly Farmers' Home Administration)

☐ Other (Please specify) _____

List the information of the State or Federal financing or insuring agency's contact person:

Name: _____

Title: _____

Department/Agency: _____

Address: _____

Telephone Number _____

-next-

URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION, PAGE 4

NAME OF URBAN RENEWAL ENTITY: _____

SECTION 6: PROJECT CONSTRUCTION/OWNERSHIP

- ☒ 1. The project is new construction.
- ☐ 2. An existing project is being rehabilitated.
If rehab, specify name of individual, entity, etc. who is the current owner of the project. _____
- ☐ 3. Ownership of an existing project is being transferred to the new urban renewal entity.
If transfer, specify name of individual, entity, etc. from whom the project is being or has been transferred. _____
- Is the transferor entity a limited dividend corporation or association, established pursuant to the Limited Dividend and Nonprofit Housing Corporations and Associations Law, N.J.S.A. 55:16-1 et seq.? (yes or no) _____
- Is the transferor entity an existing urban renewal entity established pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq.? (yes or no) _____
- ☐ 4. Has this project caused or will this project cause displacement of individuals or businesses? (yes or no) _____

SECTION 7: CERTIFICATION

NOTE: This certification must be completed by an individual authorized to execute the certificate of incorporation (incorporator), the certificate of limited partnership (general partner), or other similar certificate or statement as may be required by law.

CERTIFICATION

I attest that the information stated herein is truthful and accurate to the best of my knowledge and understand that failure to fully and accurately disclose any information may delay processing the application while the Department investigates the application and project. Further, I understand that any project of the urban renewal entity may be subject to additional Department review and approval, pursuant to the requirements of the Limited Dividend and Nonprofit Corporations or Associations Law, N.J.S.A. 55:16-1 et seq., the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., and/or rules governing Limited Dividend and Nonprofit Housing Corporations and Associations and Urban Renewal Entities, N.J.A.C. 5:13-1 et seq.

Sworn to me and subscribed before me this
day of (mo/day/year) _____

March 17, 2014

Susan M. Schadone
(notary public/attorney)

X _____
(authorized individual's signature)

Kristine L. Donabedian
Assistant Secretary

(print name of authorized individual)

Susan M. Schadone
Notary Public
State of Rhode Island
My Commission Expires 03/09/2016

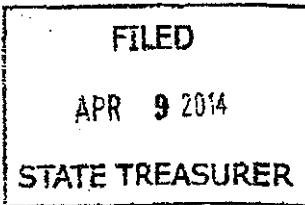
Exhibit J
Certificate of Formation



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

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DEPARTMENT OF COMMUNITY AFFAIRS

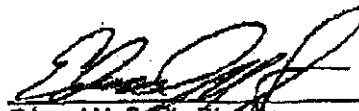
TO: State Treasurer
RE: SPEEDWELL CVS URBAN RENEWAL, L.L.C.
File # 1420
An Urban Renewal Entity

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

Done this 8th day of April 2014 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY


Edward M. Smith, Director
Division of Codes and Standards





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

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Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: SPEEDWELL CVS URBAN RENEWAL, L.L.C.
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Done this 8th day of April 2014 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY


Edward M. Smith, Director
Division of Codes and Standards



**CERTIFICATE OF FORMATION
OF
SPEEDWELL CVS URBAN RENEWAL, L.L.C.**

The undersigned, in order to form a limited liability company pursuant to the provisions of the Revised Uniform Limited Liability Company Act, N.J.S.A. 42:2C-1, et seq. and the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1, et seq. hereby certifies as follows:

1. **Name.** The name of the limited liability company is **Speedwell CVS Urban Renewal, L.L.C** (the "Company").

2. **Purpose.**

(a) The purpose for which the Company is formed shall be to operate under the provisions of P.L. 1991, c. 431 (C. 40A:20-1 et seq.) and to initiate and conduct a project for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or a project 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 Town of Morristown (the "Municipality"), to acquire, plan, develop, construct, alter, maintain or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L. 1991, c. 431 (C. 40A:20-1 et seq.). The project to be initiated and conducted on property owned by the Company is a CVS pharmacy / retail store and is to be constructed on Lots 4, 5, 6, 7 and 7.01 in Block 5001, as currently designated on the official tax map of Town of Morristown (the "Project").

(b) So long as the Company is obligated under a financial agreement with the Municipality made pursuant to P.L. 1991, c. 431 (C. 40A:20-1 et seq.), it shall engage in no business other than the ownership, operation and management of the Project.

(c) The Company has been organized to serve a public purpose. Its operations shall be directed toward: (1) the redevelopment of redevelopment areas; (2) the acquisition, management and operation of a project under P.L. 1991, c. 431 (C. 40A:20-1 et seq.); and (3) that it shall be subject to regulation by the Municipality in which the Project is situated, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as it remains the owner of a project subject to P.L. 1991, c. 431 (C. 40A:20-1 et seq.), including, but not limited to, the Project as defined above.

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

shall assume all contractual obligations of the transferor entity under the financial agreement with the Municipality. The Company shall file annually with the governing body of the Municipality a disclosure of the persons having an ownership interest in the Project, and of the extent of the ownership interest of each. Nothing herein shall prohibit any transfer of the ownership interest in the Company itself provided that the transfer, if greater than 10 percent, is disclosed to the governing body of the Municipality in the annual disclosure statement or in correspondence sent to the Municipality in advance of the annual disclosure statement.

(e) The Company shall be subject to the provisions of section 18 of P.L. 1991, c. 431 (C. 40A:20-18) respecting the powers of the Municipality to alleviate financial difficulties of the Company or to perform actions on behalf of the Company upon a determination of financial emergency.

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

3. Principal Office/Registered Office and Agent:

(a) The initial principal place of business and office of the Company shall be located at One CVS Drive, Woonsocket, RI 02895.

(b) The initial registered office of the Company in the State of New Jersey shall be located at 820 Bear Tavern Road, West Trenton, NJ 08628. The name and address of the initial registered agent of the Company for service of process on the Company in the State of New Jersey shall be The Corporation Trust Company, 820 Bear Tavern Road, West Trenton, NJ 08628.

4. Members. The name, address and percent interest of each member having an ownership interest in the Company is as follows:

<u>Name:</u>	<u>Address:</u>	<u>% Interest:</u>
CVS Pharmacy, Inc.	One CVS Drive Woonsocket, RI 02895	100%

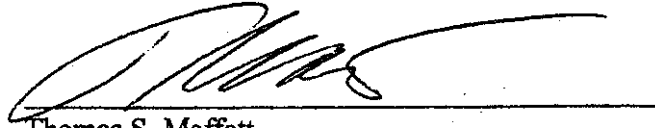
5. Term. The Company is to have perpetual existence.

6. Indemnification. To the fullest extent permitted by law, from time to time, the Company shall indemnify, defend and hold harmless its member(s) from and against any liability incurred or sustained by the member(s) arising from on in connection with the good faith discharge of the obligations of said member(s), except for liability imposed on the member(s) as a result of any fraudulent, criminal or grossly negligent act or omission or by willful misconduct of the member(s). Neither the amendment nor the repeal of this Article 6 shall eliminate or reduce the protection afforded by this Article 6 to a member(s) of the Company with respect to any matter which occurred, or any cause of action, suit or claim which but for this Article 6 would have accrued or arisen prior to such amendment, repeal or adoption.

7. Effective Date. This Certificate shall be effective upon filing in the office of the State Treasurer of the State of New Jersey.

8. **Authorization.** The undersigned is authorized to sign this Certificate on behalf of the Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate and has certified this as his act and deed and the facts herein stated as true this 14th day of March, 2014.

A handwritten signature in black ink, appearing to read 'T. Moffatt', is written over a horizontal line.

Thomas S. Moffatt

Thomas S. Moffatt
Vice President and
Assistant Corporate Secretary

EXHIBIT C

EXHIBIT C – ORDINANCE

[Attached]

EXHIBIT D

EXHIBIT D – FINANCIAL PLAN

[Attached]

CVS Morristown

Financing Plan

Project Cost	10,047,191
Equity Ratio	30%
Owner's Equity	3,014,157
Net Mortgage Required	7,033,034
Financing Costs of Mortgage	70,330
Total Mortgage Principal	7,103,364
Term	30
Rate	0.06
Annual P&I	516,052

EXHIBIT E

EXHIBIT E – ESTIMATED RENTAL SCHEDULE AND COMPUTATION OF AGR

[Attached]

CVS Morristown

Equalized Value of Land (Year 1)	2,777,469	Proj. Eq. Value	8,310,311
Equalized Tax Rate (Year 1)	2.2047%	Proj. Full Taxes	183,221
Projected Annual Tax Rate		PILOT Rate	15.000%
Increase	0.0200		
5 Year Escalation Rate	0.1000	Equalization Rate	0.8529
First Year Rent	894,000		
Municipal Share of Taxes	40.7420%		

<u>Year</u>	<u>Annual Gross Revenue</u>	<u>Esc Ind.</u>	<u>Formula PILOT Payment</u>	<u>Taxes in Year Prior to PILOT</u>	<u>Min % of Full Taxes</u>	<u>Projected Theoretical Taxes</u>	<u>PILOT Payable by Statute</u>
1	894,000		134,100	115,643	0%	183,221	134,100
2	894,000		134,100	115,643	0%	186,886	134,100
3	894,000		134,100	115,643	0%	190,623	134,100
4	894,000		134,100	115,643	0%	194,436	134,100
5	894,000		134,100	115,643	0%	198,325	134,100
6	983,400	1	147,510	115,643	0%	202,291	147,510
7	983,400		147,510	115,643	0%	206,337	147,510
8	983,400		147,510	115,643	0%	210,464	147,510
9	983,400		147,510	115,643	0%	214,673	147,510
10	983,400		147,510	115,643	0%	218,966	147,510
11	1,081,740	1	162,261	115,643	20%	223,346	162,261
12	1,081,740		162,261	115,643	20%	227,813	162,261
13	1,081,740		162,261	115,643	20%	232,369	162,261
14	1,081,740		162,261	115,643	20%	237,016	162,261
15	1,081,740		162,261	115,643	20%	241,757	162,261
16	1,189,914	1	178,487	115,643	40%	246,592	178,487
17	1,189,914		178,487	115,643	40%	251,524	178,487
18	1,189,914		178,487	115,643	40%	256,554	178,487
19	1,189,914		178,487	115,643	40%	261,685	178,487
20	1,189,914		178,487	115,643	40%	266,919	178,487
21	1,308,905	1	196,336	115,643	60%	272,257	196,336
22	1,308,905		196,336	115,643	60%	277,702	196,336
23	1,308,905		196,336	115,643	60%	283,256	196,336
24	1,308,905		196,336	115,643	60%	288,922	196,336
25	1,308,905		196,336	115,643	60%	294,700	196,336
26	1,439,796	1	215,969	115,643	80%	300,594	240,475
27	1,439,796		215,969	115,643	80%	306,606	245,285
28	1,439,796		215,969	115,643	80%	312,738	250,190
29	1,439,796		215,969	115,643	80%	318,993	255,194
30	1,439,796		215,969	115,643	80%	325,373	260,298

Total