TOWNSHIP COMMITTEE WORKSHOP MEETING – OCTOBER 22, 2018 – 6:00 P.M.

Mayor Williams calls the workshop meeting to order at 6:00 p.m. and asks the Clerk to call the roll:

ROLL CALL	PRESENT/ABSENT
Dr. Michael Brantley	________
Robert Lane, Jr.	________
Kevin B. McMillan	________
Carol Rizzo	________
Nicholas Williams	________

Also present: Vito D. Gadaleta, Business Administrator; Gene Anthony, Township Attorney; and Richard J. Cuttrell, Municipal Clerk.

Mayor Williams announces that the notice requirements of R.S. 10:4-18 have been satisfied by the publication of the required advertisement in The Coaster and the Asbury Park Press on January 4, 2018, posting the notice on the Board in the Municipal Complex, and filing a copy of said notice with the Municipal Clerk.

ITEMS FOR DISCUSSION IN OPEN SESSION

1. Review of Best Practices Survey.

2. Review Committee calendars/update on outstanding issues and capital items.
   - Various on-going capital improvement projects.

Res. # 18-355 – Authorize an Executive Session as authorized by the Open Public Meetings Act.

Offered by:______________ Seconded by:______________
Vote: Brantley, _____; Lane, _____; McMillan, _____; Rizzo, _____; Williams, _____.

RESOLUTION #18-355 – 10/22/18

AUTHORIZE AN EXECUTIVE SESSION AS AUTHORIZED BY THE OPEN PUBLIC MEETINGS ACT

WHEREAS, Section 8 of the Open Public Meetings Act, Chapter 231, P.L. 1975, permits the exclusion of the public from a meeting in certain circumstances; and,

WHEREAS, this public body is of the opinion that such circumstances presently exist,

THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Neptune, County of Monmouth, as follows:

1. The Public shall be excluded from discussion of and action upon the hereinafter specified subject matters.

2. The general nature of the subject matter to be discussed is as follows:

Personnel – Punitive damage representation
Contract negotiations – Redevelopment Attorney present
Personnel – Vacancy on Police Committee
Personnel – Driver vacancies in Public Works.

3. It is anticipated at this time that the above stated subject matters will be made public when matters are resolved.

4. This Resolution shall take effect immediately.

TOWNSHIP COMMITTEE MEETING – OCTOBER 22, 2018 – 7:00 P.M.

Mayor Williams calls the meeting to order and asks the Clerk to call the roll:

ROLL CALL	PRESENT/ABSENT
Dr. Michael Brantley	________
Robert Lane, Jr.	________
Kevin B. McMillan	________
Carol Rizzo	________
Nicholas Williams	________

Also present at the dais: Gene Anthony, Township Attorney; Vito D. Gadaleta, Business Administrator; and Richard J. Cuttrell, Municipal Clerk.

Silent Prayer and Flag Salute

The Clerk states, "Fire exits are located in the rear of the room and to my right. In the event of a fire, you will be notified by fire alarm and/or public address system, then proceed to the nearest smoke-free exit."

Mayor Williams announces that the notice requirements of R.S. 10:4-18 have been satisfied by the publication of the required advertisement in The Coaster and the Asbury Park Press on January 4, 2018 posting the notice on the Board in the Municipal Complex, and filing a copy of said notice with the Municipal Clerk. In addition, the meeting agenda, resolutions and ordinances are posted online at www.neptunetownship.org.

APPROVAL OF MINUTES – Motion offered by _________, seconded by, _________, to approve the minutes of the meeting held on October 4th.

PROCLAMATION - CURFEW - The Mayor will announce a proclamation extending curfew hours for minors on October 30th and October 31st. All persons under the age of 18 must be off public streets and places between 9:00pm and 4:00am unless accompanied by an adult.

COMMENTS FROM THE DAIS - Comments from the Dais regarding business on this agenda or any reports on recent events in their respective departments.

PUBLIC COMMENTS ON RESOLUTIONS - Public comments regarding resolutions presented on this agenda only. The public will be permitted one visit to the microphone with a limit of five minutes.

ORDINANCES - For each ordinance with a public hearing, the public is permitted one visit to the microphone with a limit of five minutes.

ORDINANCE NO. 18-30 – An ordinance to amend Volume I, Chapter XV, of the Code of the Township of Neptune entitled "Uniform Fire Safety Act Enforcing Agency" - Final Reading

Explanatory Statement: This ordinance amends the provisions of the Uniform Fire Safety Act Enforcement Agency (Fire Bureau) of both Neptune Township fire districts. The ordinance amends portions of the operation, regulations, and fee structure of both agencies in compliance with the requirements of the Uniform Fire Safety Act.

Public Hearing:

Offered by:______________ Seconded by:______________
Vote: Brantley, _____; Lane, _____; McMillan, _____; Rizzo, _____; Williams, _____.

<u>ORDINANCE NO. 18-31</u> – An ordinance to amend Volume I, Chapter VII of the Code of the Township of Neptune by removing handicapped parking zones on Anelve Avenue and Cookman Avenue – Final Reading

Explanatory Statement: This ordinance authorizes the removal of existing handicapped parking stalls adjacent to 101 Anelve Avenue and 77 Cookman Avenue.

Public Hearing:

Offered by:_______________ Seconded by:_______________
Vote: Brantley, _____; Lane, _____; McMillan, _____; Rizzo, _____; Williams, _____.

<u>CONSENT AGENDA</u>

Res. #18-356 – Accept a maintenance guarantee and release a performance bond filed by 1019 Old Corlies Road, LLC for site improvements in connection with Car Wash & Lube Express at 1019 Old Corlies Avenue.

Res. #18-357 – Authorize submission of an Assistance to Firefighters Grant application through the Federal Emergency Management Agency.

Res. #18-358 – Authorize an amendment to the 2018 municipal budget to realize monies from the United States Department of Justice.

Res. #18-359 – Authorize the renewal of liquor license issued to Mom's Kitchen, Inc. t/a Il Posto for the 2018-2019 licensing year.

Res. #18-360 – Declare the Loffredo Fields Improvement Project as complete.

Res. #18-361 – Employ temporary attendant for the Adult Basketball Recreation Program.

Res. #18-362 – Authorize payment to Office of Emergency Management personnel.

Res. #18-363 – Authorize the refund of taxes as a result of an overpayment (2205 Alpine Trail).

Res. #18-364 – Authorize the cancellation of sewer rent (232 Valley Road).

Res. #18-365 – Authorize the refund of sewer rent as a result of an overpayment (11 East Shadowlawn Drive).

Res. #18-366 – Authorize the cancellation of taxes as a result of the granting of a totally disabled veterans exemption (811 Stamford Drive).

CONSENT AGENDA Offered by:_______________ Seconded by:_______________
Vote: Brantley, _____; Lane, _____; McMillan, _____; Rizzo, _____; Williams, _____.

Res. #18-367 – Appoint third member to the Police Committee.

Offered by:_______________ Seconded by:________________
Vote: Brantley, _____; Lane, _____; McMillan, _____; Rizzo, _____; Williams, _____.

Res. #18-368 – Authorize the payment of bills.

Offered by:_______________ Seconded by:________________
Vote: Brantley, _____; Lane, _____; McMillan, _____; Rizzo, _____; Williams, _____.

Res. #18-369 – Authorize the execution of an Interim Cost and Conditional Designation Agreement with BAW Development, LLC, including provisions for a deposit of project funds to defray costs incurred by the Township of Neptune in connection with the negotiation of a Redevelopment Agreement, pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq.

Offered by:_______________ Seconded by:________________
Vote: Brantley, _____; Lane, _____; McMillan, _____; Rizzo, _____; Williams, _____.

Res. #18-370 – Adopt Side Bar Agreement between Neptune Township and New Jersey State PBA Local #74 Neptune Township Unit.

Offered by:_______________ Seconded by:________________
Vote: Brantley, _____; Lane, _____; McMillan, _____; Rizzo, _____; Williams, _____.

PRIVILEGE OF THE FLOOR/PUBLIC COMMENTS

Members of the public may address any concern relating to the Township. The public will be permitted one visit to the microphone with a limit of five minutes.

ADJOURNMENT

Neptune

Township - NJ

Where Community, Business & Tourism Prosper

Proclamation

WHEREAS, the Chief of Police of the Township of Neptune has recommended the establishment of extended curfew hours for minors for Tuesday, October 30th and Wednesday, October 31st; and,

WHEREAS, Chapter 3, Section 4.1b of the Township Code gives the Mayor of the Township of Neptune the authority to issue a proclamation regulating the hours during which persons shall be prohibited from remaining upon the public streets, ways, and places in the Township of Neptune,

NOW THEREFORE, I, Nicholas Williams, Mayor of the Township of Neptune, do hereby proclaim a curfew prohibiting any persons under the age of 18 from remaining upon the public streets, ways, and places in the Township of Neptune on Tuesday, October 30, 2018 and Tuesday, October 31, 2018 from 9:00 P.M. to 4:00 A.M. unless accompanied by a parent.

DATED: October 22, 2018

____
Nicholas Williams, Mayor

ATTEST:________________________
Richard J. Cuttrell, Clerk

Kevin B. McMillan
Robert Lane, Jr.

Carol Rizzo
Dr. Michael Brantley

RESOLUTION #18-356 - 10/22/18

ACCEPT A MAINTENANCE GUARANTEE AND RELEASE A PERFORMANCE BOND FILED BY 1019 OLD CORLIES ROAD, LLC FOR SITE IMPROVEMENTS IN CONNECTION WITH CAR WASH & LUBE EXPRESS AT 1019 OLD CORLIES AVENUE

WHEREAS, on December 15, 2015, 1019 Old Corlies Road, LLC filed performance bond 5023556, written by Bond Safeguard Insurance Company in the amount of $355,320.00, guaranteeing site improvements at the Car Wash & Lube Express at 1019 Old Corlies Avenue; and,

WHEREAS, on January 23, 2017, the Township Committee adopted Resolution #17-92 which authorized a reduction in the performance bond to the amount of $106,596.00; and,

WHEREAS, the Township Consulting Engineer has certified that all site improvements have been completed in a satisfactory manner as of August 22, 2018 and said performance bond can be released contingent upon posting a two year maintenance bond in the amount of $49,350.00; and,

WHEREAS, 1019 Old Corlies Road, LLC has filed Maintenance Bond #1089846 in the amount of $49,350.00 written by Lexon Insurance Company guaranteeing said site improvements for a period of two years,

THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Neptune that the Maintenance Guarantee as stated above be and is hereby accepted and the performance bond is authorized to be released; and,

BE IT FURTHER RESOLVED, that the cash portion of the performance guarantee in the amount of $11,892.81 and the remaining inspection fee escrow be and is hereby authorized to be refunded; and,

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to the Developer and Township Engineer.

RESOLUTION #18-357 – 10/22/18

AUTHORIZE SUBMISSION OF AN ASSISTANCE TO FIREFIGHTERS GRANT APPLICATION THROUGH THE FEDERAL EMERGENCY MANAGEMENT AGENCY

WHEREAS, the Federal Emergency Management Agency (FEMA) offers an Assistant to Firefighters Grant to meet the emergency response needs of emergency medical service organizations by providing funding for critically needed equipment, protective gear, emergency vehicles, training and other resources necessary for protecting the public and emergency personnel; and,

WHEREAS, the Neptune Township EMS Director has prepared an application for funding to purchase six (6) automatic Cardio Pulmonary Resuscitation (CPR) Chest Compression devices to equip each ambulance in the Township of Neptune with this device; and,

WHEREAS, the cost of the this equipment and relating training is $96,000 for which the Township seeks a 90% grant in the amount of $87,272.73 and agrees to provide a 10% cash match in the amount of $8,727.27; and,

WHEREAS, funds for the grant match will be provided in the 2019 Municipal Budget, when adopted, in the appropriation entitled Matching Funds for Grants, and the Chief Financial Officer has so certified in writing,

THEREFORE, BE IT RESOLVED, that the Township Committee of the Township of Neptune hereby authorizes the submission of a grant application to FEMA for an Assistance to Firefighters Grant for funding to purchase six (6) automatic CPR Chest Compression devices for the Township Emergency Medical Services in the amount of $87,272.73; and,

BE IT FURTHER RESOLVED, that the Township agrees to provide the required 10% cash match in the amount of $8,727.27 should said grant be awarded; and,

BE IT FUTHER RESOLVED, that a copy of this resolution be forwarded to the Chief Financial Officer, Assistant C.F.O., Grant Coordinator, and EMS Director.

RESOLUTION #18-358 - 10/22/18

AUTHORIZE AN AMENDMENT TO THE 2018 MUNICIPAL BUDGET TO REALIZE MONIES FROM THE UNITED STATES DEPARTMENT OF JUSTICE

WHEREAS, N.J.S. 40A:4-87 provides that the Director of the Division of Local Government Services may approve the insertion of any special item of revenue in the budget of any county or municipality when such item shall have been made available by law and the amount thereof was not determined at the time of the adoption of the budget; and,

WHEREAS, said Director may also approve the insertion of an item of appropriation for an equal amount; and,

NOW, THEREFORE, BE IT RESOLVED, that the Township Committee of the Township of Neptune hereby requests the Director of the Division of Local Government Services to approve the insertion of an item of revenue in the budget for the year 2018 in the sum of $51,398.00 which is now available from a United States Department of Justice - Justice Assistance Grant in the amount of $51,398.00; and,

BE IT FURTHER RESOLVED that the like sum of $51,398.00 is hereby appropriated under the caption of 2018 JAG Law Enforcement Equipment Grant; and,

BE IT FURTHER RESOLVED, that the above is the result of funds from the United States Department of Justice – FY18 Edward Byrne Memorial Justice Assistance Grant Program in the amount of $51,398.00; and,

BE IT FURTHER RESOLVED, that the Clerk forward three certified copies of this resolution to the Chief Financial Officer and one copy to the Assistant C.F.O., and Auditor.

Vote:

Brantley:
Lane:
McMillan:
Rizzo:
Williams:

RESOLUTION #18-359 - 10/22/18

AUTHORIZE RENEWAL OF LIQUOR LICENSE ISSUED TO MOM'S KITCHEN, INC. T/A IL POSTO FOR THE 2018-2019 LICENSING YEAR

WHEREAS, Mom's Kitchen, Inc. t/a Il Posto has completed the on-line Alcoholic Beverage Control renewal application, paid the required state and local fees, been reviewed by the Neptune Township Police Department, and has been issued a New Jersey State Sales Tax Clearance Certificate by the State Division of Taxation,

THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Neptune that Plenary Retail Consumption License No. 1334-33-013-004 issued to Mom's Kitchen, Inc. t/a Il Posto be and is hereby renewed for the period July 1, 2018 to June 30, 2019; and,

BE IT FURTHER RESOLVED, that a certified copy of this resolution be filed electronically with the Division of Alcoholic Beverage Control and in the file of each Licensee in the Office of the Municipal Clerk.

RESOLUTION #18-360 – 10/22/18

DECLARE THE LOFFREDO FIELDS IMPROVEMENT PROJECT AS COMPLETE

WHEREAS, the Monmouth County Board of Chosen Freeholders has approved an Open Space Trust established a Municipal Open Space Program to provide Program Grant funds in connection with municipal acquisition of lands for County park, recreation, conservation and farmland preservation purposes, as well as for County recreation and conservation development and maintenance purposes; and

WHEREAS, the Township of Neptune entered into a Municipal Open Space Program Grant Agreement with the County of Monmouth on June 23, 2016 that provided $250,000 for Loffredo Fields Improvements under Application No. 15-07 that required certain conditions be met by the Township of Neptune prior to receipt of the aforesaid funds; and

WHEREAS, the Monmouth County Park System requires a certified copy of a resolution of the governing body determining that the project aforesaid was finally complete and a closing statement of "Final Change Order" adopted by the governing body,

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Neptune that all conditions of the June 23, 2016 Grant Agreement have been satisfied by the Township of Neptune and that the project known as Sunshine Field Track Improvements has been completed; and

BE IT FURTHER RESOLVED, that the Township of Neptune made final payment to the contractor Precise Construction per the letter of the consultant engineer David J. Cella, PE, CME of ARH Associates, dated October 1, 2018, and that payment was made per voucher on, October 4, 2018 under Check No. 30437, voucher and check are hereby attached and also on file in the Municipal Clerk's Office; and,

BE IT FURTHER RESOLVED, that a certified copy of this resolution be forwarded to the Township Engineer and Monmouth County Park System.

CERTIFICATION

I, Richard J. Cuttrell do hereby certify that the foregoing is a true copy of a resolution adopted by the Governing Body of the Township of Neptune at a meeting held on the 22nd day of October, 2018. In Witness Whereof, I have hereunder set my hand and official seal of the municipality this 22nd day of October, 2018.

Richard J. Cuttrell, Municipal Clerk

RESOLUTION #18-361 - 10/22/18

EMPLOY TEMPORARY ATTENDANT FOR
THE ADULT BASKETBALL RECREATION PROGRAM

WHEREAS, the Township of Neptune Recreation Department will be sponsoring a weekly Adult Basketball Program; and,

WHEREAS, the Recreation Director and Human Resources Director recommend the hiring of an Attendant to oversee the program; and,

WHEREAS, funds will be provided in the 2018 Municipal Budget in the appropriation entitled Recreation S&W and the Chief Financial Officer has so certified in writing,

THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Neptune that Bridget James be and is hereby employed as a temporary part-time attendant for the Neptune Recreation Adult Basketball Program for two hours per week from November 1, 2018 through March 31, 2019 at an hourly rate of $15.00; and,

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to the Recreation Director, Chief Financial Officer, Assistant C.F.O. and Human Resources Director.

RESOLUTION #18-362 - 10/22/18

AUTHORIZE PAYMENT TO OFFICE OF EMERGENCY MANAGEMENT PERSONNEL

WHEREAS, as a result of flooding caused by Hurricane Florence, the New Jersey Medical Reserve Corps deployed nurses to staff Medical Needs Shelters in North Carolina; and,

WHEREAS, the NJ Department of Health and NJ EMS Task Force coordinated this deployment with the Neptune Township Office of Emergency Management; and,

WHEREAS, Michael DiLeo, Neptune Township Deputy OEM Coordinator, transported the nurses from North Carolina back to New Jersey on October 4, 2018; and,

WHEREAS, the State of New Jersey has authorized payment at the rate of $30.00 per hour for the round trip from Durham, NC to Neptune Township; and,

WHEREAS, funds will be provided in the 2018 Municipal Budget in the appropriation entitled Office of Emergency Management S&W, said amount to be reimbursed to the Township by the State of New Jersey, and the Chief Financial Officer has so certified in writing; and,

THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Neptune that Michael DiLeo, Neptune Township Deputy OEM Coordinator, be and is hereby authorized payment at the rate of $30.00 per hour for a total of 21 hours for transporting nurses for the New Jersey Medical Reserve Corps deployment to North Carolina; and,

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to the Emergency Management Coordinator, Chief Financial Officer and Assistant C.F.O.

RESOLUTION #18-363 - 10/22/18

AUTHORIZE THE REFUND OF TAXES AS A
RESULT OF AN OVERPAYMENT (2205 ALPINE TRAIL)

WHEREAS, the properties listed below reflect overpayments; and,

WHEREAS, they have furnished the necessary documentation and have requested a refund; and,

THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Neptune, County of Monmouth, State of New Jersey, that the Tax Collector be and is hereby authorized to refund the taxes as stated herein; and,

BLOCK	LOT	ASSESSED TO	ADDRESS	YEAR	AMOUNT
1402	3C2205	Kouvel	2205 Alpine Trail	2018	1.087.10

BE IT FURTHER RESOLVED, that a certified copy of this resolution be forwarded to the Tax Collector, Assistant C.F.O. and Auditor.

RESOLUTION #18-364 - 10/22/18

AUTHORIZE THE CANCELLATION OF SEWER RENT (232 VALLEY ROAD)

WHEREAS, the Tax Collector has requested the cancellation of sewer rent to the property listed below,

THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Neptune, County of Monmouth, State of New Jersey, that the Tax Collector be and hereby is authorized to cancel Sewer Rent as stated herein; and,

BLOCK/LOT	**ASSESSED TO**	**ADDRESS**	**YEAR**	**AMOUNT**
5315/2	Jacqueline Hurley	232 Valley Road	2018	460.00

REASON: Building demolished in 2017

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to the Tax Collector, Assistant C.F.O. and Auditor.

RESOLUTION #18-365 – 10/22/18

AUTHORIZE THE REFUND OF SEWER RENT AS A RESULT OF AN OVERPAYMENT (11 EAST SHADOWLAWN DRIVE)

WHEREAS, the properties listed below reflect overpayments; and,

WHEREAS, they have furnished the necessary documentation and have requested a refund,

THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Neptune, County of Monmouth, that the Tax Collector be and hereby is authorized to refund the Sewer Rent as stated herein:

BLOCK/LOT	**ASSESSED TO**	**ADDRESS**	**YEAR**	**AMOUNT**
2307/3	Hunter	11 East Shadowlawn Drive	2018	120.00

BE IT FURTHER RESOLVED, That a copy of this resolution be forwarded to the Tax Collector, Assistant C.F.O. and Auditor.

RESOLUTION #18-366 – 10/22/18

AUTHORIZE THE CANCELLATION OF TAXES AS A RESULT OF THE GRANTING OF A TOTALLY DISABLED VETERANS EXEMPTION (811 STAMFORD DRIVE)

WHEREAS, the property known as Block 1503, Lot 4, with an address of 811 Stamford Drive was granted a Totally Disabled Veteran Exemption as of August 13, 2018 and should be tax exempt; and,

WHEREAS, the Township Committee of the Township of Neptune desires to cancel taxes assessed against this property for 2018 as of August 13, 2018 and refund same to the owner of record in accordance with N.J.S.A. 54:4-3.32; and,

WHEREAS, the amounts to be cancelled and refunded are as follows:

YEAR	**AMOUNT TO CANCEL**	**AMOUNT TO REFUND**
2018	$ 2,118.20	$ 690.21

THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Neptune that the Tax Collector be and hereby is authorized to cancel and refund taxes as stated herein; and,

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to the Tax Collector, Assistant C.F.O. and Auditor.

RESOLUTION #18-367 - 10/22/18

APPOINT THIRD MEMBER TO THE POLICE COMMITTEE

WHEREAS, the Township Committee adopted Ordinance No. 17-29, later amended by Ordinance No. 17-37, creating a three member Police Committee to serve as the appropriate authority as provided for in State Statutes and,

WHEREAS, there is a vacancy in the non-Township Committee member person; and,

WHEREAS, the Township Committee desires to appoint the third, non-Township Committee, citizen member at this time,

THEREFORE, BE IT RESOLVED, that the Township Committee of the Township of Neptune hereby appoints ________________ as the third member of the Police Committee, effective immediately, and to serve until the appointment of a successor; and,

BE IT FURTHER RESOLVED, that a certified copy of this resolution shall be forwarded to the Business Administrator, Township Attorney and Chief of Police.

RESOLUTION #18-368 – 10/22/18

AUTHORIZE THE PAYMENT OF BILLS

BE IT RESOLVED, by the Township Committee of the Township of Neptune that the following bills be paid if properly certified:

CURRENT FUND	5,048,152.42
GRANT FUND	45,129.17
TRUST FUND	38,983.42
GENERAL CAPITAL FUND	5,482.94
SEWER OPERATING FUND	73,777.97
SEWER CAPITAL FUND	405.00
MARINA OPERATING FUND	9,135.41
LIBRARY TRUST	1,004.47
BILL LIST TOTAL	$5,222,070.80

BE IT FURTHER RESOLVED, that a certified copy of this resolution be forwarded to the Assistant C.F.O.

RESOLUTION #18-369 - 10/22/18

AUTHORIZE THE EXECUTION OF AN INTERIM COST AND CONDITIONAL DESIGNATION AGREEMENT WITH BAW DEVELOPMENT, LLC, INCLUDING PROVISIONS FOR A DEPOSIT OF PROJECT FUNDS TO DEFRAY COSTS INCURRED BY THE TOWNSHIP OF NEPTUNE IN CONNECTION WITH THE NEGOTIATION OF A REDEVELOPMENT AGREEMENT, PURSUANT TO THE LOCAL REDEVELOPMENT AND HOUSING LAW, N.J.S.A. 40A:12A-1, ET SEQ.

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

WHEREAS, the Township desires that the land located in an area which has been determined to be an area in need of redevelopment in accordance with the Act (the "Redevelopment Area"), currently designated as Block 611, Lots 38, 39, 40 and 41, more commonly known collectively as 1718 West Lake Avenue; Block 605, Lots 1, 2, 43, 44, 45, 46 and 47, more commonly known collectively as 1620 West Lake Avenue; Block 602, Lots 13, 14 and 15, more commonly known collectively as 1509 West Lake Avenue; and Block 610, Lot 14, more commonly known collectively as 1715 West Lake Avenue; on the Tax Map of the Township of Neptune (collectively referred to herein as the "Project Site"), be redeveloped in accordance with the West Lake Avenue Redevelopment Plan, as same may have been amended from time to time (the "Redevelopment Plan"); and

WHEREAS, on or about February 20, 2018, BAW Development, LLC ("BAW"), an entity that will be owned equally by the Alpert Group, LLC and Community Asset Preservations Corporation, a subsidiary of New Jersey Community Capital, submitted an initial Pre-Submission Form, a complete copy of which is on file at the Town Hall, seeking to be designated as the Redeveloper of six (6) certain parcels included within the Project Site in order to build a mixed-use, mixed-income residential project consisting of affordable housing units and retail with parking; and

WHEREAS, the Township's Redevelopment Committee vetted the information contained within the initial Pre-Submission Form and met with BAW to further discuss the Pre-Submission Form and the implementation of the Redevelopment Plan, generally; and

WHEREAS, following said meetings, BAW submitted a revised Pre-Submission Form on or about September 26, 2018, a copy of which is attached hereto as **Attachment A** (the "Proposal"), proposing to build a more comprehensive mixed-use project consisting of one hundred and twenty-four (124) mixed income residential units for rental or homeownership, 10,073 sq. ft. of flex space, 6,700 sq. ft. of retail space, 1,000 sq. ft. of restaurant space, and one hundred and ninety-eight (198) parking spaces upon the fifteen (15) parcels within the Redevelopment Area which comprise the Project Site; and

WHEREAS, the Proposal calls for BAW acquiring each of the parcels which comprise the Project Site, some of which are owned by the Township and some of which are not, and redeveloping them in accordance with the Proposal, the Redevelopment Plan and all applicable laws, rules and regulations; and

WHEREAS, the Township and BAW desire to negotiate a Redevelopment Agreement in order for BAW to implement the Proposal, subject to the provisions herein and further review by the Township; and

WHEREAS, the Township has determined that BAW possesses the necessary experience and qualifications to take the steps necessary in order to implement the Proposal and further, that the Proposal is in the best interest of the community; and

WHEREAS, the Township requires that BAW pay the reasonable costs and fees incurred by the Township associated with the review of the initial Pre-Submission Form, the Proposal, the drafting and negotiation of a Redevelopment Agreement (a "Redevelopment Agreement"), and all other costs and fees related to this matter prior to the execution of any such Redevelopment Agreement, should a Redevelopment Agreement ultimately be executed, or the determination by the Township that such a Redevelopment Agreement cannot be executed, should that result occur.

NOW, THEREFORE, it is hereby resolved by the Township Committee of Neptune as follows:

1. The Mayor is hereby authorized and directed to execute an Interim Cost and Conditional Designation Agreement between the Township of Neptune and BAW Development, LLC in substantially the form attached hereto as **Attachment B**.
2. The Business Administrator and Staff of the Township of Neptune are hereby authorized and directed to take all actions as shall be deemed necessary or desirable to implement this Resolution.
3. This Resolution shall be effective immediately.

I hereby certify that the foregoing Resolution was adopted by the Township Committee of the Township of Neptune at a Regular Meeting held on October 22, 2018.

____

Richard J. Cuttrell, Municipal Clerk

Attachment A (to Resolution)
Proposal, dated September 26, 2018

RAINONE
COUGHLIN
MINCHELLO
ATTORNEYS AT LAW

Louis N. Rainone
Craig J. Coughlin*
David L. Minchello
Amanda E. Miller*
John F. Gillick
Carol A. Berlen
Brian P. Trelease*
Walter D. Denson
Anne E. Rowan
Conor J. Hennessey*
Deysimara S. Hubner*
* Also admitted in New York

Of Counsel
Baye Adofo-Wilson

Writer's Direct:
@NJRCMLaw.com

RECEIVED
SEP 27 2018
MARAZITI FALCON, LLP

September 26, 2018

Joanne Vos, Esq.
Maraziti Falcon, LLP
150 John F. Kennedy Parkway
Short Hills, New Jersey 07078
jvos@mfhenvlaw.com

RE: West Lake Redevelopment Pre-Submission Form

Dear Ms. Vos,

Enclosed you will find the completed Neptune Township Redevelopment Pre-Submission for 1715, 1718, 1620 & 1509 West Lake Avenue in the West Lake Avenue Redevelopment Area for BAW Development, LLC (West Lake Avenue Redevelopment). Pursuant to our conversation on September 24, we added the restaurant and we changed the common space to flex-space. However, the size of the flex-space is directly tied to the parking requirements more so than anything else, thus, when we work the redevelopment agreement we will have some flexibility regarding that issues. If you have any questions, feel free to reach out to me.

Thank you for your time and consideration of this application.

Sincerely yours,

Baye Adofo-Wilson, Esq

NEPTUNE TOWNSHIP REDEVELOPMENT PRE-SUBMISSION FORM

REQUEST FOR DESIGNATION AS REDEVELOPER

I. APPLICATION INFORMATION

Name & Address:	BAW Development, LLC (West Lake Ave Redevelopment) 555 Rt. 1, South, Suite 440 Iselin, New Jersey 08830
Contact Person:	Baye Adofo-Wilson
Telephone & Fax:	732.709.4182 (p) 732.791.1555 (f)
Email:	bayeadofo@gmail.com

BAW Development LLC (West Lake Ave Redevelopment) is new entity that will owned 50% by the Alpert Group, LLC & 50% by Community Assets Preservations Corporation, a subsidiary of New Jersey Community Capital. (Disclosure Attached as Exhibit A)

II. SUBJECT PROPERTY/SITE INFORMATION

A. Site Identification.

Block:	610	Lot:	14	Address:	1715 West Lake Avenue
Block:	611	Lot(s):	38-41	Address:	1718 West Lake Avenue
Block:	605	Lot(s):	1,2,43-47	Address:	1620 West Lake Avenue
Block:	602	Lot(s):	13-15	Address:	1509 West Lake Avenue

B. Site Dimensions

1. 1715 West Lake Avenue Area 17,115 square feet
2. 1718 West Lake Avenue Area 34,185 square feet
3. 1620 West Lake Avenue Area 35,486 square feet
4. 1509 West Lake Avenue Area 17,447 square feet

C. Redevelopment Area: West Lake Redevelopment Area

D. Description of any existing structure(s): 1) There are no existing structures on 1715 West Lake Avenue; 2) There are two existing structures on 1718 West Lake Avenue:

Building (1) is a one story, white cement building and Building (2) is a one story with attic beige wood framed building; 3) There are five existing structures on 1620 West Lake Avenue, Building (1) is a two story white house; Building (2) is a one-story small one room building; Building (3) is a two story brick building with a barbershop on the first floor and Buildings (4) & (5) are two one-story houses w/attics one beige and one cream; and 4) There is one existing building at 1509 West Lake Avenue. Building (1) is a one-story cement building with a liquor store.

E. Description of current use and indication whether a Relocation Plan will be necessary: The applicant is not aware of any responsibility to provide relocation to this site.

F. Description of any easements or encumbrances upon the Project Site: The Applicant is not aware of any easements or encumbrances upon this project site.

III. RELATIONSHIP OF APPLICATION TO THE PROJECT SITE

The Applicant does not have any relationship to the project site. The Application, **BAW Development LLC** (West Lake Redevelopment) will be the contract purchaser if the designated developer of this project.

IV. APPLICANT PROFESSIONALS (as applicable)

A. **Attorney:** Baye Adofo-Wilson, Esq.
555 US Highway One, South, Suite 440
Iselin, NJ 08830
Telephone & Fax: 732-709-4182 (p) 732-791-1555 (f)
Email: bwilson@njrcmlaw.com

B. **Architect:** George M. Hibbs
Clarke Caton Hintz
100 Barrack Street,
Trenton, NJ 08608
Telephone & Fax: 609.883.8383 ex 305 (p) 609.477.7305 (d)
Email: ghibbs@cchnj.com

C. **Engineer:** Not selected yet

D. **Planner:** Not selected yet

V. DESCRIPTION OF PROPOSED PROJECT

A. Proposed Use(s): Mixed-Use

B. Proposed Setbacks:

1715 West Lake Avenue
Front: 15 feet
Side 1: 8 feet
Side 2: 8 feet
Rear: 22 Feet

1718 West Lake Avenue
Front: 15 feet
Side 1: 8 feet
Side 2: 8 feet
Rear: 22 Feet

1620 West Lake Avenue
Front: 15 feet
Side 1: 8 feet
Side 2: 8 feet
Rear: 22 Feet

1509 West Lake Avenue
Front: 15 feet
Side 1: 8 feet
Side 2: 8 feet
Rear: 22 Feet

C. Proposed Building(s):

1715 West Lake Avenue
Bldg, Ht. (feet) 47 feet
Bldg. Ht. (stories) 3 stories

1718 West Lake Avenue
Bldg, Ht. (feet) 47 feet
Bldg. Ht. (stories) 3 stories

1620 West Lake Avenue
Bldg, Ht. (feet) 47 feet
Bldg. Ht. (stories) 3 stories

1509 West Lake Avenue
Bldg, Ht. (feet) 47 feet
Bldg. Ht. (stories) 3 stories

D. Proposed Lot Coverage:	<u>1715 West Lake Avenue</u> (85%) <u>1718 West Lake Avenue</u> (85%) <u>1620 West Lake Avenue</u> (85%) <u>1509 West Lake Avenue</u> (85%)
E. Proposed Number/Type of Residential Units & Unit Characteristics:	<u>1715 West Lake Avenue</u> (8) 1 Bedrooms (10) 2 Bedrooms (2) 3 Bedrooms Total: 20 units Mixed-Income, Rental or Homeownership <u>1718 West Lake Avenue</u> (14) 1 Bedrooms (20) 2 Bedrooms (8) 3 Bedrooms Total: 42 units Mixed-Income, Rental or Homeownership <u>1620 West Lake Avenue</u> (14) 1 Bedrooms (20) 2 Bedrooms (8) 3 Bedrooms Total: 42 units Mixed-Income, Rental or Homeownership <u>1509 West Lake Avenue</u> (8) 1 Bedrooms (10) 2 Bedrooms (2) 3 Bedrooms Total: 20 units Mixed-Income, Rental or Homeownership
F. Proposed Flex Space:	10,073 Square Feet
G. Proposed Retail Area:	6,700 Square Feet
H. Proposed Restaurant:	1,000 Square Feet
I. Accessory Parking:	198 Parking Spaces
J. Public Parking:	There will not be any public parking in this project.
K. Proposed Schedule for Construction/Completion:	Subject to Approvals (18-24 Months)
L. Landscaping/Streetscaping:	25-30 new trees around the site

M. Storm-water Management: Permeable Paver System

N. Green Initiatives: Energy Star Buildings & Solar

VI. PUBLIC BENEFITS & AMENITIES

A. Open Space: N/A

B. Public Space: N/A

C. Jobs Created: 600 man-hour construction jobs, 20 permanent jobs

D. Other: Neighborhood-based grocery store and laundromat and gym for the Residents

VII. REQUIRED SUBMISSIONS

1. Description of Applicant Qualifications
   a. List of prior experiences (Attached) Exhibit B
   b. References (Attached) Exhibit B
   c. Description of project team and qualifications (Attached) Exhibit B
   d. Demonstration of Financial Qualification (Attached) Exhibit C

2. Description of Project:

   a. Use: BAW Development (West Lake Redevelopment) is proposing to develop four mixed-use buildings at 1715 West Lake Avenue, 1718 West Lake Avenue, 1620 West Lake Avenue & 1509 West Lake Avenue, respectively, with first floor retail including a gym, laundromat and grocery story, a rental office, restaurant and other neighborhood-based retail.
   b. Building number and size: There will be four buildings. 1) 1715 West Lake Avenue will be three (3) stories and 27,486 square feet, with twenty (20) residential apartments, one (1) restaurant and flex-space; 2) 1718 West Lake Avenue will be three (3) stories and 56,627 square feet, with forty-two (42) residential apartments, two (2) retail stores (a grocery store and laundromat), and one (1) gym and multipurpose room and flex-space; 3) 1620 West Lake Avenue will be three (3) stories and 57,208 square feet, with forty-two (42) residential apartments, two (2) retail stores and flex-space; and 4) 1509 West Lake Avenue will be three (3) stories and 27,332 square feet, with twenty (20) residential apartments, one (1) retail and flex-space;
   c. Parking Spaces and Location: 1715 West Lake Avenue will have thirty (30) parking spaces; 1718 West Lake Avenue will have sixty-nine (69) parking spaces; 1620 West Lake Avenue will have sixty-nine (69) parking spaces; and 1715 West Lake Avenue will have thirty (30) parking spaces.

d. Estimated number of residents and employees/generation of jobs: There will be an estimated two-hundred and sixty (260) residents generating 600 construction man-hour jobs and twenty (20) permanent jobs.

e. Public benefits & amenities, such as open space: This project will have a public benefit because in this community, there is no grocery store or laundromat. Residents often have to take a bus or an Uber to go shopping or to wash clothes, spending money just to get back and forth. One goal of this mixed-use project is to redevelop a blighted area with affordable housing units, while at the same time, providing local residents who are moving to the community and have been in this community for generations, with basic services such as access to food and laundry facilities.

f. Description of any green infrastructure and LEED components: This project will be an Energy Star building, permeable pavers for storm water management and solar panels to conserve energy and reduce carbon emissions.

g. Method for addressing any affordable housing requirements: We plan on submitting an application to the New Jersey Housing Mortgage and Finance Agency for a 9% tax credit mixed income, and we plan on submitting and application to NJDCA for homeownership Sandy Recovery Funds. We will also work with the NJ Medical Health Association to obtain funding or financing for health care professionals

h. Proposed method of financing: We are proposing a tax credit project from the NJHMFA and subsides from other sources as well for this project. CAPC is a subsidiary of New Jersey Community Capital, a financing entity that can provide construction financing, permanent financing and New Market Tax Credits. CAPC and the Alpert Group will fund predevelopment and equity in the project. We are proposing homeownership financing from NJDCA.

3. Project Site Survey: Not included

4. Architectural Plans & Drawings: (Attached Exhibit D)

5. Proposed Schedule for Construction: Subject to designation and municipal and financing approvals. We are projected an 18-24 total development timeline from the time of designation as the redeveloper of the sites, given all site acquisition issues have been resolved.

6. Description of any proposed amendment to the Redevelopment Plan: We are not proposing any amendments to the West Lake Redevelopment Plan.

VIII. I hereby submit this Pre-Submission Form and represent that all information contained herein is accurate to the best of our information.

____

Date:____________________

EXHIBIT A

EXHIBIT A

STOCKHOLDER DISCLOSURE CERTIFICATION

Name of Business:

☒ I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

☐ I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

☐ Partnership ☐ Corporation ☐ Sole Proprietorship
☐ Limited Partnership ☒ Limited Liability Corporation ☐ Limited Liability Partnership
☐ Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Name: The Alpert Group	Name: CAPC
Home Address: 1 Parker Plaza, Fort Lee, NJ 07024	Home Address: 421 Halsey Street, Newark NJ 07102
Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:
Subscribed and sworn before me this ____ day of ________, 2_____. (Notary Public) My Commission expires:	______________________ (Affiant) (Print name & title of affiant) (Corporate Seal)

EXHIBIT B

Baye Adofo-Wilson
65 North Fullerton Avenue #68
Montclair, NJ 07042
bayeudofo@gmail.com

Professional Experience:

Of Council, Rainone Coughlin & Minchello — *Woodbridge, NJ*
October 2017-Present

- Of Council to Rainone, Coughlin & Minchello law firm focused on urban redevelopment project management and New Jersey Redevelopment Law.

Deputy Mayor/Director, Economic and Housing Development, City of Newark — *Newark, NJ*
July 2014-September 2017

- Deputy Mayor/Director of Economic and Housing Development Department, which includes the divisions of planning, zoning and sustainability, property management, real estate, finance and housing assistance, workforce development and the 501(c3) economic development corporation. Managing staff of 100 people;
- Over $2 Billion of real estate development projects completed during our 3 plus years in office, including almost 2000 units annually, three million square feet of commercial and three million square feet of industrial building development;
- Led team of negotiators with the Port Authority of New York and New Jersey Board of Directors to approve and fund the extension of the PATH Train from Newark Penn Station to Newark's South Ward Dayton neighborhood, a $1.8 Billion-dollar project;
- Commencement of construction of two significant parks in Newark's Downtown, Mulberry Commons & Riverfront Park, totaling $70 million dollars;
- Spearheaded and supported grassroots arts expansion in Newark, including the development of over 40 murals throughout Newark, including the second largest in the country, the Newark Gateway Mural and the Fairmount Heights Wall;
- Created the Newark Valentine's Day sale to in 2015 for 100 couples throughout Newark with land sales of $1000 lots each with the purpose of redeveloping communities with families and loved ones;
- Raised over $50 million dollars in financing to subsidize much needed projects throughout Newark; and

Urban Design Critic, Harvard University, Graduate School of Design — *Cambridge, MA*
August 2014-May 2015

- One of four Urban Design Critics who co-taught Urban Planning Core II to forty-four first year graduate students in the Urban Planning and Design Program.
- Provided urban design and urban planning desk critiques, reviews and critiques for students in Urban Planning Core II, and provided critiques for several other courses, including Urban Planning Core I.

Loeb Fellowship, Harvard University — *Cambridge, MA*
August 2013-June 2014

- Taught independent study course: *"If Farris Street Could Talk: A Conceptual Plan and Redevelopment Strategy for an Entertainment District in Jackson, Mississippi,"* Spring 2014.
- Audited classes at Harvard's Graduate School of Design in architecture, landscape architecture and urban design.

Founder and Executive Director, Lincoln Park/Coast Cultural District, Inc. *Newark, NJ*
April 2003-August 2013

- Founded and staffed Lincoln Park Coast Cultural District--a nationally recognized community development corporation that is creating a sustainable cultural district.
- Project obtained USGBC LEED-Neighborhood Development Gold Certification.
- Developer/General Contractor of 10 USGBC LEED Certified Buildings.
- Joint-Developer of over $50 million dollars of mixed-use buildings in the Lincoln Park neighborhood, including low-income housing and new market tax credit projects.
- Staff managed North Jersey's Green Jobs Training Program for NJ Department of Labor where 100 participants trained to conduct residential energy audits, air-sealing and solar installers.
- Created the Lincoln Park Music Festival, an annual multi-genre, intergenerational musical event with crowds exceeding 50,000 people that showcase the genres of hip-hop, jazz, gospel and dance music and an eco-vendor marketplace over three days.

NJ Director & Senior Fellow of Community Development, Regional Plan Association, *Newark, NJ*
April 1999-April 2003

- Assisted in the creation of the Jubilee Interfaith Organizing Committee, a faith-based smart growth advocacy organization in Northern New Jersey.
- Developed, organized and coordinated the 1st and 2nd New Jersey Mayors' Institute on Community Design, a three-day urban design charette for New Jersey Mayors.
- Advocated for implementation of RPA's "Third Regional Plan: A Region At Risk."
- Set policy agenda for RPA/New Jersey Office.
- Staffed committee of senior level corporate executives and non-profit executive directors for RPA/New Jersey Committee.
- Created Lincoln Park Coast Cultural District as an arts anchor for the NY Metro area.

Education:

University of Pennsylvania, The Law School, Juris Doctorate, 1997 — *Philadelphia, PA*
Cornell University, College of Architecture, Art & Planning, MRP 1994 — *Ithaca, NY*
Rutgers University, Newark College of Arts & Sciences, Bachelors of Arts, 1992 — *Newark, NJ*

Military Experience:

New Jersey National Guard (1988-1992) — *Lodi, NJ*
United States Army (1986-1988) — *Fort Richardson, AK*

Boards and Professional Activities:

2015 – Dream Corp, Board Member — *Oakland, CA*

Articles:

Adofo-Wilson, Baye, (2018) "You Don't Live Here" *The Arsenal of Exclusion & Inclusion*, 326-237.
Adofo-Wilson, Baye, (2018, February 2) "OP-ED: Resurrecting New Jersey's Economy," *NJ Spotlight.com*
Adofo-Wilson, Baye (2018, January 31) "What Should HQ2's 237 Losers Do Next." *NextCity.com*

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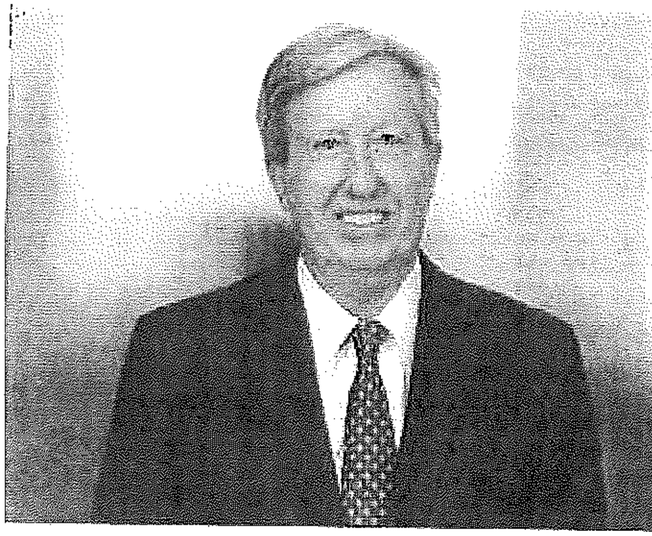

LOUIS N. RAINONE

MANAGING PARTNER
732.709.4182
lrainone@njrcmlaw.com

Bar Admissions

New Jersey (1980)

United States District Court for the District of New Jersey (1980)

United States Court of Appeals, 3rd Circuit (1995)

United States Supreme Court (1996)

Professional Memberships, Associations & Activities

New Jersey State Bar Association

BIOGRAPHY

Louis N. Rainone is one of the most well know and accomplished municipal attorneys in New Jersey. He has served as counsel for many of the state's largest municipalities, including: Newark, Edison, Trenton, Franklin, Marlboro, Perth Amboy, Clifton, Brick, Piscataway Rahway, Sayreville, Bound Brook and Green Brook. He has also served as special counsel to the County of Essex, The Essex County Improvement Authority, The Bergen County Sheriff and the North Jersey District Water Supply Commission. Mr. Rainone currently serves as the Township Attorney for the Township of Franklin, Somerset County, the Director of Law for the Township of Marlboro and Counsel to the Middlesex County Improvement Authority. He is also Special Labor Counsel to the Township of Brick, Township of Piscataway, Borough of Somerville, and City of Trenton.

In addition to his legal career, Mr. Rainone has had an extensive and varied career in public service. He served as Legislative Assistant to the Chairman of the New Jersey General Assembly Committee on Taxation and in the same capacity to the Vice Chairman of the Senate Appropriations Committee.

LOUIS N. RAINONE

Mr. Rainone was named a Super Lawyer by New Jersey Magazine. He was both a member and Secretary of the Matawan Borough Zoning Board of Adjustment. In January of 1987, as a result of his representation of public entities, he was selected as one of the *"50 People to Watch in New Jersey Business"* by the Business Journal of New Jersey. He has also received an AV Peer Rating from Martindale-Hubble.

Louis N. Rainone serves as the firm's managing partner. Mr. Rainone practiced law for 17 years in Middlesex County as the Partner of former Assembly Speaker Alan J. Karcher. Prior to forming the firm Mr. Rainone was the Co Chairman of the Municipal Law Section at DeCotiis FitzPatrick and Cole.

Mr. Rainone received his B.A. in Political Science from Rutgers University in 1977. He graduated from Seton Hall Law School in 1980, where he was a member of the Legislative Journal. Following law school, he served as a clerk in the Monmouth County Prosecutor's Office, as a legislative aide to State Senator Richard Van Wagner, Middletown, New Jersey and on the staff of Assembly Speaker Alan J. Karcher. He has been a New Jersey resident for over 50 years.

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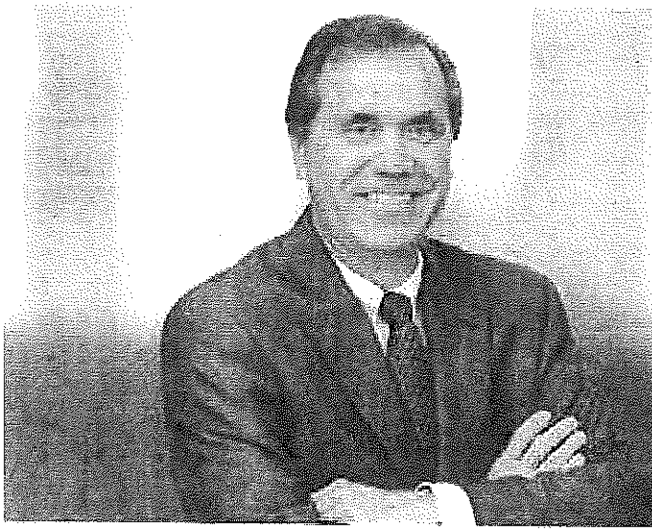

CRAIG J. COUGHLIN

PARTNER
732.709.4182
ccoughlin@njrcmlaw.com

Professional Appointments

2005-2009 Municipal Court Judge-Township of Edison

2002-Present Municipal Counselor-Township of Woodbridge

2001-2002 Municipal Prosecutor-Township of Woodbridge

2001-2002 Counsel-Carteret Free Public Library

2001-2013 Counsel-South Plainfield Free Public Library

1999-2000 Public Defender-Township of Woodbridge

1997-2001 Carteret Borough Attorney

1997-1998 Counsel-South Amboy Board of Education

1996-Present Counsel-Woodbridge Free Public Library

1996-Present Counsel-Woodbridge Rent Leveling Board

1995-2005 Municipal Prosecutor-Township of Edison

BIOGRAPHY

Craig Coughlin is a partner at Rainone Coughlin Minchello, a municipal attorney and a distinguished member of the New Jersey Assembly. Assemblyman Coughlin currently serves as Municipal Counselor to the Township of Woodbridge, General Counsel to the South Amboy Redevelopment Agency and Counsel to several library boards. Duties in those positions have covered the broadest of responsibilities including preparation of, ordinances and resolutions, executive orders, agreements, and memorandums; overseeing the implementation of ordinances and providing advice and counsel to senior management of the Municipality or Agency. Additionally, Mr. Coughlin has served municipal clients as a Prosecutor, Public Defender and Municipal Court Judge. Mr. Coughlin represents the 19th Legislative District in the New Jersey General Assembly.

Prior to the partnership at Rainone Coughlin Minchello Assemblyman Coughlin was a sole practitioner.

Assemblyman Coughlin was also a Partner at MCGOWAN & COUGHLIN, PC from 1994-1998. There he engaged in the general practice of law representing municipal, business and individual clients. As the Attorney for the Borough of Carteret I was responsible for every aspect of the Borough's legal affairs including the preparation and crafting of ordinances and resolutions; labor negotiations; the coordination and implementation of Borough policies; overseeing of litigation;

CRAIG J. COUGHLIN

1991-Present Counsel, South Amboy Redevelopment Agency

Academic Appointments
1993-1994 Fairleigh Dickinson University, Madison, NJ – Instructor Paralegal Program

Elected Offices
2010-Present New Jersey General Assembly

1987-1992 South Amboy City Council Member
(President 1987, 1991, 1992)

1983-1987 South Amboy Board of Education Member

Community Activities
2002-2004 President-Fords Clara Barton Baseball League

1997-2013 Member, Executive Board Fords Clara Barton Baseball League

1996-1998 Member, Mayor's Advisory Committee Woodbridge Township

1986-1998 Chairman-Advisory Council Middlesex County Retired Senior Volunteer Program

1991-1995 Member-Middlesex County Senior Citizens Task Force

Bar Admissions
New Jersey

New York

Education
Juris Doctor, St. John's University School of Law (1983)

Bachelor of Science, Communication Arts, St. John's University, Summa Cum Laude (1980)

tax appeals and liquor license matters. As Counsel to the South Amboy Redevelopment Agency I am responsible for overseeing all legal affairs including the preparation of contracts, and the creation of policies in connection with the Agency's various restoration and multi-million dollar redevelopment projects. As the Municipal Prosecutor he was responsible for representing the State in motor vehicle and disorderly persons offenses in two of the busiest municipal courts in the State. Non-municipal representations included the drafting and negotiating of commercial agreements; the handling of personal and corporate real estate transfers; drafting and negotiating lease agreements; landlord and tenant matters; litigation; and trust and estate matters.

From 1991 to 1994 Craig Coughlin was House Counsel and Director of Legal Services for Consumers Distributing, Inc. He was Chief legal officer of $250,000,000 retail sales company with 90 locations in 6 states. Duties included the review, negotiation and drafting of commercial agreements; negotiation and drafting of acquisition and divestiture agreements. Represented the corporation at grievance arbitrations and administrative law hearings. Labor negotiations with national unions representing drivers and warehousemen. The negotiating and drafting of real property leases. The handling of Landlord/Tenant matters, intellectual property issues, regulatory and advertising matters. Participation in a trade association as the Company's chief lobbyist. General corporate matters and policy review.

Aloomis Armored Inc. also employed Assemblyman Coughlin as V.P. and General Counsel from 1986-1991, as Corporate Counsel in 1986 and as Assistant General Counsel in 1985. There he acted as Chief legal officer of a $125,000,000 corporation with 83 locations in 30 states. Responsibilities included direction of the Company's legal affairs nationwide; the negotiation and drafting of service contracts, commercial acquisition and merger agreements. The negotiation of labor contracts with various independent and national unions, the handling of grievance arbitrations and EEOC matters. The negotiation of real and personal property agreements; supervising of State and Federal regulatory filings and compliance requirements. Duties also included media relations; reviewing and promulgating corporate policies; selecting and supervising outside counsel; reporting to the CEO with budgetary responsibilities.

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ATTORNEYS AT LAW

DAVID L. MINCHELLO

PARTNER
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dminchello@njrcmlaw.com

Representative Cases

Halsey v. Pfleifer, et al.

Santiago v. City of Plainfield, et al.

In Re Lashonn Durant

Rivera v. City of Plainfield

Guerra v. City of Plainfield, et al.

Mercedes v. City of Plainfield, et al.

Bar Admissions

New Jersey (2003)

New Jersey Federal Court (2004)

Education

Bachelor of Arts, Political Science, Vassar College

Juris Doctor Seton Hall University Law School

BIOGRAPHY

David L. Minchello is a partner with Rainone Coughlin Minchello, LLC. He is currently the Corporation Counsel for the City of Plainfield and has been litigating matters for public entities for over ten (10) years. He is also the General Counsel to the Union County Improvement Authority and Municipal Prosecutor for the Borough of North Plainfield. He was previously the City Attorney for the City of Trenton and the City Solicitor (primary litigator) for the City of Plainfield. His experience includes the representation of the City of Plainfield, City of East Orange, Union County Improvement Authority, Mount Holly Municipal Utility Authority, Burlington City, Mount Holly Township, Union Township, Trenton, North Plainfield, Raritan Township, Manville Borough, and Franklin Township Sewage Authority. He is a graduate of Seton Hall School of Law.

Mr. Minchello has defended municipalities in negligence actions, as well as defended municipalities against discrimination and whistle-blower claims; represented municipalities in disciplinary hearings and appeals; defended police officers against wrongful arrest/excessive force claims; and advised municipalities on employment matters prior to litigation.

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ATTORNEYS AT LAW

JOHN F. GILLICK

Partner
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jgillick@njrcmlaw.com

Representative Matters

Cesareo v. Woodbridge

Hays v. Township of Howell

Penn v. City of Plainfield

Alliance for Disabled in Action v. Construction Official for the Township of North Brunswick, 185 N.J. 339 (2005)

Diaz v. South Plainfield (D.N.J.) 2017 WL 3315286

Urbanski v. Township of Edison, (App. Div.) 2014 WL 185966

Bar Admissions

New Jersey (2001)

U.S. District Court, District of New Jersey (2001)

U.S. Court of Appeals for the Third Circuit (2003)

U.S. Supreme Court (2015).

BIOGRAPHY

John F. "Jack" Gillick is a Partner at Rainone, Coughlin, Minchello, LLC and has an extensive history representing both public and private entities and their employees. Mr. Gillick concentrates his practice on the litigation of employment, civil rights, and personal injury claims, and has represented clients in dozens of jury trials on matters ranging from sexual harassment to excessive force to premises and automobile liability. He also has experience in conducting workplace investigations, providing employee and public official training, and handling indemnification and other employment-related contract issues. In addition to his significant trial and institutional work, Mr. Gillick has argued and won appeals before both the New Jersey Supreme Court and Third Circuit Court of Appeals, has been counsel of record on numerous opinions, and is admitted to practice before the United States Supreme Court.

The current Secretary for the Middlesex County Bar Association, Mr. Gillick is also a Trustee for the New Jersey State Bar Foundation and Vice President of Legal Counsel for the Boy Scouts of America, Monmouth Council. A former President of the Middlesex County Bar Foundation, he has been named a "Super Lawyer" by New Jersey Monthly magazine since 2009 in the area of employment law. Mr. Gillick is also a former Trustee for the New Jersey Institute for Continuing Legal Education, and has taught continuing legal education courses for the Middlesex

JOHN F. GILLICK

Education

Juris Doctor, Seton Hall University School of Law (2001)

Bachelor of Arts, English Literature, William Paterson University (1996)

Bachelor of Arts, Secondary Education, William Paterson University (1996)

Honors & Recognition

"Super Lawyer," New Jersey Monthly Magazine (2009–present)

Dow Jones Newspaper Fund (1995)

Outstanding Senior, William Paterson University (1995)

"Rising Star," New Jersey Super Lawyers Magazine/New Jersey Monthly, 2009

Professional Associations and Memberships

New Jersey Institute for Continuing Legal Education (NJICLE) – Trustee

New Jersey State Bar Association, Young Lawyers Division – Executive Committee

Middlesex County Bar Foundation – Trustee

Middlesex County Bar Association – Member

Areas of Practice

Personal Injury

Employment

Civil Rights

County Bar Association. A member of the New Jersey, Middlesex County, New Brunswick, and American Bar Associations, he is also proud to be an Assistant Troop Leader for his daughters' Girl Scout troop.

Mr. Gillick received his Juris Doctor from Seton Hall University in 2001, where he was Articles Editor for the Legislative Journal, President of the Irish American Law Students Association, a Senator of the Student Bar Association, and an intern for the New Jersey State Assembly's Democratic Office and the Hon. Rosemary K. Reavey. He thereafter served as Law Clerk to the Hon. Jack L. Lintner, former Presiding Judge of the Superior Court, Appellate Division. Mr. Gillick then joined the former law firm of Lynch Martin and was a partner at its successor firm, Martin Kane & Kuper.

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ATTORNEYS AT LAW

AMANDA E. MILLER

PARTNER
732.709.4182
amiller@njrcmlaw.com

Representative Matters

Lopez v. City of Plainfield, 2015 WL 7737339 (D.N.J. Dec. 1, 2015).

Luna v. Carroll, 2014 WL 2446113 (D.N.J. May 2, 2014).

Urbanski v. Township of Edison, 2014 WL 183965 (N.J. Super. App. Div. January 17, 2014).

Capizzi v. Berkeley Township, 2013 WL 6369134 (N.J. Super. App. Div. December 9, 2013).

Bar Admissions

New Jersey (2011)

New York (2012)

U.S. District Court, District of New Jersey (2012)

U.S. Court of Appeals for the Third Circuit (2016)

BIOGRAPHY

Amanda E. Miller is a partner with Rainone, Coughlin, Minchello, LLC. Ms. Miller's litigation practice includes the representation of public entities, employers and employees in a wide-range of legal issues including wrongful termination, employment discrimination, sexual harassment, retaliation, CEPA violations, Title 59, civil rights violations under §1983 and the New Jersey Civil Right Act. She has extensive experience defending personal injury claims inclusive of premises and automobile liability, as well as indemnification and insurance coverage disputes in the public and private sector. Additionally, she has conducted numerous internal investigations into allegations of potential civil and criminal violations in the workplace. Ms. Miller has exceptional writing abilities, which has continuously resulted in favorable outcomes for her clients. She regularly practices in the New Jersey District Court, the Superior Courts of New Jersey and she has drafted numerous briefs for the Appellate Division.

In 2016 and 2017, Ms. Miller was selected as a New Jersey Super Lawyer's "Rising Star." This exclusive list recognizes outstanding legal achievements and continued excellence of no more than 2.5% of the lawyers in the State of New Jersey.

RAINONE
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ATTORNEYS AT LAW

AMANDA E. MILLER

Education
Bachelor of Arts: Psychology, University of Connecticut, magna cum laude

Juris Doctor, Seton Hall University School of Law

Educational/Professional Recognition
Recognized as "Rising Star" by New Jersey Super Lawyers 2016 and 2017

Phi Beta Kappa

Professional Memberships
New Jersey State Bar Association

The Association of the Federal Bar of New Jersey

New Jersey Defense Association

The Sidney Reitman Employment Law American Inn of Court

American Bar Association

Ms. Miller is an honors graduate from the University of Connecticut, where she received a B.A. in Psychology and a minor in Criminal Justice. As an undergraduate, she was awarded membership into Phi Beta Kappa Society, Order of Omega, and the Mortar Board National Honor's Society. She attended Seton Hall University School of Law, where she was a research assistant, a student attorney in the Center for Social Justice, and an active member of the Dispute Resolution Society, where she competed in national interscholastic competitions in mediation, negotiation, arbitration, and client counseling. Ms. Miller also interned with the Somerset County Prosecutor's Office. Following law school, she clerked for the Honorable Judge Armstrong in Somerset County Superior Court.

RAINONE
COUGHLIN
MINCHELLO
ATTORNEYS AT LAW

BRIAN P. TRELEASE

ASSOCIATE
732.709.4182
btrelease@njrcmlaw.com

Bar Admissions

New Jersey (2009)

United States District Court for the District of New Jersey (2009)

New York (2012)

Education

Bachelor of Arts, Drew University

Juris Doctor, Pennsylvania State University, Dickinson School of Law

Professional Memberships

The Sidney Reitman Employment Law American Inn of Court

BIOGRAPHY

Brian P. Trelease is an associate with Rainone Coughlin Minchello whose practice focuses on the litigation involving the public entities and businesses that the firm represents. Mr. Trelease entered private practice with Rainone Coughlin Minchello after a lengthy history of representing public entities in Union County.

Mr. Trelease's prior legal experience includes Assistant County Counsel for Union County where he defended the County of Union against allegation of constitutional violations under Section 1983civil rights violations. He also has extensive knowledge of the Open Public Records Act, defending Union County in allegations of violations and being responsible for the County's day-to-day legal compliance of all OPRA requests.

Mr. Trelease has also worked for the Union County Division of Social Services as well as the Office of the Union County Counsel.

RAINONE
COUGHLIN
MINCHELLO
ATTORNEYS AT LAW

CAROL A. BERLEN

PARTNER
732.709.4182
cberlen@njrcmlaw.com

Bar Admissions
New Jersey (1987)

Education
Bachelor of Arts, Clark University, Worchester, MA

Juris Doctor, New England School of Law

Certifications
Registered Municipal Clerk, October 2007

BIOGRAPHY

Carol A. Berlen is a partner with Rainone Coughlin Minchello, LLC who brings with her a distinctive background in municipal government law, providing services to municipalities for more than 20 years. Ms. Berlen's practice currently centers on representing public entities and performing all legal services required by the various Improvement Authorities and municipalities that the firm represents.

Previous to joining Rainone Coughlin Minchello Ms. Berlen held the role of Legal Assistant to the Deputy Clerk and Ethics Liaison Coordinator at the Office of Administrative Law. At the OAL, her duties included the assigning and scheduling of hearings for Welfare, Medicaid, Special Education and emergent matters from Somerset to Cape May County. She was also responsible for yearly ethics training of all department members and OAL Judges. She prepared legal memorandum with regard to any ethics questions raised by individual employees of the department as well as for any changes in ethics policies or regulations. In addition, she was responsible for the one- on- one ethics training of all newly appointed Administrative Law Judges.

Carol Berlen also worked as the Assistant Township Attorney for the Township of Old Bridge from May 2003 to February 2012. While serving as the Assistant Township Attorney Ms. Berlen became Certified as a Registered Municipal Clerk.

Ms. Berlen has also has also of provided legal services for the Township of Howell and City of Asbury Park.

RAINONE
COUGHLIN
MINCHELLO
ATTORNEYS AT LAW

Walter D. Denson

Partner

732.709.4182

wdenson@njrcmlaw.com

Walter D. Denson is a partner with Rainone Coughlin Minchello, LLC. Mr. Denson focuses his practice in the areas of real estate, real estate development and redevelopment, economic development, as well as transactional matters for New jersey municipalities.

Prior to joining the firm, Mr. Denson was the City Attorney for the City of Trenton where he served as legal advisor to the Mayor, City Council and City Departments, as well as managed and directed all legal matters for the City. Prior to stepping into the role of City Attorney, Mr. Denson served as the Director of Housing and Economic Development and Director of Real Estate for the City of Trenton. In those roles, Mr. Denson solicited for and negotiated with developers on various real estate and redevelopment projects including, the redevelopment of the former Bell Telephone Building and adjacent parcels into a vibrant mixed-used development in the City's downtown, the acquisition and subsequent disposition of the 35,000 square foot Commonwealth Building as part of the larger Bell Telephone Building redevelopment project, the redevelopment of a city-owned parcel for the development of Thomas Edison State University's $17 million nursing education facility, the acquisition of a 7-acre tract of land from the NJ Schools Development Authority for potential development of a technology campus or other transit-oriented development. Mr. Denson also negotiated various project financing terms with developers including payment-in-lieu-of-taxes (PILOTs) and City entitlement grant funding.

Mr. Denson is a graduate of Syracuse University where he received a B.A. in Economics. Mr. Denson is also a graduate of Rutgers School of Law – Newark. During his time in law school, Mr. Denson served as the Editor of the Bankruptcy Law Journal (former) and published an article entitled "The Source Code Escrow: A Worthwhile or Worthless Investment." As Mr. Denson sought to focus his legal career in the areas of real estate development/redevelopment, he obtained a Certificate in Real Estate Finance and Investment from the New York University Schack Institute of Real Estate and is working toward a second Certificate in Real Estate Development. Mr. Denson is also a former member of the International Economic Development Council (IEDC) where he is seeking to obtained the Certified Economic Development designation.

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ATTORNEYS AT LAW

ANNE ROWAN

ASSOCIATE
732.709.4182
arowan@njrcmlaw.com

Bar Admissions

New Jersey (2013)

Education

Bachelor of Arts, Rutgers University, New Brunswick, NJ

Juris Doctor, Roger William University

Certifications

Certified Mediator, May 2012

BIOGRAPHY

Anne Rowan is an associate with Rainone Coughlin Minchello, LLC who has experience in both representing and being employed by local and county government. Ms. Rowan's practice currently focuses on representing public entities and performing all legal services required by the municipalities and utility authorities that the firm represents.

Prior to joining Rainone Coughlin Minchello Ms. Rowan was employed by the City of Rahway as a Program Development Specialist where she implemented federal grants received by the City in compliance with the Office of National Drug Policy. She was also a Creative Learning Committee Board Member and the Alcohol Beverage Control Chairperson for the City.

Ms. Rowan also has experience with the Union County Performing Arts Center in their Grants and Business Development department.

RAINONE
COUGHLIN
MINCHELLO
ATTORNEYS AT LAW

CONOR HENNESSEY

ASSOCIATE
732.709.4182
chennessey@njrcmlaw.com

Education

Bachelor of Arts: Political Science, Rutgers University, New Brunswick

Juris Doctor, Rutgers School of Law, Newark

BIOGRAPHY

Conor Hennessey is an Associate at Rainone Coughlin Minchello. Mr. Hennessey received his J.D. from Rutgers School of Law – Newark in 2016, where he was an associate editor of the Rutger's Business Law Review. He received his B.A. in Political Science from Rutgers University New Brunswick.

Prior to joining the firm, Mr. Hennessey served as law clerk to the Honorable James R. Paganelli, J.S.C., Family Division in Essex County. While in law school, Mr. Hennessey interned for Lavery, Selvaggi, Abromitis & Cohen P.C. working in local government representation, civil litigation, employment law, and land use law.

Mr. Hennessey is admitted to practice law in New Jersey and New York.

RAINONE
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MINCHELLO
ATTORNEYS AT LAW

BAYE ADOFO-WILSON

OF-COUNSEL
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Professional Appointments
Deputy Mayor/Director Economic and Housing Development,
City of Newark

Urban Design Critic,
Harvard University,
Graduate School of Design

Loeb Fellowship, Harvard University

Founder and Executive Director,
Lincoln Park/Coast Cultural District,
Inc.

NJ Director & Senior Fellow of Community Development, Regional Plan Association -Newark, NJ

Military Experience

New Jersey National Guard
(1988-1992)

United States Army (1986-1998)

BIOGRAPHY

Baye Adofo-Wilson is a lawyer and developer. He is of Council to Rainone, Coughlin & Minchello law firm focusing on urban redevelopment development and projects. He is also a developer, concentrating on urban real estate mixed-income, mixed use developments and renewable energy projects.

Baye Adofo-Wilson was Deputy Mayor/Director of Economic and Housing Development (EHD) for Newark, NJ. While Baye was at EHD's helm, Newark had unprecedent development, including over $2 billion dollars of development, annually 2000 units of housing built, 3 million square feet of commercial and 3 million square feet of development. Mr. Adofo-Wilson managed the development of two significant parks, Mulberry Commons, a three-acre park in Newark's Downtown and Riverfront Park, a three-mile long park along the Passaic River in Newark. As the Director of EHD, Mr. Adofo-Wilson managed the departments of housing, property management, real estate, economic development, planning, zoning and the office of sustainability.

Mr. Adofo-Wilson was an 2014-2015 Urban Design Critic at Harvard University Graduate School of Design and a member of the 2013-2014 Loeb Fellows class at Harvard's Graduate School of Design. While at Harvard, he examined strategies and opportunities for reimagining and rebuilding low-income communities using sustainability, culture and real estate development as a model to spur economic development and increase local participation.

RAINONE
COUGHLIN
MINCHELLO
ATTORNEYS AT LAW

BAYE ADOFO-WILSON

Education

University of Pennsylvania,
The Law School, Juris Doctorate

Cornell University, College of
Architecture, Art & Planning, MRP

Rutgers University, Newark College
of Arts & Sciences, Bachelors of Arts

Boards and Professional Activities

Dream Corp, Board Member (2015)

Before Harvard, Mr. Adofo-Wilson co-founded of the Lincoln Park/Coast Cultural District, an organization redeveloping the Lincoln Park neighborhood in the City of Newark. He led a comprehensive effort to transform a low-income Newark neighborhood into a sustainable cultural district that included affordable housing and mixed-use developments, urban agriculture, music festivals, historic restoration and workforce development projects.

Baye Adofo-Wilson is an US Army Veteran, a graduate of Rutgers-Newark, Cornell University and the University of Pennsylvania Law School.

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ATTORNEYS AT LAW

DEYSIMARA S. HÜBNER

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Bar Admissions

New Jersey (2018)

New York (2018)

Education

Bachelor of Arts, Seton Hall University

Juris Doctor, University of Iowa College of Law

BIOGRAPHY

Deysimara Hübner is an Associate at Rainone Coughlin Minchello. Ms. Hübner received her J.D. from the University of Iowa College of Law in 2017. During her law school career, Ms. Hübner was the president of Phi Delta Phi International Legal Honor Society, a representative of the Latino Law Student Association, and a member of Phi Alpha Delta, the Intellectual Property Law Society, and the Organization for Women Law Students and Staff.

Ms. Hübner graduated Magna Cum Laude from Seton Hall University, where she received her B.A. in Philosophy with a minor in Political Science, and was awarded membership into the Phi Sigma Tau Philosophy Honor Society, Pi Sigma Alpha Political Science Honor Society, and Golden Key International Honor Society.

While in law school, Ms. Hübner worked as a corporate law research assistant for Professor Robert Miller, and as a clinic law student for the University of Iowa College Law Legal Clinic. In addition, she interned for the City of Hoboken Office of Corporation Counsel, where she drafted contracts, wrote briefs, amended ordinances, and conducted legal research in areas of property law, contracts, legal entities, zoning ordinances, privacy laws, and fourth amendment issues.

Ms. Hübner is originally from Brazil, and is fluent in Portuguese. She is admitted to practice law in New Jersey and New York.

Community Asset Preservation Corporation (CAPC) is a non-profit organization that acquires vacant and abandoned properties to stabilize and revitalize communities.

capc
community asset
preservation corporation

CONTACT

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108 Church Street, New Brunswick
973.[illegible].2674
CAPCinfo@[illegible].com
capcnj.org
facebook.com/NJCAPC

PROJECTS

[illegible] Total units
[illegible] Units completed
227 Active rental units
$[illegible] MM Total Development Costs

IMPACTS PER UNIT

[illegible] Residents
$[illegible] Direct Investment
[illegible]% Increase in Property Value for Neighboring Properties
$[illegible] per month savings in utilities with Energy Efficiency upgrades
[illegible] Direct + Indirect Jobs Created
$[illegible] Spillover Economic Activity
$[illegible],000 Tax Revenue Generated

FY2017 MILESTONES

[illegible] Units Acquired
[illegible] Units Completed
$[illegible] MM Total Sales

Community Asset Preservation Corporation (CAPC) was formed in 2009 to acquire vacant and abandoned properties as a way of stabilizing and revitalizing communities hit hard by the foreclosure crisis. The concept was an outgrowth of efforts of local community development organizations to reclaim properties that had fallen into foreclosure as a result of the housing crisis. In 2010, CAPC became the wholly-owned real estate subsidiary of New Jersey Community Capital, New Jersey's leading community development financial institution. NJCC provides innovative financing and technical assistance to foster the creation of quality homes, educational facilities, and employment opportunities in under-served communities in New Jersey.

CAPC Milestones

Since inception, CAPC has purchased over 750 foreclosed or abandoned residential units in New Jersey primarily as scattered site one- to four-family homes. In 2012, CAPC expanded its work to include small multifamily and condominium projects that, once returned to active use, have a catalytic impact on distressed neighborhoods and communities throughout the state. These projects total approximately $22 million in development costs include three condominium projects in Newark, Orange, and Jersey City totaling 75 residential units, more than 10 commercial spaces, and three small multi-family residential properties. In aggregate, CAPC has been involved with the completion of over 500 residential units totaling nearly $53.9 million in total development costs.

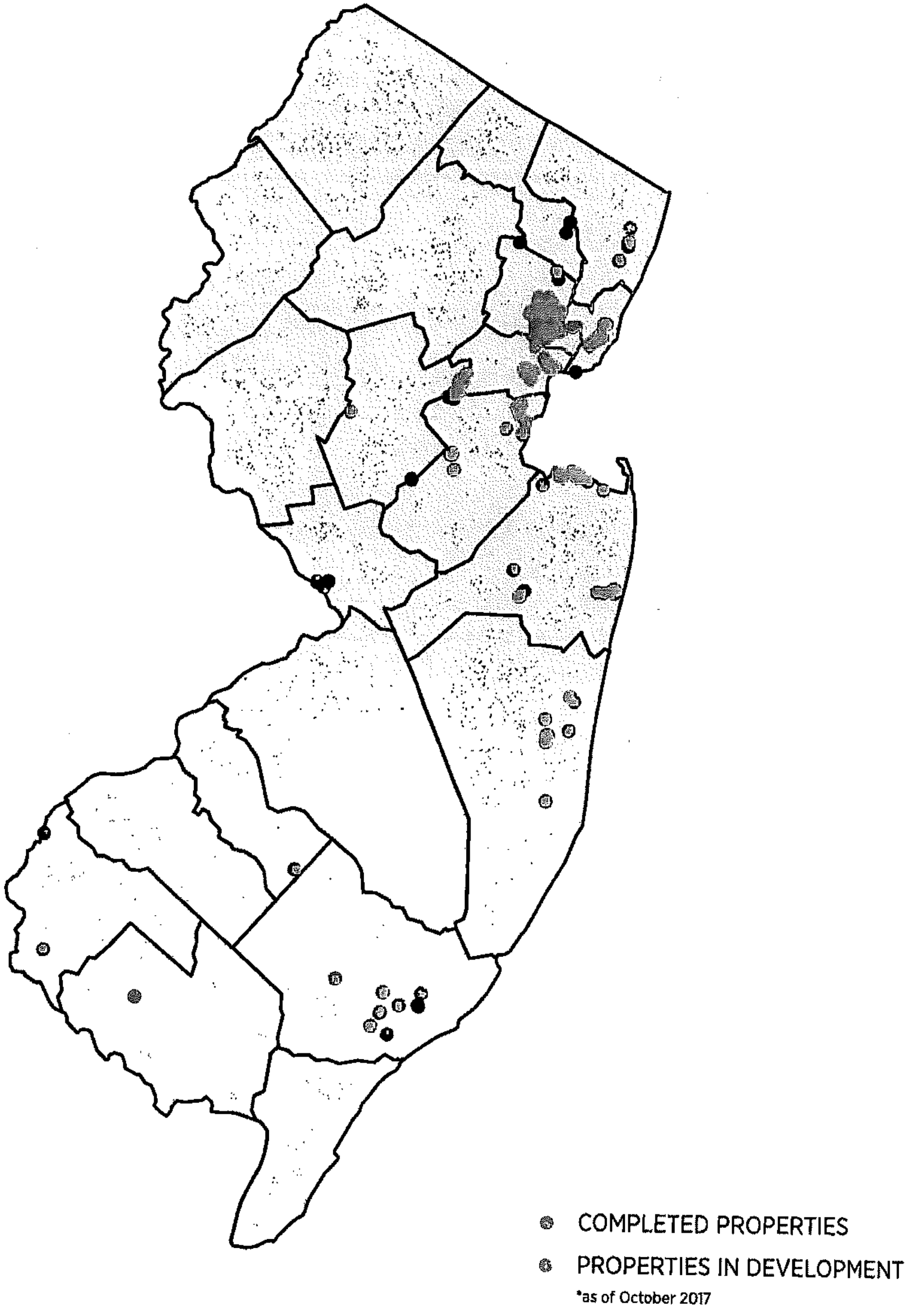
Scattered-Site Rental Housing

Originally, CAPC's focus was on acquiring and rehabilitating properties for sale to low-and-moderate income families. However, because the for-sale market in most urban communities has not recovered, CAPC transitioned to a mix disposition strategy for completed properties to meet the rising demand for affordable one-to-four family rental properties around the state. CAPC now holds and leases many of its rehabilitated homes and currently manages a rental portfolio of 227 units, with properties state wide from Bergen to Salem Counties and a portfolio of properties in Tampa, Florida. In an effort to meet the need for affordable rental housing for a variety of income groups, CAPC works closely with numerous rental subsidy programs on both the tenant and property level. CAPC is the recipient of more than 65 project-based housing vouchers and as a result, the average CAPC tenant household is living at less than 35% of the area median income.

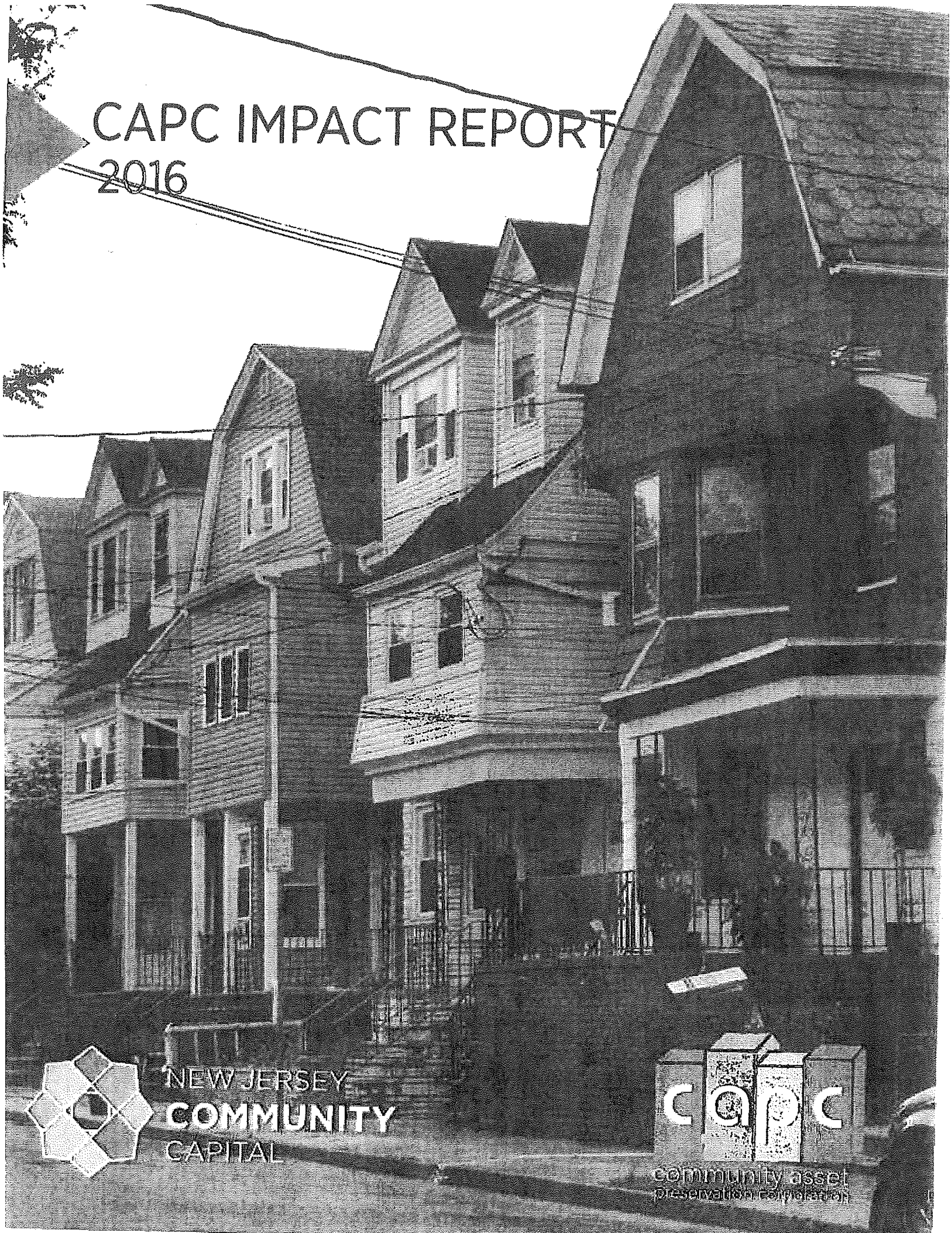
Social Enterprise Activities

CAPC continuously seeks to innovate and expand its work in LMI neighborhoods with limited public subsidies. As a result, CAPC established several social enterprise initiatives to streamline the development process and provide a vertically-integrated suite of services. In developing a scalable model for scattered-site rental housing, CAPC established its own property management arm, which oversees all of CAPC's rental properties and provides property preservation services for third-party REO properties throughout NJ. These activities help ensure that vacant properties are well maintained and move toward disposition. In 2015, CAPC established an in-house construction management company. Innova Home Services provides oversight and administrative support to all of CAPC's third party contractors who are predominantly small, local, and minority businesses. Innova Home Services allows CAPC to take on more projects in a wider geographic area, meeting the disparate needs of communities around the state. Finally, CAPC recently started a real estate brokerage that is being built out to include full-service realty services. The CAPC Brokerage works in targeted low- and moderate-income families throughout New Jersey, connecting them with existing CAPC properties or representing them on a purchase of other affordable housing units within the market. CAPC Brokerage staff will provide high-touch, hands-on, real estate services with a specific focus on first time and LMI home buyers.

CAPC has been involved in the development of more than 760 units of affordable housing across the state. CAPC continues to expand into new markets in an effort to meet the growing need for affordable rental and for sale housing.

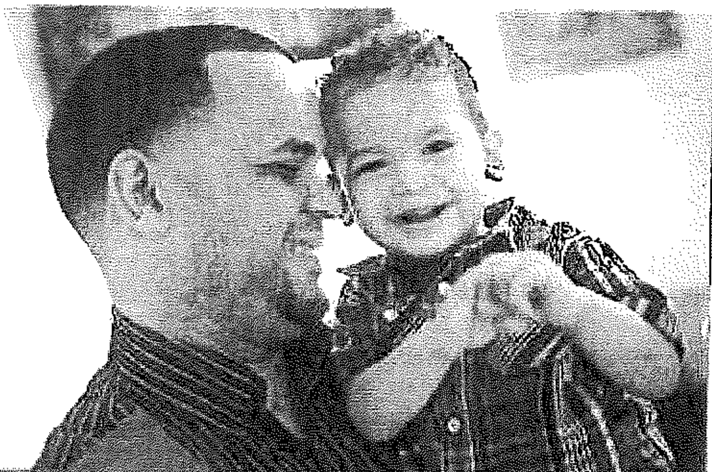


CAPC IMPACT REPORT 2016



NEW JERSEY
COMMUNITY
CAPITAL

capc
community asset
preservation corporation



ABOUT CAPC

Community Asset Preservation [illegible]

OUR LINES OF BUSINESS

CAPC's core line of business is the acquisition and rehabilitation of vacant, abandoned, and foreclosed residential properties. Over the past several years, CAPC has developed sub business lines to vertically integrate its business model in an effort to diversify and guard against shifts in the real estate market:

PROPERTY MANAGEMENT

Rent collection, payment of operating expenses, and management of maintenance

ASSET MANAGEMENT

Monitoring portfolio financial performance and planning for future dispositions and capital improvements

FINANCIAL STRUCTURING

Structure capital stacks for larger development projects

CONSTRUCTION MANAGEMENT

Oversight of rehabilitation and construction projects as well as General Contractor services on small rehabilitation jobs

CATALYTIC PROJECTS

Project management, financial structuring, investment assistance, and overall development services on projects that involve a Joint Venture with another non-profit organization

REALTY SERVICES

Agent assistance purchasing and selling single-family homes. This will also allow CAPC to manage third-party rental units in the future.

OUR COMPLETED WORK

Since inception in 2009

390 HOUSING UNITS COMPLETED

44.3 MM TOTAL DEVELOPMENT COSTS FOR COMPLETED PROPERTIES

280 DIRECT + INDIRECT JOBS CREATED OR RETAINED

FOR SALE UNITS — $72,000/80% of AMI

AVERAGE ANNUAL INCOME OF CAPC BUYERS*

RENTAL UNITS — $44,000/49% of AMI

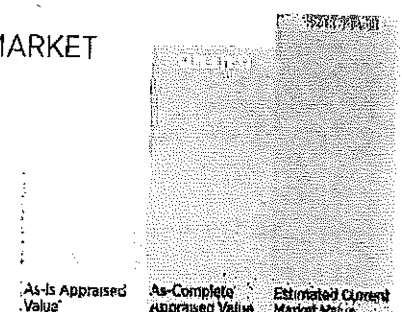
AVERAGE ANNUAL INCOME OF CAPC RENTERS*

43%

IMPACT ON THE MARKET

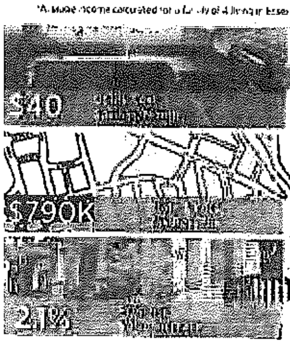
With each completed project, CAPC stabilizes the individual property and positively impacts the surrounding housing market.

This bar graph shows the average increasing value of a CAPC property from purchase (as-is appraised value) to 6-12 months after completion (estimated market value).



*Appraisals taken at time of CAPC purchase; + Market value based on Zillow Zestimate

*Annual income calculated for a family of 4 living in Essex County



PROMOTE ENERGY EFFICIENCY

CAPC prioritizes high efficiency building technologies and ENERGY STAR appliances, which help families save on monthly utility bills. We estimate that this reduces utility bills by as much as 20%.

GENERATE STATE AND LOCAL TAX REVENUE

CAPC projects help to generate a wide-range of spill-over economic impacts that bolster state and local revenues. Each project generates nearly $24,000 in state and local sales, income, and property takes, etc.

NEIGHBORHOOD STABILIZATION

CAPC helps to stabilize disinvested housing markets and boost property values. Research has linked housing rehabs to an increase in the value of surrounding homes (within 500 feet) of up to 2.1%

LINCOLN PARK CONDOMINIUMS

The Lincoln Park Condominium project created 18 new for-sale condominium units at 462-466 Washington Street (6 units) and 478-480 Washington Street (12 units) in the Lincoln Park neighborhood of Newark. The project was being developed by a joint venture of Lincoln Park Cultural District (LPCCD) and Community Asset Preservation Corporation (CAPC), two leading non-profit affordable housing developers in Newark. Eight units are restricted for households making 80 percent of Average Medium Income (AMI) or less. The proposed project has re-ignited development in a neighborhood that had begun revitalizing before the real estate market collapse in 2008 and now has numerous vacant parcels sitting and waiting for new market activity. The total development costs to construct this project are $4.5M. The projected costs were paid through construction financing and a combination of grant sources that includes: Neighborhood Revitalization Tax Credits (NRTC), Newark HOME funds, and New Jersey Housing and Mortgage Finance Agency (NJHMFA) Choice Subsidy. The City of Newark made the completion of these units a top priority and pledged significant support towards this development. As of June 2016, both buildings are complete and are being sold.

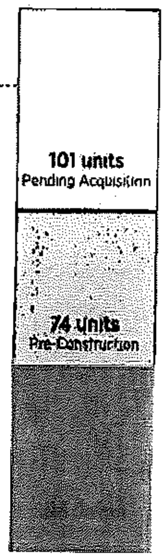
OUR WORK IN DEVELOPMENT

269 HOUSING UNITS IN DEVELOPMENT

56.9 MM TOTAL DEVELOPMENT COSTS FOR PROJECTS IN DEVELOPMENT

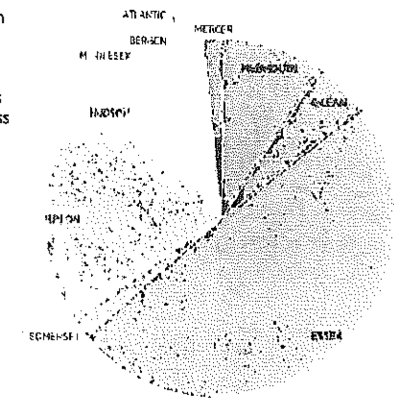
194 DIRECT + INDIRECT JOBS CREATED OR RETAINED

90% HOUSING UNITS IN DEVELOPMENT TO BE COMPLETE BY 12/2017



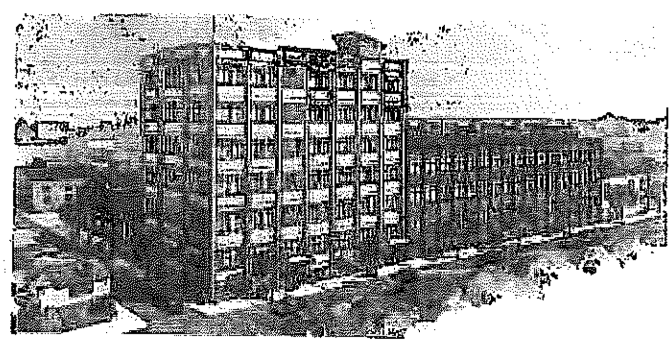
DEVELOPMENT BREAKDOWN BY COUNTY

At inception in 2009, more than 85% of CAPC projects were located in Essex County. In the past seven years, CAPC has expanded geographically and is now serving nine counties across the state.



HAT CITY LOFTS

Three vacant, derelict factory buildings in the Central Valley Redevelopment Area in Orange, New Jersey are undergoing development as emerging market condominiums and artist commercial space. These buildings are all part of the former F. Berg Hat Factory Complex, the largest single symbol of the neighborhood's decline over the past three decades. The three buildings include the 1864 classic red brick factory building, the attached seven-story poured concrete hat factory built in 1907, and the adjacent former hat factory Powerhouse built in the 1800s. In April 2015, HANDS and CAPC begun converting the two factory buildings into thirty-two residential condominiums and ten artist work spaces. This project is being jointly developed by Housing and Neighborhood Development Services, Inc. (HANDS) and CAPC. The financing is being provided through NJ Housing & Mortgage Finance Agency's CHOICE program and Community Housing Capital, a national Community Development Financial Institution based in Georgia. The development also received substantial grant support from the New Jersey Department of Community Affairs' Neighborhood Revitalization Tax Credit (NRTC) program. This project will have a catalytic impact on the Valley Arts District of Orange and West Orange. It will also reestablish the market for homeownership in the Valley and continue to stabilizing other projects already development in the area.



RENTAL PORTFOLIO

Originally, CAPC's focus was on acquiring and rehabilitating properties for sale to low-and-moderate income families. However, because the for-sale market in most urban communities has not recovered, CAPC transitioned to a mix disposition strategy for completed properties to meet the rising demand for affordable one-to-four family rental properties around the state. CAPC now holds and leases many of its rehabilitated homes and currently manages a rental portfolio of approximately 150 units.

In developing this model for scattered-site rental housing, CAPC has established its own property management entity. CAPC Property Management, LLC (CAPC PM) was created due to the lack of competent scattered-site property management firms in New Jersey. The goal is for CAPC PM is to be a self-sustaining line of business within the next three years. This will require approximately 400 units under management or $5,000,000 in annual gross rent collections. CAPC PM will solely manage CAPC units for the next two-to three-years, but with sufficient experience and the right staff, this entity could begin providing third-party management services.

150

UNITS LEASED

10 DAYS

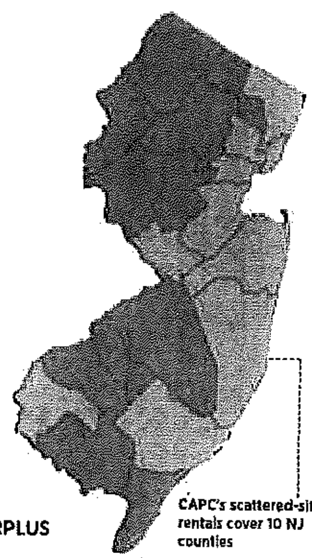
MEDIAN LEASE-UP TIME FRAME

95%

OCCUPANCY RATE

$195,000

FY16 PROJECTED OPERATING SURPLUS



CAPC's scattered-site rentals cover 10 NJ counties

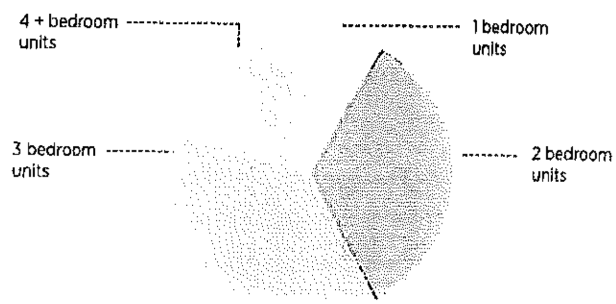
AVERAGE FAIR-MARKET RENT

[illegible]

AVERAGE CAPC PROPERTY RENT

$1,280 / MONTH

CURRENT PORTFOLIO UNIT BREAKDOWN



HOUSING VOUCHERS

Beginning in 2014, CAPC is now partnering with a variety of city and state agencies to provide project-based rental vouchers to very low-income individuals and families. CAPC currently has 17 units where project-based vouchers are being used by formerly homeless, formerly incarcerated, chronically disabled, and/or veteran individuals and families. In the next 12 months, CAPC plans to occupy another 40 units that will be assigned project-based vouchers. These vouchers will also be targeted for use by families and individuals living at or below 50% of the area median income.

STRATEGIC PARTNERS
COMMUNITY HOUSING CAPITAL

Since 2010, CAPC's largest funding source has been a revolving line of credit with Community Housing Capital (CHC). This line of credit has been essential to CAPC's success, providing financing for scattered-site acquisition and rehabilitation as well as larger projects on a case by case basis.

$5 MM TOTAL LINE OF CREDIT (LOC)

5.9x REVOLUTION OF LOC

267 HOUSING UNITS ENROLLED

35.17 MM TOTAL DEVELOPMENT COSTS

109

UNITS COMPLETED & REMOVED FROM LOC

Since 2010, CAPC has completed 109 units of housing by utilizing the CHC line of credit. These units have since been sold to owner occupants or have been refinanced to a permanent rental line of credit

32

UNITS COMPLETED & PENDING REMOVAL FROM LOC

CAPC has completed an additional 32 units of housing that are awaiting removal from the CHC line of credit. These units will be sold to owner occupants or refinanced in the next 60 days.

83

UNITS UNDER CONSTRUCTION

CAPC currently has 83 units of housing under construction that are receiving financing from CHC. These units are both scattered-site single and two-family homes as well as units located in larger multi-family buildings.

45% AMI

AVERAGE PERCENT OF AREA MEDIAN INCOME FOR CAPC CLIENTS LIVING IN HOUSING COMPLETE WITH CHC FUNDS

$39,000

AVERAGE ANNUAL INCOME OF CLIENTS LIVING IN HOUSING COMPLETED WITH CHC FUNDS*

QUALITY AFFORDABLE HOUSING - IN ACTION

In the bedroom that Rosa Santana and her husband, Ariel Reyes, set up for their two year-old son Dariel, decals of cars, buses, and fire engines form a row along the wall. A bin full of toys and a tricycle rest on the floor, and a group of stuffed animals sit on a shelf, peering over Dariel's crib. Soon, Dariel will move to a bed across the room to make way for his little brother Gabriel, now just a month old.

The affordable duplex that the family now owns in Plainfield is a far cry from the nearby rental apartment they recently left behind, an overcrowded three-bedroom unit they shared with Rosa's mother, sister, and brother. "My children needed a safer environment," says Rosa.

The home was one of a series of nine foreclosed and vacant Plainfield properties redeveloped by CAPC. For Rosa's family, a rebuilt home is a new opportunity. "We have more responsibility now, but we feel happy," says Rosa. "We think we're going to live here for a long, long time."

STRATEGIC PARTNERS NATIONAL COMMUNITY STABILIZATION TRUST (NCST)

CAPC staff continues to serve as statewide Community Coordinator for the National Community Stabilization Trust's (NCST) First Look REO and Veteran's Donation Acquisition Programs, an efficient and cost-effective mechanism for transferring vacant and foreclosed properties to high-impact housing developers working in areas affected by the foreclosure crisis. Over the past seven years, NCST has had a tremendous impact on CAPC's work and the work of organizations around the state.

6,052
PROPERTIES SEEN

160
PROPERTIES PURCHASED

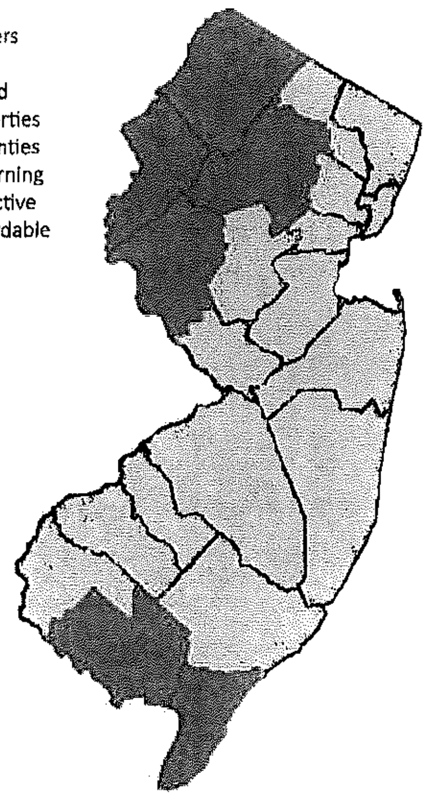
63
PROPERTIES PURCHASED BY CAPC

43
COORDINATED SUB-BUYERS IN NJ

9
BANK + SERVICER SELLERS

51
MUNICIPALITIES WHERE PROPERTIES WERE PURCHASED

CAPC and sub-buyers around the state have purchased and rehabilitated properties in 15 of the 21 counties in New Jersey, returning each property to active use as quality, affordable housing.



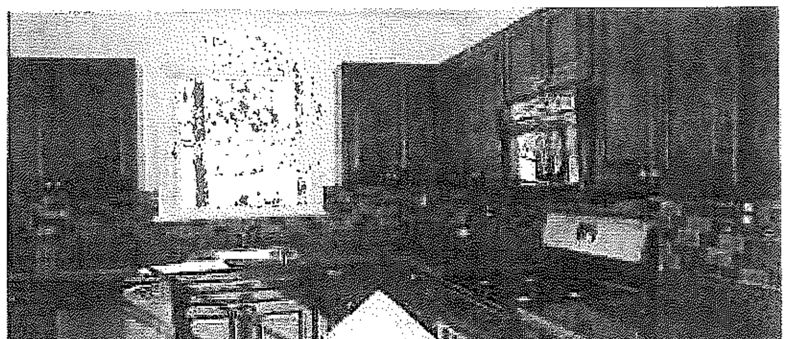
CAPC BEYOND NEW JERSEY

CAPC FLORIDA

CAPC's mission is to stabilize and revitalize neighborhoods hit hard by foreclosure. Florida is still second in the US in foreclosure activity. CAPC's goal is to mitigate the negative impacts of foreclosure on neighborhoods. CAPC believes that healthy thriving communities are built on strong neighborhoods that house people from a range of income brackets. As a result, CAPC has been working with NJCC and National Community Capital to convert vacant, REO-properties in the Tampa + St. Petersburg areas to quality, affordable housing. CAPC is buying properties directly through the National Community Capital program and is working with a local non-profit organization to complete the needed rehab. The construction company is owned by Uno Federation, which is a non-profit affiliate entity of UNO Asset Management & Consulting, LLC and Housing Services of Central Florida. The labors and subcontractors are almost all 100 percent minority owned. UNO Federation hires approximately 2 low-skill/low-income apprentices on each work crew. These individuals learn constructions skills, which are highly desirable in the Tampa areas

CAPC + RiverRock Capital Partners

In late 2015, CAPC entered into a partnership with RiverRock Capital Partners to acquire REO properties in Florida, North Carolina, Ohio, and Maryland. These properties are all former HUD/FHA non-performing mortgage notes sold in HUD Neighborhood Stabilization Outcome (NSO) pools through the Distressed Asset Sale Program (DASP). The goal of the partnership is to acquire approximately 2,000 REOs in these markets over the next two years. To date, the partnership has acquired 850 homes. These properties are rehabbed and primarily sold to owner occupants.



LOOKING FORWARD

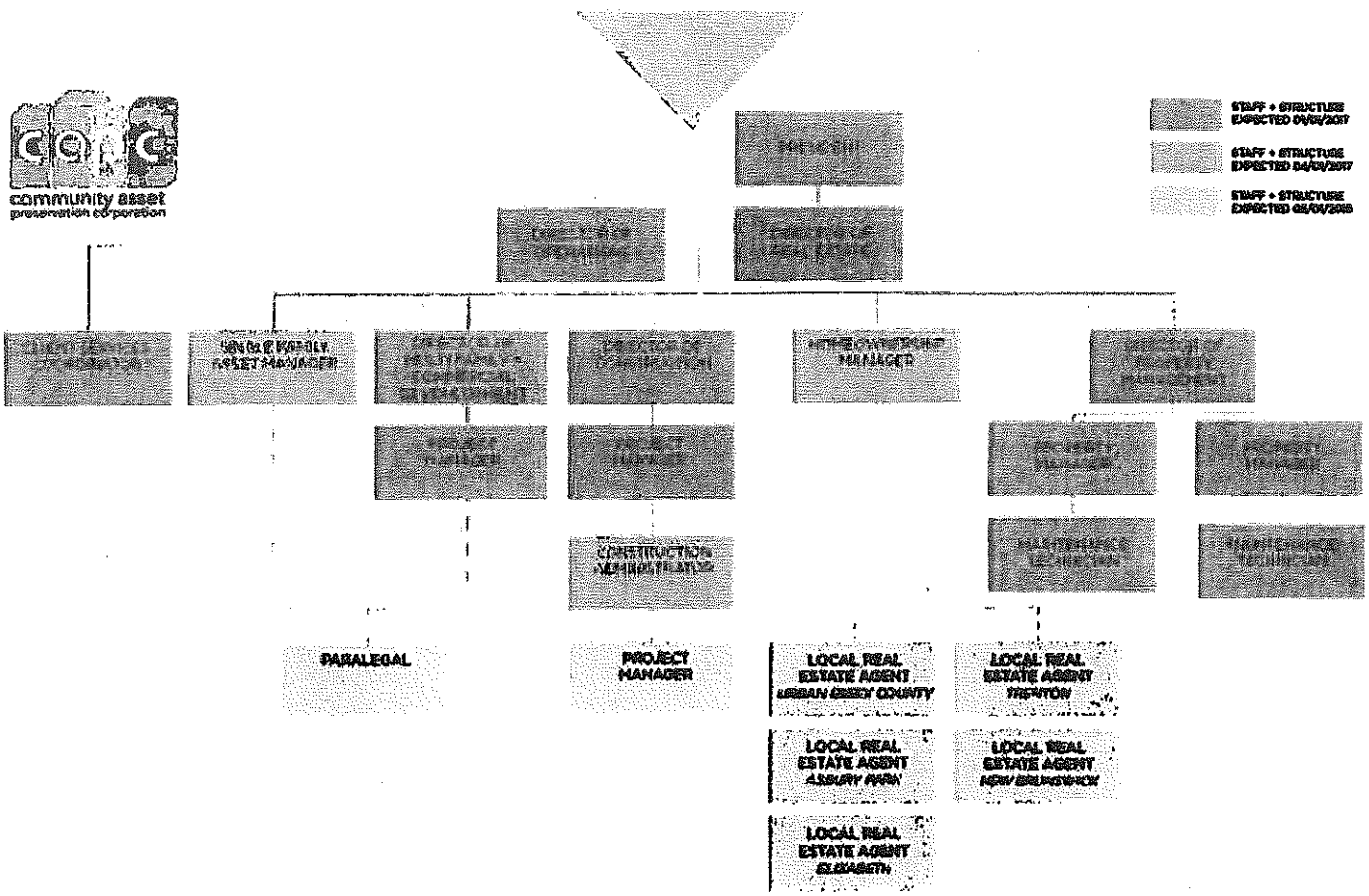
VERTICAL INTEGRATION CAPC is constantly working to innovate and expand with limited subsidy and neighborhoods with an unlimited need for quality, affordable housing. As a result, CAPC has recently launched an in-house construction company, in-house property management entity, and an in-house real estate brokerage These entities will allow CAPC take on more projects in a wider geographic area, meeting the disparate needs of communities around the state

INNOVATIVE FINANCING CAPC continues to find new avenues for project financing, balancing numerous public and private lending institutions in order to reduce the reliance on public subsidy while maintaining a high level of quality and affordability CAPC works close with New Jersey Housing and Morgage Finance Agency, New Jersey Economic Development Authority, New Jersey Department of Community Affairs, City National Bank, Prudential Social Investments, PNC Bank, and Community Housing Capital to expand into new markets throughout the state and continue to meet the housing needs of low-and-moderate income families in New Jersey.

STAFF EXPANSION CAPC currently has eleven (11) full-time staff between the development and property management divisions The organization receives significant human capital support from NJCC's Executive Team, Fiscal Department and Resource Development team. These support functions give CAPC the fiscal, administrative, and resource attraction support that most CDCs and non-profit developers cannot afford to adequately staff. In the next three- to five-years, CAPC will likely add the following positions.

CAPC Controller/Finance Manager | Senior Asset Manager | Director of Operations

Dispositions Manager | Project Manager for Multi-family Development



FUTURE BUILD OUT OF CAPC STAFF ORGANIZATIONAL CHART

DATA-DRIVEN DEVELOPMENT STRATEGIES

Strong Project Management tools and CRM systems are critical to purchasing, rehabilitating, and exiting properties at the scale CAPC operates. We believe our evaluation tools and CRM systems are on the cutting edge for non-profit organizations. At the same time, we are continuously revising and upgrading our tools to capture important data and outcomes.

PROPERTY EVALUATION

With respect to evaluation tools, CAPC has developed a robust and comprehensive "Property Evaluation Form" (PEF) that allows us to project economic and social "returns" for each property CAPC acquires. The PEF enables staff to make a quick decision on acquisition strategy as well as project disposition options. The sample included in the attachments shows the level of analysis that goes into each newly acquired property. While economics and disposition potential are often the main drivers of the analysis, CAPC also weighs the social impact, strategic implications, and location of potential acquisitions. For example, CAPC may choose to purchase a property on Seymour Avenue in Newark even though we will be underwater at completion because the block is the central target of the City's "Model Block" Initiative. While these decisions may not appear fiscally prudent, the balanced portfolio approach, mission alignment, and long-term value should mitigate any negative impacts.

PROJECT + CLIENT MANAGEMENT

Once a property is acquired, CAPC uses the Saleforce platform, and the Home Keeper application, as a CRM system for properties throughout the acquisition—disposition life cycle. Home Keeper allows staff to track acquisition progress, rehab status, time lines, and many more important data points. Home Keeper also enables CAPC staff to maintain a list of potential buyers or renters seeking affordable housing options.

Properties that become active rentals remain in Home Keeper, but are also monitored through a property management specific CRM system—Point2 Property Manger by Yardi. Yardi is the leading web-based property management platform that enables users to track ownership, tenants, rent collections, rents receivable, evictions, maintenance issues, renewals, and many other key property management items. The platform also produces portfolio and individual property financial statements. Point2 is used by CAPC's entire Property and Asset Management team. The reports generated from Point2 are given to CAPC's Director of Real Estate and NJCC's Fiscal Department on a monthly basis. Together, these CRM platforms enable CAPC to complete tasks and projects at a scale not found within other non-profits in New Jersey. These tools are critical components to how CAPC operates and helps the entire team produce data for funders, lenders, and internal controls.

PROPERTY DETAILS

Seller	Wells Fargo		
Block Number	463		
Lot Number	46		
Census Tract	353		
Housing Type	Single-Family		
Square Footage	1,488	[illegible]	[illegible]
Zillow Zestimate	$188,280	$ 160,000.00	$ 212,000.00
AVM/As Complete Appraisal	$150,000		
Real Estate Taxes	$4,462.95		
FEMA Flood Zone	N/A		
Access Information	Lockbox 0421		
Acquisition Price	$95	0%	

NEIGHBORHOOD DETAILS

	Neighborhood	State
[illegible]	Moderate	
HUD Fair Market Rent	$1,965	
County	Union County	
HUD Median Family Income [illegible]	$89,700	
Estimated Tract Median Family Income [illegible]	$80,022	
Owner-Occupied Units	40.0%	
Percent Vacant Units [illegible]	8.5%	2.8%

MARKET DETAILS

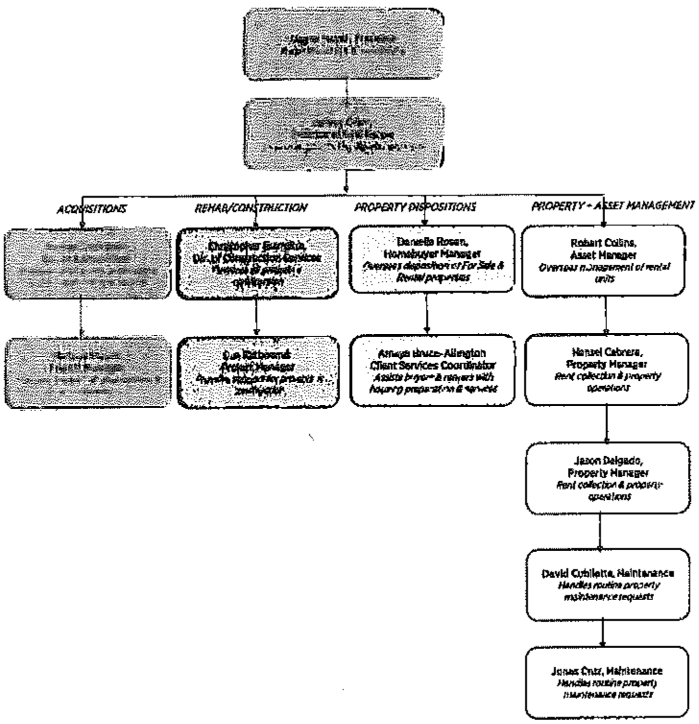
	Neighborhood	State
Change in City Home Values	+3.6%	-1.5%
Expected Change in City Home Values	-0.8%	-1.4%
[illegible]	9.6	2.6

[illegible]			
Estimate			
Total Development Cost	$ 146,018.89	Construction Budget for Sale	
Realtor Commission	$ 7,300.94	$	107,981.11
Closing Costs	$ 2,500.00		
CAPC Developer Fee	$ 10,000.00		
Minimum Sales Price	$ 165,819.83		
Market	[illegible]	Difference	
$ 160,000.00	$ 165,819.83	($5,819.83)	
Listing Price	$ 160,000.00		
[illegible]	$ 8,000.00		
[illegible]	$ 3,481.11		
ROI	18%		
Actual			
Total Development Cost	$ 118,844.26		
Realtor Commission	$ 5,947.21		
Closing Costs	$ 2,500.00		
CAPC Developer Fee	$ 10,000.00		
Minimum Sales Price	$ 137,391.48		
Market	[illegible]	Difference	
$ 160,000.00	$ 137,391.48	$22,608.52	
Sale Price	$ 170,000.00		
[illegible]	$ 118,142.25		
Realtor Commission	$ 8,500.00		
Closing Costs	$ 3,400.00		
Net Income	$ 39,057.75		
ROI	204%		

[illegible]		
Estimate		
Total Development Cost		$ 148,018.89
Debt Service		$850.13
Operating Expenses	$	649.16
Minimum Rental Price		$ 1,499.30
Minimum Price Per Unit	$	1,499.30
[illegible]	[illegible]	[illegible]
$1,985	$ 1,499.30	$ 465.70
[illegible]	$ 1,950.00	
NOI	$ 13,738.06	
CAP Rate	9%	
Actual		
Total Development Cost		$ 118,844.26
Debt Service		$273.93
Operating Expenses	$	649.16
Minimum Rental Price		$ 923.08
Minimum Price Per Unit	$	923.09
[illegible]	[illegible]	Difference
$1,965	$ 923.09	$ 1,041.91
Anticipated Rent Total	$ 1,950.00	
NOI	$ 11,728.05	
CAP Rate	9%	

Indicator	Value	Score
Buyer Type	OO	5
Buyer AMI	61%	4
Hold Time	10	1
Net Profit	$ 39,057.75	5
ROI	204%	5
Distressed Comm. Score	9.6	5
Homeownership Rate Score	40%	4
Impact Rating	35	13

ORGANIZATIONAL + RESPONSIBILITY CHART



SPECIAL PURPOSE ENTITIES

Below are the sources of capital for all CAPC's SPEs

CAPC PM, LLC – Management and lease-up fees from rental units. Current annual rent roll approximately $1.4MM

CAPC Construction, LLC – Construction Mgt. fee income. CAPC Construction will charge CAPC a 5 percent fee for every rehab project it oversees.

CAPC Brokerage, LLC – Earns commissions on acquisitions, sales, and leases.

CAPA JC #2, LLC – City National $1.75MM; NJHMFA $1.75MM; CHOICE Subsidy $1.05MM; $400M from City of Jersey City
CLF Recourse: $350,000 or 20 percent of CNB loan balance

CAPA JC #3, LLC – $2.29MM Line of Credit for operating rental properties. Loan participants include TRF, GSL Savings Bank, and Hudson City Savings Bank.
CLF Recourse: $0

CAPC Affordable Rental Fund, LLC – $7MM Line of Credit for operating rental properties. Loan participants include TRF, NeighborWorks Capital, and Leviticus Fund
CLF Recourse: $0

CAPC Asset Stabilization Fund #1, LLC – $27MM Fund to acquire, rehab, lease, and/or sell single-family homes in NJ. Prudential $13MM senior debt, NJCC $6MM sub debt, HUD CDBG-DR Fund $8MM, 40% of fund is complete to date.
CLF Recourse: $0

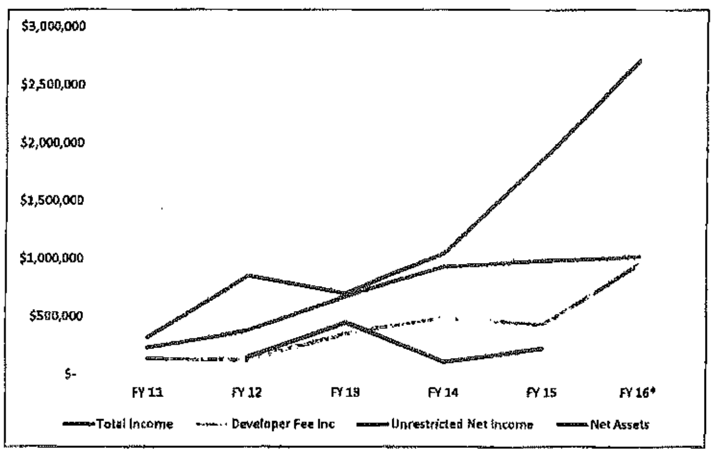
CAPC 4th Ave. Urban Renewal, LLC – Construction and mini-perm loan from Community Housing Capital for 11 unit building in East Orange.
CLF Recourse: $170,000 or 20 percent of loan balance until lease-up.

306 MLK Urban Renewal, LLC – Anticipated acquisition and predevelopment loan of $2MM from Prudential Social Investments
CLF Recourse: $0

Lincoln Park – CAPC Urban Renewal, LLC – City National $1.35MM; NJHMFA $1.35MM; CHOICE Subsidy $500M; Newark HOME Funds $500M; NRTC: $620MM
CLF Recourse: $270,000 or 20 percent of CNB loan balance

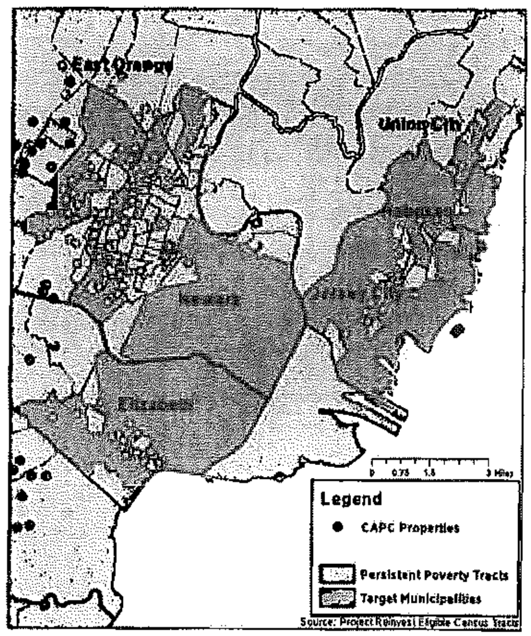
CAPC Financial Growth
FY 2011 - FY 2016

	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
Total Income	$ 319,331.62	$ 851,124.03	$ 700,190.66	$ 1,050,000.00	$ 1,862,416.95	$ 3,048,336
Developer Fee Inc	$ 133,476.62	$ 127,015.89	$ 349,589.90	$ 488,970.84	$ 426,231.00	$ 1,085,245
Net Income		$ 147,710.37	$ 447,439.48	$ 108,585.50	$ 221,171.55	$ 378,457
Net Assets	$ 229,066.34	$ 376,776.71	$ 673,704.59	$ 932,801.69	$ 977,748.00	$ 1,126,287
Total Assets	$ 1,915,975.55	$ 6,494,828.30	$ 8,312,160.40	$ 11,976,878.84	$ 17,169,406.00	$ 29,482,759
Net Inc % of Value		2.27%	5.38%	0.91%	1.29%	1.28%
Growth in Net Assets		39.20%	44.07%	27.78%	4.60%	19.19%



CAPC Growth By Outcomes
FY 2010 - FY 2016

	FY10	FY11	FY12	FY13	FY14	FY15	FY16
Properties Completed	47	29	31	30	62	50	125
Total Development Costs of Units Completed	$1,662,000	$1,139,350	$1,893,273	$3,007,521	$7,367,346	$6,829,931	$22,181,150
Properties in CAPC Rental Portfolio	0	2	17	29	65	97	152
Total Number of Municipalities Served	9	11	16	19	22	31	45



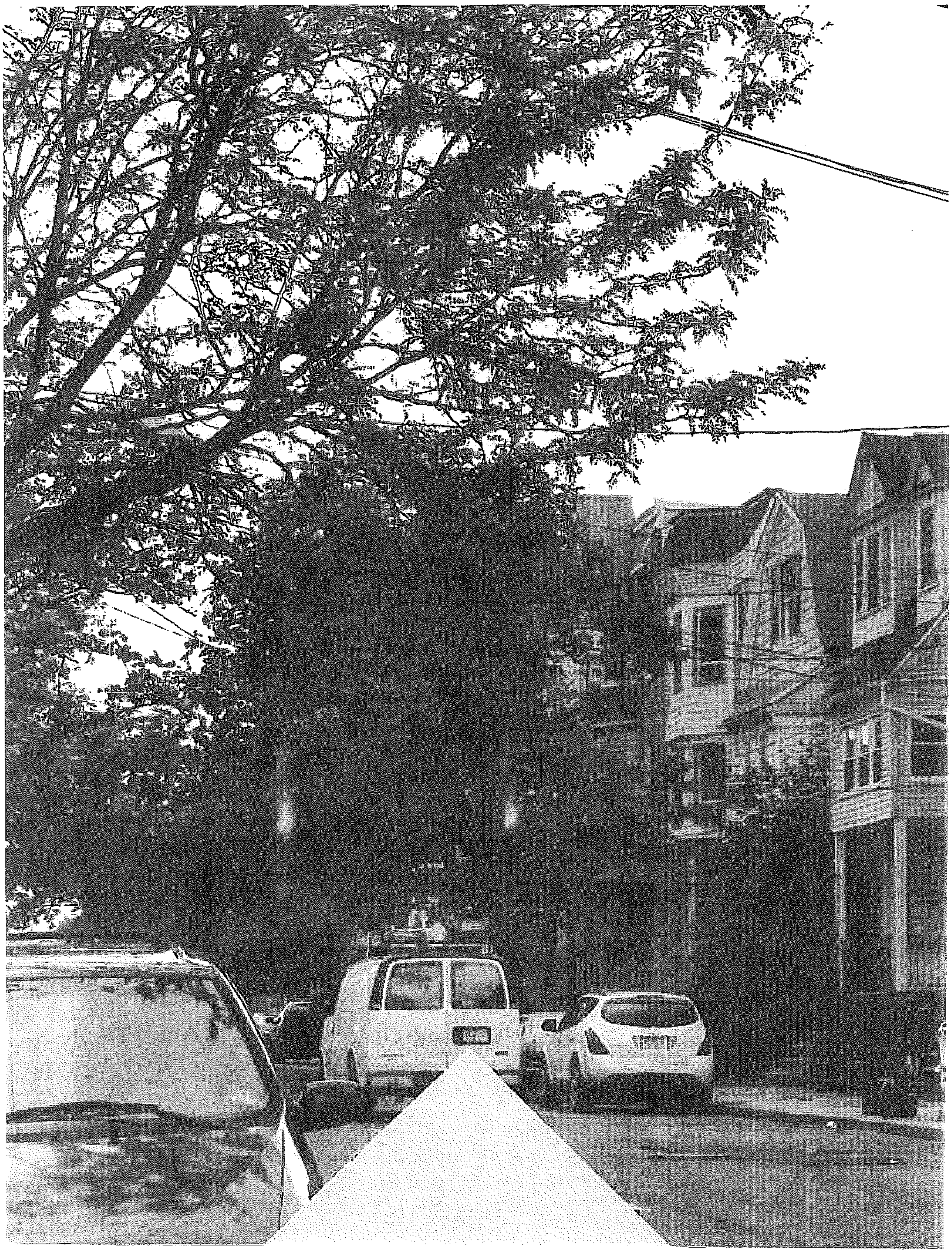
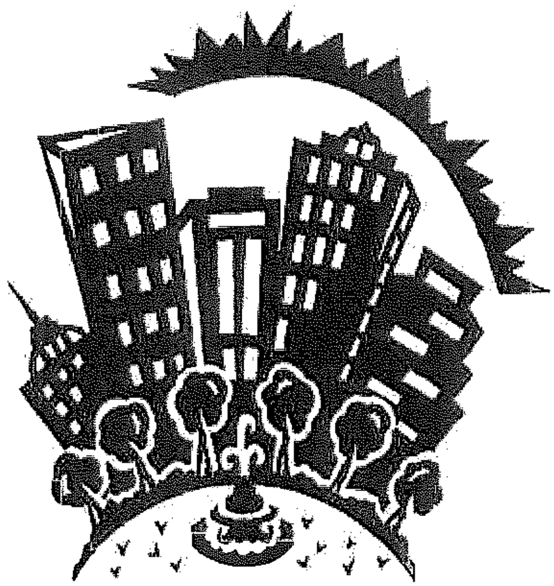


EXHIBIT C

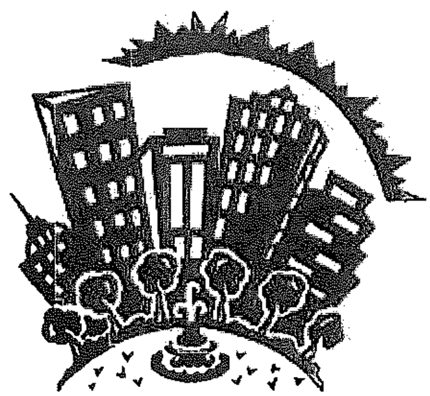
The Alpert Group, LLC



The Alpert Group, LLC
Firm Description

The Alpert Group, LLC– One Parker Plaza – Fort Lee, New Jersey 07024
Tel: 201.886-7800 Fax: 201.886-7806

The Alpert Group, LLC



The Alpert Group, LLC is a family owned and operated full-service real estate management and development company with over 40 years of experience. Since the company's inception, we have developed and manage over 2,000 units.

Our managed and developed properties include such projects as: Low Income Housing Tax Credits, Section 8 Rehabilitation and affordable housing for multi-family, handicapped and elderly residents as well as rent stabilized and Cooperative properties.

The Alpert Group, LLC specializes in bringing quality safe and sanitary housing to diverse segments of the population. With the supervision, knowledge, experience and direction of our management team, we provide a cohesive network, capable of providing clients with the highest degree of professional service.

COMPLETED PROJECTS IN MANHATTAN

The very first venture that *Alpert & Alpert Development, LTD* embarked upon was the development of Project Based Section 8 Projects financed with FHA insured mortgages. These properties are located in the Manhattan Valley area of the Upper West Side of New York City. These properties were a contributing factor in the stabilization of that area in the late 1960's.

Suehar Associates

62-66 West 107th Street, New York -A 75 unit, 7 story elevator project consisting of three buildings cosmetically rehabilitated project.

Jodani Associates

68 West 107th Street, New York - A 25 unit, 7 story, elevator gut rehabilitated project.

COMPLETED PROJECTS IN THE BRONX

Alpert & Alpert Development, LTD was at the forefront of developing Project Based Section 8 Housing in New York. Our next endeavor to provide quality housing focused on the Fordham - Renaissance Plaza section of the Bronx. This section of the Bronx is located alongside the Bronx Park Zoo and Botanical Gardens. This area encompassed an entire block of buildings that were abandoned by previous owners. The company decided to revitalize and enhance this area and set about to make it happen.

In the early part of the 1970's, Project Based Section 8 was a new program introduced in New York by the U.S. Department of Housing and Urban Development (HUD). This program allows families to reside in government assisted housing with rental rates adjusted to their annual income. The company bid for and successfully won a Section 8 Contract with the City of New York. The company began the gut renovations on its' first building. Based on our initial efforts, seven more projects were awarded and a total of over 900 units were restored to the community.

Over a ten year span, beginning in 1976 with Bronx Park South I and ending with Fairmont Place Apartments, completed in 1986, the revitalization of the Fordham-Renaissance area was firmly established. *Alpert & Alpert Development, LTDS* created an entire community for families to reside and thrive. Today, 20 years after beginning its' rehabilitation, the Fordham - Renaissance Plaza Section of the Bronx stands as a symbol of *Alpert & Alpert Development, LTD's* commitments to provide safe, decent and affordable housing.

Bronx Park South I Associates
922-950 Bronx Park South/2137 Vyse Avenue - A 250 unit, 7 building, five story elevator gut rehabilitated project.

Bronx Park South II Associates
2132-2140 Daly Avenue - A 68 unit, 2 building, five story elevator gut rehabilitated project.

Bronx Park South III Associates
968-984 Bronx Park South/9901 Bronx Park South (East & West)/2146 Vyse Avenue - A 149 unit, 4 building, five story elevator gut rehabilitated project.

Mohegan/Crotona I Associates
282 Mohegan Avenue/2088 Crotona Parkway/2095 Honeywell Avenue/876 E. 180th St. - A 154 unit, 4 building, five story elevator gut rehabilitated project.

(continued Bronx completed)

Belartes Court
1892-94 Arthur Avenue/1899 Belmont Avenue - A 73 unit, 3 building, five story elevator gut rehabilitated project.

Belmont Court Apartments
1898-1900 Belmont Avenue/1908-1910 Belmont Avenue - A 112 unit, 4 building, five story elevator gut rehabilitated project.

Mohegan/Crotona II Associates
2075-2079 Mohegan Avenue/2074-2078 Crotona Parkway - A 85 unit, 4 building, five story elevator gut rehabilitated project.

Fairmont Place Apartments
1893-95 Belmont Avenue - A 27 unit, five story elevator gut rehabilitated project.

COMPLETED PROJECTS IN NEW JERSEY

The Weequahic Park Section of Newark had a reputation of being a severely depressed, crime ridden area in the South Ward. This once thriving neighborhood had become an area where no one wanted to live. *Alpert & Alpert Development, LTD* continued its long tradition of providing affordable housing to families by developing over 400 below market rental units. These efforts have helped Newark restore the lost luster of Weequahic Park and helped revitalize the entire neighborhood.

The lessons learned in Newark were then utilized in the various Municipalities detailed below.

Weequahic Park Apartments III

One Grumman/Two Keer Avenues AKA 815-823 Elizabeth Avenue, Newark - An 81 unit, six story elevator project consisting of two buildings renovated in 1995 utilizing Low Income Housing Tax Credits, HOME Funds and Regional Contribution Agreement Funds.

Weequahic Park Apartments IV

505 Elizabeth Avenue Newark - A 72 unit, six story elevator apartment building renovated in 1995 utilizing Low Income Housing Tax Credits and HOME Funds.

Weequahic Park Apartments V

2 Custer Avenue AKA 479-485 Elizabeth Avenue, Newark - A 50 unit, six story elevator apartment building renovated in 1997 utilizing Balanced Housing Funds and Low Income Housing Tax Credits.

Weequahic Park Apartments VI

1-11 Mapes Avenue AKA 549-555 Elizabeth Avenue, Newark - A 54 unit, six story elevator building renovated in 1997 utilizing HOME Funds and Low Income Housing Tax Credits.

Huntington-Schuyler Estates

110 Schuyler Avenue/163-169 Huntington Terrace, Newark – A 42 unit, four story project consisting of two buildings renovated in 2000 utilizing Low Income Housing Tax Credits and HOME Funds.

Wynona Lipman Arms

830-834 Clinton Avenue/9-15 Fabyan Place/258 Renner Avenue, Newark, NJ

These three four story buildings located in Newark's South Ward were purchased from the City of Newark. The project has 16 units in the Clinton Avenue location, 22 in the Fabyan location and 21 in the Renner Avenue location. Gut rehabilitation was completed in November 2004. These buildings were financed through HOME Mortgage Funds, Balanced Housing Funds and a 2001 allocation of Low Income Housing Tax Credits.

North Bergen Renaissance I

6201 Grand Avenue, North Bergen – A 105 unit, thirteen story elevator building newly constructed and containing an 8,000 square foot Adult Senior Day Care facility. This Project is set-aside for low-income Senior Citizens. This Project was financed with HOME Mortgage Funds, Balanced Housing Funds and a 1999 allocation of Low Income Housing Tax Credits. This Project received the *2002 Agency Award of Excellence* from the National Association of Housing and Redevelopment Officials (NAHRO).

State Theater

2854 Kennedy Blvd., Jersey City, NJ

In partnership with Applied Development Company, *Alpert & Alpert Development, LTD* constructed a new twelve story tower on the former State Theater site on Journal Square. This project contains 100 market rate rental apartments, 30 low income units, a 400 car garage and 15,000 s.f. of retail space. This Project was financed with HOME Mortgage Funds and Low Income Housing Tax Credits. The building was completed in January 2006.

Bergen Point Village

203/205/207/207A/206/212/214/216 Broadway, Bayonne, NJ

These eight brownstones have been gut rehabilitated utilizing the Department of Community Affair's newly created "Downtown Living" Mortgage Program. The completed Project contains forty-nine apartments and eight retail stores.

Alpert Homes

Milford and Johnson Avenues, Newark, NJ

As part of Newark's South Ward Redevelopment Plan, *Alpert & Alpert Development, LTD* was designated Developer of 40 building lots. This Project contains 39 newly constructed two and three family homes and a 10,000 s.f. retail structure.

Stegman Arms Apartments

228-230 Stegman Street, Jersey City, NJ

A 19 unit, four story building that was gut rehabilitated utilizing $950,000 from Jersey City's Affordable Housing Trust Funds. This Project is available to low income tenants who are at least 62 years old.

Eva's Village Apartments
133 Prince Street, Paterson, NJ

A 51 unit, four story newly constructed building to serve low income and formally homeless families. This Project utilized Special Needs Housing Trust Funds and HOME Express Funds from the New Jersey Housing and Mortgage Finance Agency and an allocation of Low Income Housing Tax Credits.

Walter G. Alexander Village – Phase I
98 Parrow Street, Orange, NJ

On the site of the a former public housing project, *Alpert & Alpert Development, LTD,* partnered with the Orange Housing Authority to develop two phases of newly constructed affordable housing. Phase I consists of 66 units of new family housing in 4 three-story townhouse style buildings consisting of 1, 2 and 3 bedroom apartments.

Walter G. Alexander Village – Phase II
105 Wilson Place, Orange, NJ

The Walter G. Alexander Village redevelopment received a second allocation of tax credits in a single round allowing Phase II to be developed simultaneously with Phase I. Phase II resulted in 48 units of senior housing in a three-story building that has similar architectural design as the townhouses.

COMPLETED PROJECTS IN CONNECTICUT

In 2004, the Stamford Housing Authority received an award of HOPE VI funds in order to revitalize Fairfield Court, a 144 unit public housing complex built in 1936. The design of the complex, combined with its' age and poor physical condition resulted in its' obsolescence.

The Fairfield Court revitalization plan has produced a total of 174 housing units in 3 phases. The plan has incorporated supportive services and occupational initiatives that have increased the economic self-sufficiency and independence of the residents.

Taylor Street Apartments

25 Taylor Street, Stamford – This development is a unique combination of 16 rental and 8 homeownership units. Eight townhomes with individual entrances occupy the lower two floors and 16 one-bedroom rental units comprise the third and fourth floors. The townhomes were sold to first-time homebuyers and the rental units provide supportive housing. Both the rental and ownership components were part of the Fairfield Court HOPE VI revitalization.

Post House Apartments

40 Clinton Avenue, Stamford – This six-story building includes 60 one-bedroom apartments and extensive community space. Fifty of the apartments receive project-based Section 8 subsidy, and ten are assisted under the federal public housing program. In addition to on-site property management, Post House residents benefit from an on-site Resident Service Coordinator and Program Assistant.

Fairgate

Fairfield Avenue and Stillwater Avenue, Stamford – Located on the site of the former Fairfield Court public housing development, Fairgate was the final phase of the Fairfield Court HOPE VI revitalization and was completed in late 2009. Of the 90 units at Fairgate, 55 are affordable to households with a wide range of incomes and 35 are market rate units without subsidy. Fairgate offers one, two and three-bedroom units, mostly in a townhouse configuration with individual entrances, as well as a community building and an after-school program.

CURRENT PROJECTS

Boris Kroll Fabric Mill Complex

47-55 State Street, Paterson
200-214 20th Avenue, Paterson
50-72 Gray Street, Paterson

The Boris Kroll Complex is a one and a half city block complex consisting of over 250,000 square feet of vacant industrial space. *Alpert & Alpert Development, LTD* plans to perform an adaptive reuse of the site to include affordable and market raté housing, a school facility and retail space.

Paterson Commons I

200-214 20th Avenue, Paterson, NJ

This project consists of 39 apartments (28 market rate units, 10 HOME-assisted units and a Superintendent unit). Construction began in January 2002 and is currently 100% occupied.

Paterson Commons II

50-72 Gray Street, Paterson, NJ

This project will consist of 99 apartments and 10;605 s.f. of retail space. The Project has received approval of it's Part I and Part II Historic Tax Credit application from the National Park Service. The project has also received approval of it's Remedial Action Work plan from the Department of Environmental Protection. We have also received letters of interest for approximately 50% of the retail space. Our architect has completed the drawings necessary for final site plan approval.

Paterson Commons School

47 State Street, Paterson, NJ

This 20,000 s.f. two story building has been leased to the Board of Education for use as a vocational high school. Final site plan approval was received on December 18, 2002 and the school was ready for occupancy in March 2004.

Woodlands at Upsala

Springdale and Prospect Avenues, East Orange, NJ

In October 2003, the team of *Alpert & Alpert Development, LTD* and Applied Development Company were designated Developers of the former Upsala College campus. This 20 acre site will be transformed into 51 single family homes and 17 townhouse units. Construction began in 2006 and had reached 80% completion by year end 2008.

St. Bridget's Senior Residence

372 Montgomery Street, Jersey City, NJ

This Project has received a 2012 allocation of Low Income Housing Tax Credits for the rehabilitation of the Rectory, Convent and School building on the St. Bridget's campus. Originally constructed in the late 1800's, these buildings will be rehabilitated utilizing both Low Income Housing and Historic Tax Credits. This Project will provide 46 units of affordable Senior housing.

COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES

Consolidated Financial Statements
and Supplementary Schedules

September 30, 2017 and 2016

(With Independent Auditors' Report Thereon)

COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES

Table of Contents

KPMG

KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

Independent Auditors' Report

The Board of Directors
Community Loan Fund of New Jersey, Inc. and Subsidiaries:

We have audited the accompanying consolidated financial statements of Community Loan Fund of New Jersey, Inc. and Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of September 30, 2017 and 2016, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Community Loan Fund of New Jersey, Inc. and Subsidiaries as of September 30, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

KPMG

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in Schedules 1 through 6 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

January 30, 2018

COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES

Consolidated Statements of Financial Position

September 30, 2017 and 2016

Assets		**2017**	**2016**
Current assets:			
Cash and cash equivalents (notes 2(l) and 14)	$	20,466,758	21,751,545
Investments (note 7)		13,833,692	12,533,853
Grants receivable, net		2,109,589	10,720,000
Loans receivable, net of allowance for uncollectible loans of $611,400 and $790,100, respectively (notes 3, 4 and 14)		11,989,312	13,245,890
Other current assets		4,843,789	3,304,193
Total current assets		53,243,140	61,555,481
Loans receivable, net of current portion and allowance for uncollectible loans of $2,441,600 and $1,759,900, respectively (notes 3, 4 and 14)		47,494,975	27,140,775
Restricted cash (notes 2(l) and 14)		12,521,810	3,835,418
Investments (note 7)		8,469,161	8,055,044
Grants receivable		—	150,000
Purchased credit impaired loans held for investment (note 5)		1,499,729	1,687,377
Real property held for sale (note 2(i))		29,407,754	22,315,465
Program-related investments (note 6)		7,436,748	6,917,047
Fixed assets, net (note 8)		22,981,211	15,974,900
Other assets		2,126,230	1,998,308
Total assets	$	185,180,758	149,629,815
Liabilities and Net Assets			
Current liabilities:			
Accounts payable and accrued expenses	$	2,188,208	1,382,331
Funds held in trust, escrows, and other (note 10)		3,805,318	2,063,473
Current portion of long-term debt (note 11)		21,010,399	31,016,500
Total current liabilities		27,003,925	34,462,304
Long-term liabilities:			
Unearned fee income		482,676	325,121
Funds held in trust, escrows, and other, net of current portion (note 10)		7,104,981	6,639,395
Long-term debt, net of current portion (note 11)		92,743,430	60,543,415
Total liabilities		127,335,012	101,970,235
Commitments and contingencies (note 13)			
Net assets:			
Unrestricted:			
Community Loan Fund of New Jersey and Subsidiaries		26,851,954	22,818,895
Noncontrolling interest in subsidiaries (note 2(b))		674,690	—
Total unrestricted net assets		27,526,644	22,818,895
Temporarily restricted (notes 9 and 12)		29,619,102	23,840,685
Permanently restricted (notes 9 and 12)		700,000	1,000,000
Total net assets		57,845,746	47,659,580
Total liabilities and net assets	$	185,180,758	149,629,815

See accompanying notes to consolidated financial statements.

COMMUNITY LOAN FUND OF NEW JERSEY, INC. AND SUBSIDIARIES

Consolidated Statement of Activities

Year ended September 30, 2017

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Operating revenues, gains, and other support:				
Interest from loans receivable	$ 2,949,556	213,339	—	3,162,895
Investment interest and dividends	801,830	114,052	—	915,882
Total investment income	3,751,386	327,391	—	4,078,777
Interest expense	(2,052,169)	(33,100)	—	(2,085,269)
Net investment income	1,699,217	294,291	—	1,993,508
Provision for loan losses, net (note 4)	(862,612)	—	—	(862,612)
Net investment income after provision for loan losses	836,605	294,291	—	1,130,896
Contributions, gifts, and grants (note 9)	2,315,031	11,511,500	—	13,826,531
Fees	3,409,656	8,759	—	3,418,415
Rental income	2,241,198	—	—	2,241,198
Gain on sale of property and mortgages	767,475	—	—	767,475
Net assets released from restrictions (note 9)	6,232,002	(5,932,002)	(300,000)	—
Total operating revenues, gains, and other support	15,801,967	5,882,548	(300,000)	21,384,515
Operating expenses:				
Program services	10,250,620	—	—	10,250,620
Supporting services:				
Management and general	1,163,040	—	—	1,163,040
Fundraising	746,993	—	—	746,993
Total supporting services	1,910,033	—	—	1,910,033
Total operating expenses	12,160,653	—	—	12,160,653
Changes in net assets before nonoperating activity	3,641,314	5,882,548	(300,000)	9,223,862
Nonoperating activity:				
Impairment loss on real property held for sale	(5,733)	—	—	(5,733)
Contributions from noncontrolling interests	448,685	—	—	448,685
Realized gain on investments	333,856	9,306	—	343,162
Unrealized gain (loss) on investments	289,627	(113,437)	—	176,190
Total nonoperating activity, net	1,066,435	(104,131)	—	962,304
Increase (decrease) in net assets	4,707,749	5,778,417	(300,000)	10,186,166
Net assets, beginning of year	22,818,895	23,840,685	1,000,000	47,659,580
Net assets, end of year	$ 27,526,644	29,619,102	700,000	57,845,746

See accompanying notes to consolidated financial statements.

COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES

Consolidated Statement of Activities

Year ended September 30, 2016

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Operating revenues, gains, and other support:				
Interest from loans receivable	$ 2,845,526	4,609	—	2,850,135
Investment interest and dividends	340,421	94,328	—	434,749
Total investment income	3,185,947	98,937	—	3,284,884
Interest expense	(1,766,574)	—	—	(1,766,574)
Net investment income	1,419,373	98,937	—	1,518,310
Provision for loan losses, net (note 4)	(635,255)	—	—	(635,255)
Net investment income after provision for loan losses	784,118	98,937	—	883,055
Contributions, gifts, and grants (note 9)	2,075,811	10,748,734	300,000	13,124,545
Fees	3,718,454	123	—	3,718,577
Rental income	1,647,798	—	—	1,647,798
Gain on sale of property and mortgages	323,302	—	—	323,302
Net assets released from restrictions (note 9)	3,068,654	(3,018,654)	(50,000)	—
Total operating revenues, gains, and other support	11,618,137	7,829,140	250,000	19,697,277
Operating expenses:				
Program services	8,366,013	—	—	8,366,013
Supporting services:				
Management and general	788,435	—	—	788,435
Fundraising	491,999	—	—	491,999
Total supporting services	1,280,434	—	—	1,280,434
Total operating expenses	9,646,447	—	—	9,646,447
Changes in net assets before nonoperating activity	1,971,690	7,829,140	250,000	10,050,830
Nonoperating activity:				
Impairment loss on real property held for sale	(77,853)	—	—	(77,853)
Realized gain (loss) on investments	370,032	(25,427)	—	344,605
Unrealized gain on investments	487,041	99,771	—	586,812
Total nonoperating activity, net	779,220	74,344	—	853,564
Increase in net assets	2,750,910	7,903,484	250,000	10,904,394
Net assets, beginning of year	20,067,985	15,937,201	750,000	36,755,186
Net assets, end of year	$ 22,818,895	23,840,685	1,000,000	47,659,580

See accompanying notes to consolidated financial statements.

COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2017 and 2016

		2017	2016
Cash flows from operating activities:			
Increase in net assets	$	10,186,166	10,904,394
Adjustment to reconcile increase in net assets to net cash provided by operating activities:			
Contributions from noncontrolling interests		(448,685)	—
In-kind donations of property		(510,000)	—
Realized gain on investments		(343,162)	(344,605)
Unrealized gain on investments		(176,190)	(586,812)
Distribution from equity investees		651,662	1,525,304
Equity in net gain of investees		(218,808)	(108,927)
Accretion of interest income		(203,678)	(90,904)
Provision for uncollectible loans receivable, net		862,612	635,255
Contributions, gifts, and grants received for permanent investment		—	(300,000)
Gain on sale of real property held for sale		(616,841)	(264,552)
Gain on sale of purchased credit impaired loans held for investment		(150,634)	(58,750)
Impairment loss on real property held for sale		5,733	77,853
Depreciation and amortization		450,383	303,256
Changes in operating assets and liabilities:			
Grants receivable		8,760,411	(8,582,000)
Other current assets and other assets		(1,685,518)	(1,021,186)
Accounts payable and accrued expenses		805,677	74,189
Unearned fee income		157,555	81,712
Funds held in trust, escrows and other		2,207,431	(1,374,861)
Net cash provided by operating activities		19,734,314	869,366
Cash flows from investing activities:			
Repayment of loans receivable		25,336,897	19,773,874
Issuance of loans receivable		(45,297,131)	(24,901,557)
Proceeds from sale of investments		15,502,313	18,919,366
Purchases of investments		(16,696,917)	(18,384,741)
Proceeds from sale of purchased credit impaired loans held for investment		541,960	898,381
Purchase of program-related investments		(958,288)	(3,212,150)
Proceeds from sale of real property held for sale		17,218,681	3,869,829
Purchases of real property held for sale		(30,601,600)	(15,157,792)
Purchases of fixed assets		(21,223)	(1,182,305)
Net cash used in investing activities		(34,975,308)	(19,377,095)
Cash flows from financing activities:			
Change in restricted cash		(8,686,392)	(209,828)
Proceeds from contributions, gifts, and grants restricted for permanent investment		—	300,000
Contributions from noncontrolling interests		448,685	—
Payments on long-term debt		(26,531,027)	(13,970,089)
Proceeds from issuance of long-term debt		48,724,941	39,856,282
Net cash provided by financing activities		13,956,207	25,976,365
Net (decrease) increase in cash and cash equivalents		(1,284,787)	7,468,636
Cash and cash equivalents:			
Beginning of year		21,751,545	14,282,909
End of year	$	20,466,758	21,751,545
Supplemental disclosures of cash flow information:			
Cash paid during year for interest	$	3,686,695	2,633,241
Supplemental disclosure of noncash investing activity:			
Transfers of real property held for sale to fixed assets	$	7,417,471	—

See accompanying notes to consolidated financial statements.

(1) Organization

New Jersey Community Capital is the registered trade name utilized by Community Loan Fund of New Jersey, Inc. and its subsidiaries (the Organization) for its financial products, consulting services, and affordable housing preservation and development services.

Community Loan Fund of New Jersey, Inc.

Community Loan Fund of New Jersey, Inc. (CLFNJ) was formed for the purpose of providing capital and technical assistance in order to build the economic self-sufficiency of low-income individuals and communities.

CLFNJ is the sole member of Community Asset Preservation Corporation (CAPC), Community Lending Partners of New Jersey, Inc. (Lending Partners), NJCC 151 MLK Boulevard LLC (151 MLK), Millville High Street LLC (Millville), North Bay Avenue NJCC LLC (North Bay), National Community Capital, LLC (NCC), National Community Capital II, LLC (NCC II), NCC Holdings, LLC (NCCH), NJCC LMI Mortgage Platform LLC (LMI), NJCC Mortgage Holdings LLC (Mortgage Holdings), and National Community Capital III, LLC (NCC III). Lending Partners is the sole member of Teen Street Preservation, LLC (Teen Street). CAPC is the sole member of Community Asset Preservation Alliance #2 of Jersey City Urban Renewal, LLC (CAPAJC 2), Community Asset Preservation Alliance of Jersey City #3, LLC (CAPAJC 3), CAPA JC 4, Urban Renewal, Inc. (CAPAJC 4), CAPC Affordable Rental Fund LLC (CAPC-ARF), CAPC Washington Street Urban Renewal, LLC (CAPC Washington), CAPC NJ Asset Stabilization Fund # 1 LLC (CAPCNJASF), CAPC Property Management, LLC (Property Mgmt), CAPC Construction LLC (CAPC Construction), CAPC Brokerage LLC (Brokerage), CAPC 4th Ave. Urban Renewal LLC (CAPC 4th Ave), CAPC E-Port Revitalization 1, LLC (E-Port 1), CAPC E-Port Revitalization 2, LLC (E-Port 2), Artist Hub & Residences Urban Renewal, LLC (Artist Hub) and 201 New York Avenue, LLC (201 NY Ave). Additionally, CLFNJ owns the majority of the voting shares of University Ventures, Inc. (University Ventures). CAPC also has equity investments in 308 Whiton Street, LLC (308 Whiton) (52.5%) and 306 MLK Blvd Urban Renewal, LLC (306 MLK) (40%). These entities are included in the Organization's consolidated financial statements.

CLFNJ has a 51.72% noncontrolling interest in Operation Neighborhood Recovery and is accounted for using the equity method.

CLFNJ has a 6.34% interest in NJCC Hurricane Sandy Fund 1, LLC (Hurricane Sandy Fund) and a 25.90% interest in NJCC Fund 1, LLC (NJCC Fund 1) and accounts for these investments using the equity method. CLFNJ is the managing member of NJCC Fund 1 and since the other members have substantive rights, the equity method of accounting is used.

CLFNJ has a minority interest in Community Development Fund #1 and Tampa Community Development Fund #1, which hold 6 mortgage pools consisting of 62 mortgages located in Florida. NCC is providing acquisition and loss mitigation management services on these mortgages. CLFNJ accounts for these investments using the equity method.

CAPC has a 50% interest in Lincoln Park-CAPC Urban Renewal, LLC (Lincoln Park CAPC), CAPC Florida LLC and CHS-CAPC JV1, LLC (CHS-CAPC) and they are accounted for using the equity method.

(Continued)

In 2016, LMI invested $2 million to purchase 10% of outstanding shares in CUMAnet, LLC from Affinity Credit Union. The purpose of this investment is to support the provision of affordable mortgages to low and moderate income families in New Jersey. CUMAnet, LLC is accounted for using the cost method.

In 2017, CLFNJ formed NJCC MM Invest LLC (NJCC MM) in an initiative with PRP Holdings LP (PRP) to join in a venture with the State of New York's Department of Homes and Community Development (SONYMA Community Restoration Fund) to purchase residential mortgage loans in New York State (NYS). CLFNJ has a 5% ownership interest in NJCC MM. NJCC MM has a 56.73% investment in NJCC-NYS Community Restoration Fund, LLC (NJCC-NYS CRF) and a 6.19% investment in NJCC-NYS Erie County Community Restoration Fund, LLC (Erie CRF). Also in 2017 CLFNJ formed NJCC Fund #4, LLC (Fund 4) with PRP to purchase residential mortgage loans in New Jersey. CLFNJ has a 10% ownership interest in Fund 4. Since the other members have substantive rights these entities are accounted for using the equity method.

CLFNJ has formed the following special purpose entities (SPEs): Community Equity Fund of New Jersey I, LLC; NJCC CDE UVS LLC; NJCC CDE RBS LLC; NJCC CDE I LLC; and NJCC CDE II LLC (Collectively, NMTC I. All of the NMTC I entities were dissolved during the fiscal year ended September 30, 2016.); NJCC Irvington Avenue, LLC, NJCC CDE Washington Place, LLC; NJCC CDE Essex LLC; NJCC CDE Mercer LLC, and NJCC CDE Newark LLC (collectively, NMTC II); NJCC CDE Trenton LLC, NJCC CDE Union LLC, NJCC CDE Bergen LLC, NJCC CDE Hudson LLC (collectively, NMTC III); NJCC CDE Ocean LLC, NJCC CDE Camden LLC, NJCC CDE Passaic LLC, NJCC CDE Cumberland LLC, NJCC CDE Monmouth LLC, NJCC CDE Middlesex LLC, NJCC CDE Stockton LLC, NJCC CDE Whitman LLC, and NJCC CDE Wilson LLC, (collectively, NMTC IV) and NJCC CDE Edison LLC, NJCC CDE Barton LLC and NJCC CDE Hamilton LLC, NJCC CDE Kilmer LLC, NJCC CDE Livingston LLC, NJCC CDE Morris LLC, (collectively NMTC V). The SPEs are not included in the Organization's consolidated financial statements. CLFNJ serves as the managing member of each of the SPEs. The limited partners in the SPEs have substantive participating rights, and accordingly, the SPEs are accounted for using the equity method.

Operating Divisions

CLFNJ has aligned its operations into several operating divisions: Community Loan Fund, Proprietary Managed Assets, Third Party Managed Assets, NMTC I, II, III and IV, University Ventures, CAPC, and Restart and Restart the Shore. A discussion of each follows:

Community Loan Fund

Community Loan Fund provides financing and technical assistance to three primary sectors: housing, community services, and businesses. To maximize its impact, Community Loan Fund provides flexible and creative financing through a broad spectrum of credit offerings to customers who either lack access to capital or cannot afford the cost of capital from conventional sources.

Proprietary Managed Assets

Proprietary Managed Assets (Managed Assets) include loan pools developed by CLFNJ and targeted to specialized sectors as follows:

(a) Neighborhood Prosperity Fund

The purpose of the Neighborhood Prosperity Fund (NPF) is to provide a permanent, flexible source of lending capital for high-impact neighborhood stabilization projects in areas of economic distress. As a revolving loan fund, the capital will be recycled for developers of such projects to continually acquire, renovate, and place troubled properties back on the market.

(b) Charter Fund

The purpose of the Charter Fund is to credit enhance loans, leases, and investments made on behalf of charter schools for their facility needs. In 2016, CLFNJ was granted an additional award from the USDOE in the amount of $8 million.

(c) ReBuild Fund

In 2013, the Organization formed the ReBuild Fund to provide quick access to low-interest capital to small businesses in New Jersey that were impacted by Hurricane Sandy.

(d) Camden POWER (Camden Fund)

The Camden Power pool was developed to provide lending capital to eligible business establishments in Camden for the purpose of energy efficiency and health and life safety improvements. CLFNJ received grants and advances from the City of Camden and the NJEDA to fund this pool.

Third Party Managed Assets

Third Party Managed Assets include loan pools administered by CLFNJ.

(a) Sustainable Employment and Economic Development Loan Program (SEED Fund)

During 2000, CLFNJ successfully submitted a proposal to manage a predevelopment loan pool for community economic development projects sponsored by nonprofit organizations and community development corporations. The program is managed on behalf of the Housing and Community Development Network of New Jersey, a trade association serving the community development corporation sector. CLFNJ services and administers the program on behalf of the Housing and Community Development Network of New Jersey.

(b) Asbury Park Urban Enterprise Zone Revolving Loan Fund

In 2003, the City of Asbury Park's Urban Enterprise Zone (UEZ) announced a revolving microloan program with certain services provided by CLFNJ. The program is established to provide low-interest-rate financial assistance of up to $25,000 to new and established companies in Asbury Park. The UEZ entered into a contractual relationship whereby CLFNJ services and administers the program on behalf of the UEZ.

(Continued)

(c) Bank of America Fund (BofA Fund)

In 2005, Bank of America capitalized a predevelopment loan fund for housing and real estate initiatives. The program is established to provide low-interest-rate financial assistance to nonprofit and for-profit developers looking to create and preserve affordable housing and develop real estate in low – to moderate-income communities. CLFNJ services and administers the program on behalf of Bank of America.

(d) TICIC Portfolio

In 2013, CLFNJ purchased the rights to service a multiple participant loan portfolio originated and previously serviced by Thrift Institutions Community Investment Corporation of New Jersey (TICIC), an affiliate of the NJ Bankers Association.

(e) Gap Funding Initiative (GFI)

The GFI, which was launched in 2013 and ended during 2017. It was a $15 million grant program funded by the Hurricane Sandy New Jersey Relief Fund and the American Red Cross and administered by New Jersey Community Capital. GFI offered up to $30,000 (reduced to $20,000 in August 2014) to help eligible homeowners cover costs of home repairs they face as a result of Hurricane Sandy. During 2017 and 2016, CLFNJ disbursed $341,000 and $1,807,000, respectively, to eligible recipients.

NMTC

The Organization, through SPEs for which CLFNJ is the managing member, provides investment capital and technical assistance to companies spurring revitalization efforts in New Jersey's low-income communities historically lacking access to traditional sources of capital.

As a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code), and therefore, without tax liability, CLFNJ cannot itself use New Market Tax Credits (NMTCs). In order to utilize the allocation received by CLFNJ, the Organization suballocates NMTC investment authority to various Limited Liability Companies (LLCs) organized and managed by CLFNJ. These LLCs are Community Development Entities (CDEs). The Organization seeks to suballocate NMTC investment authority to CDEs that provide investments in projects that accomplish goals consistent with the mission of the Organization.

NMTC I

In 2003, CLFNJ received a $15 million allocation of NMTCs from the United States Department of Treasury's Community Development Financial Institutions Fund in the first round of a national economic development initiative. As of September 30, 2016, all NMTC I entities were dissolved.

NMTC II

In 2009, CLFNJ received a $35 million allocation of NMTCs from the United States Department of Treasury's Community Development Financial Institutions Fund in the sixth round of a national economic development initiative.

NMTC III

In 2013, CLFNJ received a $30 million allocation of NMTCs from the United States Department of Treasury's Community Development Financial Institutions in the tenth round of a national economic development initiative.

NMTC IV

In 2015, CLFNJ received a $50 million allocation of NMTCs from the United States Department of Treasury's Community Development Financial Institutions in the twelfth round of a national economic development initiative.

NMTC V

In 2017, CLFNJ received a $45 million allocation of NMTCs from the United States Department of Treasury's Community Development Financial Institutions in the thirteenth round of a national economic development initiative.

University Ventures

In 2004, Community Loan Fund of New Jersey, Inc. acquired an 81.5% controlling interest in the voting common stock and a majority interest in the nonvoting common stock of University Ventures, a specialized small businesses investment company (SSBIC) licensed by the United States Small Business Administration.

University Ventures provides capital and managerial assistance to small business, specifically targeting the needs of entrepreneurs who have been denied the opportunity to own and operate a business because of social or economic disadvantage.

CAPC

In May 2010, CLFNJ became the sole member of CAPC.

CAPC was created to negotiate bulk purchases of mortgage notes, real estate owned (REO), and other properties from financial institutions and convey the properties in smaller numbers to partnering nonprofit organizations, private institutions, local government agencies, and other partners able to rehabilitate and return the property to productive use.

In 2014, CAPC began to rent renovated homes to low – and moderate-income families. CAPC makes exit (rent vs sell) decisions based on neighborhood real estate activity, surrounding blight, community stability, and local economic factors. At September 30, 2017 and 2016, CAPC had 109 and 79 properties, respectively, in rental status which are included in fixed assets with a net book value (including land value) of $22,441,127 and $15,381,962, respectively (see note 8).

(Continued)

ReStart and ReStart the Shore

In 2013, the Organization established its ReStart family of programs as an innovative home preservation initiative designed to prevent foreclosures and stabilize communities. The Organization won the right to purchase three pools of delinquent Federal Housing Administration (FHA) loans from the U.S. Department of Housing and Urban Development (HUD). NJCC Fund 1 acquired a pool of 110 mortgages of properties and NCC Holdings acquired 15 mortgages of properties both located in the greater Newark, New Jersey area. Additionally, the Hurricane Sandy Fund acquired a pool of 517 mortgages of properties located in areas of New Jersey that were impacted by Hurricane Sandy.

NCC Tampa Fund 1, LLC (Tampa Fund) acquired a pool of 119 mortgages of properties located in the greater Tampa, Florida area. CLFNJ is servicing these loans on behalf of Tampa Fund.

In 2016, CLFNJ acquired a minority interest in 6 mortgage pools consisting of 424 mortgages located in Florida. NCC is providing acquisition and loss mitigation management services on these mortgages.

In 2017, CLFNJ acquired a minority interest in 3 mortgage pools. NJCC-NYS CRF acquired 370 mortgages, Erie CRF acquired 28 mortgages and Fund 4 acquired 55 mortgages during the year.

NCC and NCC II provide investment management services to NJCC Fund 1, Tampa Fund, Hurricane Sandy Fund, and NCC Holdings. NCC III provides investment management services to NJCC-NYS CRF, Erie CRF and Fund 4. The Organization was also engaged as a loss mitigation advisor by other purchasers of FHA loan pools. The loss mitigation services are provided by NCC II.

(2) Summary of Significant Accounting Policies

The significant accounting policies followed by the Organization are described below:

(a) Accrual Basis

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting.

(b) Basis of Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations and net assets attributable to CLFNJ's controlling interest and noncontrolling interest in subsidiaries. The noncontrolling interest in subsidiaries increased by $674,690, which represents $448,685 of contributions made by the noncontrolling interests and $226,005 of operating revenues over operating expenses.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met by actions of the Organization and/or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. All resources granted to the NeighborWorks America Revolving Loan for housing and capital projects must be maintained permanently, unless specific approval is granted by NeighborWorks America to reclassify a portion of the grants to unrestricted net assets.

(c) Principles of Consolidation

The consolidated financial statements include the accounts of CLFNJ and its wholly owned subsidiaries and its majority owned subsidiary, University Ventures. All intercompany accounts and transactions have been eliminated in consolidation.

(d) Cash and Cash Equivalents

Cash equivalents include short-term investments with original maturities of three months or less, and include money market funds that are not maintained by the investment managers.

(e) Investments

The Organization records its investments in marketable securities at fair value based on quoted prices. Program-related investments are accounted for using the cost or equity methods, as appropriate.

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the consolidated statements of financial position.

(f) Loans Receivable and Allowance for Uncollectible Loans Receivable

The Organization provides commercial and mortgage loans to entities that support the development, preservation, and operation of housing, community services, and businesses primarily in New Jersey. Loans receivable are stated at unpaid principal balances less an allowance for loan losses. Interest on loans is recognized over the term of the loan and is calculated using the interest method on principal amounts outstanding.

The accrual of interest on loans is discontinued when the loans are 90 days past due unless the credit is well secured and in the process of collection. Past due status is based on the contractual terms of the loan. In all cases, loans are placed on nonaccrual or are charged off at an earlier date if management believes, after considering economic conditions, business conditions, and collection efforts, that collection of principal or interest is considered doubtful.

All interest accrued, but not collected for loans that are placed on nonaccrual or charged off, is reserved and recorded as bad debt expense. The interest on these loans is accounted for on the cash basis until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest payments contractually due are brought current and future payments are reasonably assured.

The allowance for uncollectible loans receivable is established as losses are estimated to have occurred through a provision for loan losses charged to earnings. Loan losses are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any, are netted against the loan loss provision.

The allowance for uncollectible loans receivable is evaluated on a regular basis by management and is based upon management's periodic review of the collectibility of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

(g) Troubled Debt Restructured (TDR) Loans

TDR loans are those loans whose terms have been modified because of deterioration of the financial condition of the borrower. The concessions made by the Organization are principally reductions in interest rate or extensions of maturities. In cases where the loan is collateral dependent, the Organization measures impairment as the difference between the loan and the fair value of the collateral (less cost to sell the collateral) based upon recent appraisals. In general, the Organization obtains appraisals annually.

(h) Purchased Credit Impaired (PCI) Loans

PCI loans are initially recorded at fair value based on the transaction price with no allowance for loan loss. Under Accounting Standards Codification Subtopic 310-30, *Accounting for Purchased Loans with Deteriorated Credit Quality*, the PCI loans are aggregated and accounted for as pools of loans based on common risk characteristics. The allowance for loan losses on PCI loans is measured at each financial reporting date based on future expected cash flows. This assessment and measurement is performed at the pool level and not at the individual loan level. Accordingly, decreases in expected cash flows resulting from further credit deterioration, on a pool basis, as of such measurement date compared to those originally estimated are recognized by recording a provision and allowance for credit losses on PCI loans. Subsequent increases in the expected cash flows of the loans in each pool would first reduce any allowance for loan losses on PCI loans; and any excess will be accreted prospectively as a yield adjustment. The analysis of expected cash flows for loan pools incorporates expected sale prices of foreclosed property less costs to sell, and estimated principal and interests on the loans prior to foreclosure. Actual cash flows could differ from those expected. The difference between the undiscounted cash flows expected at acquisition and the investment in the PCI loans (the carrying value), or the "accretable yield," is recognized as interest income over the life of the pool of loans.

(i) Property Held for Sale

The Organization acquires certain real properties either through purchase or foreclosure which it holds, improves and repairs, and then either sells or rents. Such properties are valued at the lower of cost or fair value as determined by appraisals, and are $29,407,754 and $22,315,465 at September 30, 2017 and 2016, respectively.

(j) Property and Equipment

Fixed assets are carried at cost less accumulated depreciation. Contributed assets are recorded at fair value at the date of the gift. Maintenance and minor repair costs are expensed as incurred. Building, improvements, furniture, and equipment are depreciated on a straight-line basis over their estimated useful lives.

Description	Estimated life
Computers and equipment	3 years
Buildings and improvements	40 years

(k) Other Assets

Other assets include rent receivables, management fee receivables, advances to NMTC entities, miscellaneous receivables and mortgages. Those assets that are expected to be realized within one year are recorded in other current assets. All other items are recorded in other assets on the consolidated statements of financial position.

(l) Funds Held in Trust, Escrows, and Other

Funds held in trust, escrows, and other are held in a high-credit quality financial institution. Funds held in trust, escrows, and other include escrow deposits. The cash related to these funds is included in restricted cash and amounts to approximately $1,449,000 and $1,034,000, respectively, at September 30, 2017 and 2016.

Funds held in trust also include third-party resources entrusted to the Organization's oversight, generally for its Third Party Managed Assets programs. The Organization does not record the loans receivable associated with these programs in its consolidated financial statements as its responsibility is limited to servicing and/or administering the loans. The cash related to these programs that will be returned within one year is included in cash and cash equivalents and amounts to approximately $979,000 and $2,063,000 at September 30, 2017 and 2016, respectively. The cash related to these programs that will be returned in more than one year is included in restricted cash and amounts to approximately $1,027,000 and $952,000 at September 30, 2017 and 2016, respectively.

There are two programs that advance funds with conditions to the Organization. The cash related to these programs amounts to approximately $1,807,000 and $1,860,000 and is included in restricted cash at September 30, 2017 and 2016, respectively.

Approximately $2,533,000 and $2,701,000 of funds held in trust were used to renovate real property held for sale at September 30, 2017 and 2016, respectively. The revenue related to these programs will be recognized when the conditions are met, which is generally when the property is sold.

(m) Unearned Fee Income

Commitment fees are recorded as unearned fee income when received. The deferred commitment fees are then amortized and recorded as commitment fee income based on the life of the loan. The current portion of unearned fee income is included in accounts payable and accrued expenses in the accompanying consolidated statements of financial position.

(n) Contributions, Gifts, and Grants

Contributions, gifts, and grants are reported in the accompanying consolidated financial statements at their estimated fair value at date of receipt or binding commitment. The Organization records contributions and grants as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Temporarily restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions. However, if a restriction is fulfilled in the same time period in which the contribution or grant is received, the Organization reports the support as unrestricted. Unconditional promises to give are recognized as revenues or gains in the period received. Conditional promises to give are recognized as revenue when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-adjusted interest rates applicable to the years in which the promises are received to discount the amounts.

Contributions of donated noncash assets are recorded at their estimated fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received.

During the years ended September 30, 2017 and 2016, the Organization received $510,000 and $469,642, respectively, of donated noncash assets, which is included in contributions, gift, and grants income. There were no contributed services meeting the requirements of recognition in the consolidated financial statements for these periods.

(o) Income Taxes

CLFNJ, Lending Partners and CAPC are exempt from federal income taxes under Section 501(c)(3) of the Code. As nonprofit entities, they are also exempt from New Jersey corporate income taxes.

In 2009, CAPC obtained exemption from federal and state income tax, as an organization described in Section 501(c)(3) of the Code and was generally exempt from income taxes pursuant to Section 501(a) of the Code prior to 2012. In 2012, CAPC was informed that it was no longer a tax-exempt organization under Section 501(a) due to loss of exempt status as a Section 501(c)(3) organization. CAPC filed to reinstate its tax-exempt status. On April 20, 2017, CAPC's tax exempt status was reinstated retroactively to the date of revocation.

University Ventures is a for-profit corporation with federal net operating loss carryovers of $926,968 that may be offset against future taxable federal income. Given the history of losses for University Ventures, a full valuation allowance has been taken for federal and state deferred tax assets.

Operation Neighborhood Recovery, Lincoln Park CAPC, CAPC Florida and CHS-CAPC are LLCs treated as partnerships for tax purposes and, as such, the income or loss generated from the LLC is reported by members on their respective returns.

NJCC MM and Fund #4 are LLCs treated as corporations for tax purposes and, as such, the income or loss generated from the LLC is reported by members on their respective returns.

Teen Street (sole member is Lending Partners), CAPAJC 2, CAPAJC 3, CAPAJC 4, CAPCNJASF, CAPC-ARF, CAPC Washington, Property Mgmt, Construction, Brokerage, CAPC 4th Ave, E-Port 1, E-Port 2, Artist Hub and 201 NY Ave (sole member of these entities is CAPC), 151 MLK, Millville, North Bay, NCC, NCC II, NCC III, NCCH, and Mortgage Holdings (sole member of these entities is CLFNJ), is each a single-member LLC treated as a disregarded entity with respect to its sole member; each such member is exempt under Code Section 501(c)(3).

NJCC recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount of benefit that is greater than fifty percent likely to be realized upon settlement. Changes in measurement are reflected in the period in which the change in judgment occurs. NJCC did not recognize the effect of any income tax positions in either 2017 or 2016.

(p) Functional Allocation of Expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the consolidated statements of activities. Costs are allocated between program services, management and general, and fundraising based on an evaluation of the related benefits. Interest expense and provision for loan losses are not included in functional expenses in the consolidated statements of activities, but are considered to be program activities. For description of program activities, see note 1 of the consolidated financial statements.

(q) Operating Measure

Nonoperating activity include changes in noncontrolling interests, and gains (losses) on investments and other nonrecurring items.

(r) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(s) Reclassifications

There were reclassifications made to certain 2016 amounts to conform with the current year presentation.

(3) Loans Receivable

The Organization, directly or through agreements with other entities, provides credit facilities primarily in the form of loans receivable.

(a) Community Loan Fund

Loans are primarily to nonprofit organizations, although loans are also made to for-profit corporations, partnerships, and individuals for business purposes. Loans are generally for terms of three months to seven years, unless there is specific capital that allows for longer term lending.

At September 30, 2017, there were no variable rate loans. At September 30, 2017, fixed rate loans of $42,373,626 had interest rates ranging from 2% to 12%.

At September 30, 2016, there were no variable rate loans. At September 30, 2016, fixed rate loans of $27,622,285 had interest rates ranging from 1.5% to 12%.

At September 30, 2017, there were two loan classified as nonaccrual and 90 days past due with a total balance of $1,685,000.

At September 30, 2016, there is one loan classified as 90 days past due that accrues interest with a total balance of $2,843. At September 30, 2016, there was one loan, classified as nonaccrual with a total balance of $1,175,175.

On a case-by-case basis, the Organization may agree to modify the contractual terms of a borrower's loan to assist customers who may be experiencing financial difficulty, as well as preserve the Organization's loan position in the loan. If the borrower is experiencing financial difficulties and a concession has been made at the time of such modification, the loan is classified as a TDR loan.

All TDRs are classified as impaired loans, which are individually evaluated for impairment. At September 30, 2017 and 2016, there were five loans with balances that totaled $4,208,417 and seven loans with balances that total $3,955,653, respectively, that were considered TDR loans.

(b) Proprietary Managed Assets – NPF

At September 30, 2017, these loans bear interest at an annual rate of 5.5% to 7.5% and are either unsecured or, if applicable, secured by the assets financed. At September 30, 2017, these loans amounted to $8,260,219.

At September 30, 2016, these loans bear interest at an annual rate of 5.5% to 7.5% and are either unsecured or, if applicable, secured by the assets financed. At September 30, 2016, these loans amounted to $6,460,231.

(c) Camden POWER

At September 30, 2017 and 2016, the loan receivable of $573,064 and $480,203, respectively, bears interest at 2% to 4%. The loan matures on August 10, 2018.

(d) University Ventures

University Ventures has a $500,000 loan receivable from Red Restaurant Ventures, LLC (Red) under a four-year credit facility at 13.5% interest. In May 2011, Red filed for Chapter 11 bankruptcy. University Ventures performed a lien search and noted that they are the only secured party. As part of the bankruptcy proceedings, Red is required to make monthly payments of $2,000, which Red has done to date. At September 30, 2017 and 2016, this loan amounted to $207,000 and $219,500, respectively.

(e) Lending Partners

Loans receivable are primarily to nonprofit organizations and for-profit corporations and partnership entities. All loans are collateralized by liens on the assets financed.

Variable rate loans are generally for terms of one to sixty months and generally bear interest rates based on LIBOR. At September 30, 2017 and 2016, variable rate loans bear interest at 7.0% to 7.5% and 7.0% to 7.5% per annum and amounted to $980,969 and $1,934,261, respectively. Fixed rate loans are generally for twelve to seventy-eight months. At September 30, 2017 and 2016, fixed rate loans bear interest at 5.75% to 7.00% and 5.75% to 7.50% per annum and amounted to $10,142,409 and $6,220,185, respectively.

At September 30, 2017 and 2016, there was one loan classified as 90 days past due. At September 30, 2017 and 2016, there was one loan not accruing interest, with a total balance of $800,000 and $822,581, respectively.

At September 30, 2017 and 2016, there were one loan and two loans, respectively, with a balance of $800,000 and $1,163,270, respectively, that were considered TDR loans.

The Organization assesses the risk of loss on its loans receivable internally by credit quality ratings. The Organization utilizes a six-point internal risk rating system. Loans deemed to be acceptable quality are rated one through three (pass), with a rating of one established for loans with minimal risk. Loans that are deemed to be of potential weakness are rated four (watch), and questionable repayment are rated five (substandard). Loans with serious doubt are rated six (doubtful). There are no doubtful receivables at September 30, 2017 and 2016. The following table includes the amounts of the outstanding loans receivable at September 30, 2017 and 2017, using the Organization's internally assigned credit quality indicators.

		2017	2016
Pass	$	53,344,061	33,070,991
Watch		5,948,081	7,863,427
Substandard		3,245,145	2,002,247
Total loans receivable	$	62,537,287	42,936,665

(4) Allowance for Uncollectible Loans Receivable

The following table presents the changes in the allowance for uncollectible loans receivable at September 30, 2017 and 2016:

		2017	2016
Opening balance	$	2,550,000	2,100,000
Less write-offs		(359,612)	(185,255)
Add provision for uncollectible loan receivable, net		862,612	635,255
Ending balance	$	3,053,000	2,550,000

(5) PCI Loans

The following table summarizes information for PCI loans held at September 30, 2017 and 2016:

		2017	2016
Contractually required payments	$	2,583,646	4,020,348
Nonaccretable difference		(865,624)	(2,103,561)
Cash flows expected to be collected		1,718,022	1,916,787
Accretable yield		(1,026,522)	(1,022,458)
Initial carrying amount at acquisition		691,500	894,329
Accretion recorded since acquisition		808,229	793,048
Carrying value at September 30	$	1,499,729	1,687,377

Accretion recorded during the years ended September 30, 2017 and 2016 amounted to $203,678 and $90,904, respectively, and is included in investment interest and dividends in the accompanying consolidated statements of activities.

(Continued)

(6) Program-Related Investments

Program-related investments at September 30, 2017 and 2016 are as follows:

	2017	2016
NMTC II:		
NJCC CDE Irvington Avenue LLC	$ 660	633
NJCC CDE Mercer LLC	1,014	978
NJCC CDE Newark LLC	543	537
NJCC CDE Washington Place LLC	774	759
NJCC CDE Essex LLC	1,115	1,091
NMTC III:		
NJCC CDE Trenton LLC	625	624
NJCC CDE Union LLC	763	762
NJCC CDE Bergen LLC	741	742
NJCC CDE Hudson LLC	916	931
NMTC IV:		
NJCC CDE Ocean LLC	694	692
NJCC CDE Cumberland LLC	596	596
NJCC CDE Passaic LLC	499	498
NJCC CDE Camden LLC	494	500
NJCC CDE Monmouth LLC	597	600
NJCC CDE Middlesex LLC	674	675
NMTC V:		
NJCC CDE Hamilton LLC	1,050	—
NJCC CDE Edison LLC	800	—
University Ventures, Inc.:		
Acelero, 8% cumulative convertible preferred stock	376,405	376,405
Terracycle	200,000	200,000
City National Bancshares Corporation, 6% noncumulative preferred stock	200,000	200,000

		2017	2016
Other:			
CAPC Florida LLC	$	87,767	88,691
Hurricane Sandy Fund		1,375,515	1,447,335
NJCC Fund 1		1,178,354	1,178,354
Lincoln Park-CAPC Urban Renewal, LLC		(53)	(53)
Community Development Trust, Inc.		500	500
Operation Neighborhood Recovery, LLC		89,396	95,179
CUMAnet, LLC		2,000,000	2,000,000
Tampa and Community Development Funds		1,045,040	1,119,884
CHS-CAPC JV1, LLC		10,000	—
NJCC Fund # 4 LLC		200,423	—
NJCC MM Invest LLC		460,712	—
Socially Responsible Certificates of Deposit:			
Self Help Credit Union, 1.05%, 7/2/18		100,134	100,134
Self Help Credit Union, 1.30% 12/23/18		100,000	100,000
	$	7,436,748	6,917,047

In 2017, CLFNJ invested $1,050 in NJCC CDE Hamilton LLC, $800 in NJCC CDE Edison LLC, $200,423 in NJCC Fund #4 LLC, $285,304 in Tampa and Community Development Funds and $460,712 in NJCC MM Invest LLC.

In 2017, CAPC invested $10,000 in CHS-CAPC JV1 LLC,

In 2016, CLFNJ invested $700 in NJCC CDE Ocean LLC, $600 in NJCC CDE Cumberland LLC, $500 in NJCC CDE Passaic LLC, $500 in NJCC CDE Camden LLC, $600 in NJCC CDE Monmouth LLC, $675 in NJCC CDE Middlesex LLC, $1,119,884 in Mortgage Pools and $2,000,000 in CUMAnet LLC.

In 2016, CAPC invested $88,691 in CAPC Florida LLC.

Net gain (loss) related to equity investments of $218,808 and $108,927 is included in investment interest and dividends in the accompanying consolidated statements of activities as of September 30, 2017 and 2016, respectively.

The table below sets forth overview information about the NMTC II, III, IV and V:

	Managing member(s) ownership stake	Managing member(s) initial investment	Investor member(s) initial investment	Assets at December 31, 2016	Liabilities at December 31, 2016	Net income for December 31, 2016
NMTC II:						
NJCC CDE Irvington Ave LLC	0.01	$ 488	4,874,512	4,774,401	17,411	267,229
NJCC CDE Mercer LLC	0.01	800	8,000,000	9,235,794	175,858	359,622
NJCC CDE Newark LLC	0.01	512	5,125,000	5,502,616	74,869	57,888
NJCC CDE Washington Place LLC	0.01	700	7,000,000	6,973,459	134,901	150,579
NJCC CDE Essex LLC	0.01	1,000	10,000,000	9,949,937	151,229	235,138
NMTC III:						
NJCC CDE Trenton LLC	0.01	600	6,000,000	6,031,369	8,947	113,586
NJCC CDE Union LLC	0.01	750	7,500,000	7,533,881	32,750	75,798
NJCC CDE Bergen LLC	0.01	740	7,400,000	7,440,570	16,520	284,382
NJCC CDE Hudson LLC	0.01	910	9,100,000	9,207,396	16,300	315,195
NMTC IV:						
NJCC CDE OCEAN LLC	0.01	700	7,000,000	7,021,207	3,917	199,080
NJCC CDE Cumberland LLC	0.01	600	6,000,000	6,000,600	—	57,087
NJCC CDE Passaic LLC	0.01	500	5,000,000	5,001,853	1,353	26,443
NJCC CDE Camden LLC	0.01	500	5,000,000	5,032,085	22,600	30,886
NJCC CDE Monmouth LLC	0.01	600	6,000,000	6,027,100	11,500	41,667
NJCC CDE Middlesex LLC	0.01	675	6,750,000	6,767,856	14,313	17,013
NMTC V:						
NJCC CDE Hamilton LLC	0.01	1,050	10,500,000	N/A	N/A	N/A
NJCC CDE Edison LLC	0.01	800	8,000,000	N/A	N/A	N/A

Assets, liabilities and net loss for NJCC CDE Trenton LLC and NJCC CDE Middlesex LLC are at October 31, 2016.

As of September 30, 2017 and 2016, all of the New Market Tax Credits have been expended for NMTC II and NMTC III. As of September 30, 2017, approximately $14 million and $26.5 million was available to be expended on NMTC IV and NMTC V, respectively.

(7) Investments and Fair Value Measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quotes prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows, and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset and do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in amounts disclosed.

The following is a description of the valuation methodologies used for the Organization's investments measured at fair value and included in the fair value hierarchy table. There have been no changes in the methodologies used for periods presented in these financial statements.

Certificates of deposit: Valued based on yields currently available on comparable securities of issuers with similar credit rates.

U.S. government and agency obligations: Valued at the closing price reported on the active market on which the individual securities or bonds are traded at September 30, 2017 and 2016.

Mutual funds and U.S. equity securities: Valued at the closing prices reported on an active market at September 30, 2017 and 2016.

The following tables represent the Organization's fair value hierarchy for its financial assets measured at fair value on a recurring basis as of September 30, 2017 and 2016:

		2017			
		Level 1	Level 2	Level 3	Total
Investments:					
Certificates of deposit	$	—	4,490,810	—	4,490,810
U.S. government and agency obligations		5,769,478	3,403,299	—	9,172,777
Mutual funds		1,749,315	—	—	1,749,315
U.S. equity securities:					
Consumer discretionary		1,317,933	—	—	1,317,933
Consumer staples		390,536	—	—	390,536
Energy		423,238	—	—	423,238
Financial services		917,872	—	—	917,872
Healthcare		952,269	—	—	952,269
Industrials		907,625	—	—	907,625
Information technology		1,240,190	—	—	1,240,190
Materials		324,914	—	—	324,914

	2017			
	Level 1	Level 2	Level 3	Total
Telecommunications	$ 136,543	—	—	136,543
Utilities	135,326	—	—	135,326
Other	34,349	109,156	—	143,505
	$ 14,299,588	8,003,265	—	22,302,853

	2016			
	Level 1	Level 2	Level 3	Total
Investments:				
Certificates of deposit	$ —	3,804,494	—	3,804,494
U.S. government and agency obligations	5,672,900	3,468,439	—	9,141,339
Mutual funds	1,613,579	—	—	1,613,579
U.S. equity securities:				
Consumer discretionary	1,314,483	—	—	1,314,483
Consumer staples	364,757	—	—	364,757
Energy	311,493	—	—	311,493
Financial services	619,811	—	—	619,811
Healthcare	796,388	—	—	796,388
Industrials	652,590	—	—	652,590
Information technology	1,287,917	—	—	1,287,917
Materials	313,541	—	—	313,541
Telecommunications	141,391	—	—	141,391
Utilities	135,713	—	—	135,713
Other	12,146	79,255	—	91,401
	$ 13,236,709	7,352,188	—	20,588,897

Advisory fees relating to marketable investments amounted to $184,121 and $182,132 for the years ended September 30, 2017 and 2016, and are recorded in professional fees.

(8) Fixed Assets

Fixed assets at September 30, 2017 and 2016 consist of the following:

		2017	2016
Land	$	4,467,881	3,032,674
Computers and equipment		502,717	481,494
Buildings and improvements held for rental purposes		18,767,016	12,784,752
Building and improvements		559,744	559,744
		24,297,358	16,858,664
Less accumulated depreciation		(1,316,147)	(883,764)
Fixed assets, net	$	22,981,211	15,974,900

Depreciation expense for the years ended September 30, 2017 and 2016 amounted to $432,383 and $285,256, respectively.

At September 30, 2017, future minimum rentals of approximately $1,035,442 and $17,001 are due to the Organization under noncancelable leases that are expected to be received in fiscal years 2018 and 2019, respectively.

(9) Grants

(a) Credit Enhancement Grant

On June 13, 2006, the Organization received a credit enhancement grant from the U.S. Department of Education, which was recognized as temporarily restricted revenue at that time. The Organization was awarded $8,150,000 to use as credit enhancement for the financing of current and future charter schools. The project period began on August 10, 2009 and ends on the date on which all of the grant funds and earnings thereon have been expended for eligible grant project purposes or when financing supported by the grant project has been retired, whichever is later. The grant allows the Organization to also use the investment income earned on the award. In July 2016, the Organization received an additional credit enhancement grant from the U.S. Department of Education for $8,000,000 which was recognized as temporarily restricted revenue in the 2016 consolidated statement of activities. For the years ended September 30, 2017 and 2016, the net investment return was $116,077 and $94,328, respectively. At September 30, 2017 and 2016, $3,064,311 and $2,075,286, respectively, has been used to credit enhance loans issued by the Organization to charter schools and $2,324,474 and $2,309,035, respectively, has been used to credit enhance loans issued by outside organizations. As of September 30, 2017 and 2016, $11,657,756 and $12,663,443, respectively, is the amount available to use as credit enhancements.

(b) Supportive Housing Fund Grant

In 2017, CLFNJ received an $8,000,000 grant from Goldman Sachs to be used finance loans to borrowers to acquire and rehabilitate affordable supportive housing units in New Jersey. These funds will be combined with $7,000,000 loan from an affiliate of the grantor to establish a $15,000,000 fund that will finance up to 80 units. The grant funds must be committed to eligible project borrowers by June 21, 2019.

(c) THRIVE South Jersey Initiative Grant

In 2017, CLFNJ received a $1,500,000 grant from the Pascal Sykes Foundation to support financing of businesses in eligible areas of Atlantic, Cumberland, Gloucester and Salem counties, as part of CLFNJ's THRIVE South Jersey Initiative. Pascal Sykes Foundation provided two grants totaling $4,100,000 in 2015 to support community and economic development via the THRIVE South Jersey Initiative. Unexpended portion of all grants totaled $1,436,280 and is included in temporarily restricted net assets at September 30, 2017.

(d) NeighborWorks America

The Organization is a subrecipient of a grant through NeighborWorks America. NeighborWorks America provided a permanently restricted grant in the amount of $300,000 during the year ended September 30, 2016, for making affordable loans for housing and capital projects. This amount is permanently restricted although proceeds on capital projects, or interest earned, over and above corpus may be transferred to unrestricted net assets furthering the Organization's mission. Additionally, NeighborWorks America may authorize amounts to be transferred to unrestricted net assets, and in 2017, $300,000 was authorized to be transferred. However, should the Organization become defunct, all remaining grant funds, interest earnings, capital project proceeds, and the loan and capital projects portfolios representing the use of these funds will revert to NeighborWorks America. Additionally, NeighborWorks America provided unrestricted grants totaling $572,000 and $223,000 during the years ended September 30, 2017 and 2016, respectively.

(10) Funds Held in Trust, Escrows, and Other

The funds held in trust, escrows, and other funds consist of the following:

		2017	2016
SEED funds	$	171,359	82,926
BofA funds		797,575	826,378
TICIC funds		659,780	1,352,224
GFI funds		329,995	728,971
Escrows		1,448,966	1,033,968
Other		240,228	90,278
Conditional program advances:			
Goldman Sachs downpayment assistance program		2,709,000	—
Neighborhood enhancement program		298,000	—
Camden Power funds		1,521,100	1,561,020
Neighborhood stabilization program		2,734,296	3,027,103
	$	10,910,299	8,702,868

(11) Long-Term Debt

Balances at September 30, 2017 and 2016 are as follows:

		2017	2016
Community Loan Fund:			
Various notes payable (a)	$	55,251,045	41,960,542
Credit facility (b)		2,400,000	5,182,221
Equity equivalent investment (c)		9,000,000	9,000,000
Proprietary Managed Assets – notes payable (d)		191,000	191,000
CAPC:			
Credit facility (e)		8,745,083	4,405,993
Note payable (f)		—	500,000
Other loans (g)		22,777,844	15,381,020
NCC – note payable (h)		16,696	50,000
NCC Mortgage Holdings (I)		2,056,695	2,434,186
Lending Partners:			
Credit facility (i)		—	1,050,000
Credit facility (j)		12,315,466	10,404,953
Equity equivalent investment (k)		1,000,000	1,000,000
Total long-term debt		113,753,829	91,559,915
Current portion of long-term debt		21,010,399	31,016,500
Long-term debt, net of current portion	$	92,743,430	60,543,415

(a) Notes payable of the Community Loan Fund division represent loans by approximately 121 individuals, religious organizations, foundations, units of government and financial institutions in principal amounts ranging from $200 to $5,000,000. These notes bear interest at rates ranging from 0% to 5.50%, payable at varying maturities of one to twelve years through 2028. The notes are unsecured. Additionally, on September 28, 2015, NJCC closed on a $28 million bond program as part of the US Treasury CDFI Bond Guarantee Program. This program is designed to provide CDFIs with long term fixed rate affordable capital they need to spur development in low income and under resourced communities. $8,888,806 has been drawn in 2017. These funds will mature on March 15, 2045 with an interest rates ranging from 2.950% to 3.173%.

(b) Community Loan Fund has $4,000,000 in a credit facility from an insurance company to support its lending activities with an interest rate of 4.75% payable in installments through 2020.

(c) The Community Loan Fund division has an aggregate of $9,000,000 of equity equivalent investments at September 30, 2017. $500,000 of the equity equivalent investments, evidenced by notes, have a stated maturity of 10 years; however, upon the stated maturity, the term shall automatically be extended for the period of one additional year, and thereafter each such extended maturity date shall automatically be extended for one additional year, unless the investor exercises its right to cancel the automatic maturity extension provisions of the investment. This note is unsecured and will mature on June 20, 2019 with a rate of 4.75%. Additionally, $5,000,000 will mature August 1, 2020 with a rate of 3.50%, $3,000,000 will mature November 19, 2022 with a rate of 3.00% and $500,000 will mature on November 29, 2022 with a rate of 2.00%. The equity equivalent investments are subordinated and junior in right of payment to all other obligations of CLFNJ.

(d) Notes payable of the NPF division represent recoverable grants from financial institutions. These consist of $41,000 in noninterest bearing notes and $150,000 in interest bearing notes with a rate of 2%. They have stated maturities in fiscal years 2019 to 2020. The notes are unsecured.

(e) CAPC has an aggregate of $9,630,000 in credit facilities, with an interest rate of 4.5% to 6.5% to support its activities. Maturities range from June 2018 to June 2020. These notes are secured by properties purchased by CAPC.

(f) CAPC had a note from a foundation for $500,000 bearing interest at 3% that matured in 2017.

(g) CAPC has various other loans from financial institutions and individuals bearing interest rates from 2.5% to 8.0%. These loans have maturity dates ranging from 2018 to 2024 and are secured by properties financed.

(h) NCC has a note from a venture capital fund for $50,000 bearing interest at 2% with a maturity date of May 29, 2016. An extension was granted until 2018.

(i) Lending Partners had an aggregate $1,050,000 of variable rate loans from one financial institution to support its lending activities that matured on April 30, 2017.

(j) Lending Partners has an aggregate $16,500,000 of fixed rate credit facility which expires April 30, 2018. The rates range from 3.15% to 3.25%. Individual notes underlying the credit facility mature at various times through 2022. Lending Partners also has $8,000,000 in available capital from CLFNJ's CDFI Bond Guarantee Program. $650,000 has been drawn in 2017. These funds will mature on December 1, 2044 with an interest rate of 3.173%.

(k) Lending Partners has an aggregate $1,000,000 of equity equivalent investments. The equity equivalent investments, evidenced by notes, have a stated maturity of ten years; however, upon the stated maturity the term shall automatically be extended for the period of one additional year, and thereafter each such extended maturity date shall automatically be extended for one additional year, unless the investor exercises its right to cancel the automatic maturity extension provisions of the investment. The equity equivalent investments are subordinate and junior in right of payment to all other obligations of Lending Partners. The equity equivalent investments are unsecured and $500,000 will mature on June 20, 2020 with a rate of 4.00% and $500,000 will mature on June 30, 2020 with a rate of 4.44%, respectively.

(l) NCC Mortgage Holdings has $2,056,695 in loans outstanding with installment payments due 2018 through 2024 with interest rate ranging from 3.75% to 5.75%.

In accordance with the terms of loan agreements with certain lenders, the Organization is required to meet several financial covenants. The Organization was in compliance with its financial covenants at September 30, 2017.

Aggregate maturities of the Organization's long-term debt payments during the next five years ending September 30 and thereafter are as follows:

	Community Loan Fund	NCC	Mortgage Holdings	CAPC	Lending Partners	Total
2018	$ 16,860,267	16,696	74,436	2,909,005	1,149,996	21,010,400
2019	11,403,320	—	78,809	7,069,815	864,063	19,416,007
2020	7,049,046	—	83,439	759,150	2,133,308	10,024,943
2021	8,407,440	—	88,341	10,926,123	5,206,725	24,628,629
2022	3,602,336	—	343,331	539,600	3,961,374	8,446,641
Thereafter	19,519,636	—	1,388,339	9,319,234	—	30,227,209
	$ 66,842,045	16,696	2,056,695	31,522,927	13,315,466	113,753,829

(12) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at September 30, 2017 and 2016:

	2017	2016
Credit enhancements from USDOE grant	$ 17,046,541	17,047,764
General lending from CDFI grant	776,500	1,347,000
Camden county businesses involved in energy efficiency improvements	500,000	500,000
Loan loss reserves	400,000	400,000
South Jersey economic initiative	1,436,280	3,613,026
Goldman Sachs supportive housing initiative	8,000,000	—
Time-restricted grants	1,059,781	782,895
Other	400,000	150,000
	$ 29,619,102	23,840,685

Permanently restricted net assets at September 30, 2017 and 2016 were primarily restricted for:

	2017	2016
Revolving loan fund for housing and capital projects, income from which is expendable to support operations	$ 700,000	1,000,000

(13) Commitments and Contingencies

(a) Operating Lease

The Organization leases equipment and office space under noncancelable operating leases through various dates expiring through fiscal year 2022. The office lease has an option to renew for two successive periods of five years. Future minimum lease obligations as of September 30, 2017 are as follows:

2018	$ 128,740
2019	128,470
2020	128,470
2021	104,650
2022	34,883
	$ 525,213

Rent expense for office space amounted to $107,003 and $84,896 for the years ended September 30, 2017 and 2016.

(b) Contingent Liabilities for Charter Fund

At September 30, 2017 and 2016, the Organization has $2,324,474 and $2,309,035, respectively, of contingent guarantees outstanding for the benefit of 7 charter school transactions funded by unrelated lenders. The guarantees expire at various times through 2019.

(c) Commitments

In the normal course of business, the Organization has various outstanding commitments that are not reflected in the accompanying consolidated financial statements. At September 30, 2017 and 2016, the principal commitments of the Organization are as follows:

	2017	2016
Financings committed but not yet closed:		
Community Loan Fund	$ 10,385,912	7,948,405
Neighborhood Prosperity Fund	950,431	2,195,039
Lending Partners	2,785,000	2,297,000
	$ 14,121,343	12,440,444
Financings closed but not yet funded:		
Community Loan Fund	$ 15,319,694	18,709,821
Neighborhood Prosperity Fund	1,786,185	1,838,177
Lending Partners	5,706,652	2,314,986
	$ 22,812,531	22,862,984

(Continued)

(14) Concentrations

Financial instruments that potentially subject the Organization to credit risk include loans receivable from entities amounting to $62,537,287 and $42,936,665 at September 30, 2017 and 2016, respectively. As of September 30, 2017 and 2016, $32,996,709 and $23,926,050, respectively, of the Organization's loans were to nonprofits, representing approximately 53% and 56%, respectively, of the loans receivable reported in the consolidated statement of financial position. One hundred percent of the Organization's outstanding loans receivable are to entities located in the State of New Jersey.

The Organization maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. At various times during the years, the Organization's cash balances exceeded the insured amounts. Management monitors the financial strength of the financial institutions.

(15) Related Party Transactions

As of September 30, 2017 and 2016, the Organization had notes payable to various employees and current members of the board of directors totaling $93,639 and $75,953, respectively. Interest of $1,791 and $261 was paid to these individuals and $3,750 and $600 of contributions were made to the Organization by these individuals during the years ended September 30, 2017 and 2016, respectively.

(16) Employee Benefit Plans

The Organization sponsors a qualified 401(k) profit sharing plan for all eligible employees. The plan allows eligible employees to elect to defer a portion of their annual compensation and have those amounts contributed to the plan. Among other things, the plan provides for (a) discretionary matching by the Organization of a percentage of employees' contributions; (b) discretionary employer contributions of a percentage of salary; (c) normal retirement age of 65; and (d) vesting in Organization contributions after specified years of service, as defined in the plan. The Organization's contributions to the plan reflected in the accompanying statements of activities for the years ended September 30, 2017 and 2016 was approximately $110,000 and $91,000, respectively.

(17) Subsequent Events

The Organization has evaluated events subsequent to September 30, 2017 and through the date of January 30, 2018, which is the date the consolidated financial statements were available to be issued. Based on this evaluation, the Organization has determined that the following subsequent events have occurred, which requires disclosure in the consolidated financial statements.

In November 2017, CLFNJ was the winning bidder on the Fannie Mae 2017-3 Community Impact Pool (CIP), which consisted of a maximum of 668 nonperforming mortgages located in multiple geographic markets in the United States. CLFNJ will form a joint venture with a private investor to purchase the mortgages. CLFNJ's initial equity contribution will be up to 2% interest in the joint venture in an amount approximating $750,000. CLFNJ will serve as the managing member. The closing on this pool is scheduled for the end of January 2018. NCC III will provide modification, counseling and other loss mitigation services in connection with these residential mortgage loans. Additionally, NCC will serve as the managing member in a joint venture with 2 other national nonprofit entities to provide comprehensive asset management services for the residential loans located in specific geographic regions of the Fannie Mae 2017-3 CIP pool.

Also in November 2017, CLFNJ entered into a Memorandum of Understanding with Florida Community Loan Fund to deploy $5 million in grant funding from JP Morgan Chase to develop innovative solutions for creative affordable housing in Florida including CLFNJ's Restart Program.

Schedule 1

**COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES**

Schedule of Financial Position Information

September 30, 2017

Assets	**Community Loan Fund of New Jersey, Inc. (note)**	**Community Lending Partners of New Jersey, Inc.**	**Community Asset Preservation Corporation**	**Eliminating entries**	**Total**
Current assets:					
Cash and cash equivalents	$ 6,425,618	5,641,036	8,400,104	—	20,466,758
Investments	13,833,692	—	—	—	13,833,692
Grants receivable, net	2,109,589	—	—	—	2,109,589
Loans receivable, net	10,234,230	2,442,353	—	(687,271)	11,989,312
Other current assets	3,030,174	69,654	1,799,811	(55,850)	4,843,789
Total current assets	35,633,303	8,153,043	10,199,915	(743,121)	53,243,140
Loans receivable, net	48,900,911	8,231,024	—	(9,636,960)	47,494,975
Restricted cash	12,485,903	35,907	—	—	12,521,810
Investments	8,469,161	—	—	—	8,469,161
Purchased credit impaired loans held for investment	1,499,729	—	—	—	1,499,729
Real property held for sale	2,221,702	—	27,228,649	(42,597)	29,407,754
Program-related investments	7,339,034	—	97,714	—	7,436,748
Fixed assets, net	77,776	—	22,903,435	—	22,981,211
Other assets	14,842,606	332,985	520,237	(13,569,598)	2,126,230
Total assets	$ 131,470,125	16,752,959	60,949,950	(23,992,276)	185,180,758
Liabilities and Net Assets					
Current liabilities:					
Accounts payable and accrued expenses	$ 1,212,701	99,443	14,519,798	(13,643,734)	2,188,208
Funds held in trust, escrows, and other	979,437	—	2,825,881	—	3,805,318
Current portion of long-term debt	16,212,987	1,180,276	4,337,261	(720,125)	21,010,399
Total current liabilities	18,405,125	1,279,719	21,682,940	(14,363,859)	27,003,925
Long-term liabilities:					
Unearned fee income	453,053	69,090	—	(39,467)	482,676
Funds held in trust, escrows, and other, net	5,527,911	35,907	1,541,163	—	7,104,981
Long-term debt, net	52,702,449	14,280,371	35,849,963	(10,089,353)	92,743,430
Total liabilities	77,088,538	15,665,087	59,074,066	(24,492,679)	127,335,012
Net assets:					
Unrestricted:					
Community Loan Fund of New Jersey and Subsidiaries	23,836,480	1,087,872	1,427,199	500,403	26,851,954
Noncontrolling interest in subsidiaries	226,005	—	448,685	—	674,690
Total unrestricted net assets	24,062,485	1,087,872	1,875,884	500,403	27,526,644
Temporarily restricted	29,619,102	—	—	—	29,619,102
Permanently restricted	700,000	—	—	—	700,000
Total net assets	54,381,587	1,087,872	1,875,884	500,403	57,845,746
Total liabilities and net assets	$ 131,470,125	16,752,959	60,949,950	(23,992,276)	185,180,758

Note: This column represents Community Loan Fund, Inc. and all subsidiaries, except Community Lending Partners and CAPC.

See accompanying independent auditors' report.

Schedule 2

COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES

Schedule of Financial Position Information

September 30, 2016

Assets	Community Loan Fund of New Jersey, Inc. (note)	Community Lending Partners of New Jersey, Inc.	Community Asset Preservation Corporation	Eliminating entries	Total
Current assets:					
Cash and cash equivalents	$ 11,740,869	8,285,074	1,725,602	—	21,751,545
Investments	12,199,517	334,336	—	—	12,533,853
Grants receivable, net	10,720,000	—	—	—	10,720,000
Loans receivable, net	13,264,665	1,921,456	—	(1,940,231)	13,245,890
Other current assets	2,757,986	59,172	560,020	(72,985)	3,304,193
Total current assets	50,683,037	10,600,038	2,285,622	(2,013,216)	61,555,481
Loans receivable, net	28,190,785	5,882,990	—	(6,933,000)	27,140,775
Restricted cash	3,824,498	10,920	—	—	3,835,418
Investments	8,055,044	—	—	—	8,055,044
Grants receivable	150,000	—	—	—	150,000
Purchased credit impaired loans held for investment	1,687,377	—	—	—	1,687,377
Real property held for sale	2,224,592	—	20,133,470	(42,597)	22,315,465
Program-related investments	6,828,356	—	88,691	—	6,917,047
Fixed assets, net	122,721	—	15,852,179	—	15,974,900
Other assets	11,785,269	6,261	697,790	(10,491,012)	1,998,308
Total assets	$ 113,551,679	16,500,209	39,057,752	(19,479,825)	149,629,815
Liabilities and Net Assets					
Current liabilities:					
Accounts payable and accrued expenses	$ 1,038,042	1,088,141	9,841,209	(10,585,061)	1,382,331
Funds held in trust, escrows, and other	2,063,473	—	—	—	2,063,473
Current portion of long-term debt	20,123,517	3,638,031	9,174,119	(1,919,167)	31,016,500
Total current liabilities	23,225,032	4,726,172	19,015,328	(12,504,228)	34,462,304
Long-term liabilities:					
Unearned fee income	338,757	44,118	—	(57,754)	325,121
Funds held in trust, escrows, and other, net	4,821,950	10,920	1,806,525	—	6,639,395
Long-term debt, net	40,081,461	10,316,923	17,020,277	(6,875,246)	60,543,415
Total liabilities	68,467,200	15,098,133	37,842,130	(19,437,228)	101,970,235
Net assets:					
Unrestricted	20,243,794	1,402,076	1,215,622	(42,597)	22,818,895
Temporarily restricted	23,840,685	—	—	—	23,840,685
Permanently restricted	1,000,000	—	—	—	1,000,000
Total net assets	45,084,479	1,402,076	1,215,622	(42,597)	47,659,580
Total liabilities and net assets	$ 113,551,679	16,500,209	39,057,752	(19,479,825)	149,629,815

Note: This column represents Community Loan Fund, Inc. and all subsidiaries, except Community Lending Partners and CAPC.

See accompanying independent auditors' report.

COMMUNITY LOAN FUND OF NEW JERSEY, INC. AND SUBSIDIARIES

Schedule of Activities Information

Year ended September 30, 2017

	Community Loan Fund of New Jersey, Inc. (note)	Community Lending Partners of New Jersey, Inc.	Community Asset Preservation Corporation	Eliminating entries	Total
Operating revenues, gains and other support:					
Interest from loans receivable	$ 3,006,772	509,994	2,224	(356,095)	3,162,895
Investment interest and dividends	836,067	1,133	78,682	—	915,882
Total investment income	3,842,839	511,127	80,906	(356,095)	4,078,777
Interest expense	(1,960,990)	(480,374)	—	356,095	(2,085,269)
Net investment income	1,881,849	30,753	80,906	—	1,993,508
Provision for loan losses, net	(1,283,031)	(122,581)	—	543,000	(862,612)
Net investment income after provision for loan losses	598,818	(91,828)	80,906	543,000	1,130,896
Contributions, gifts, and grants	12,794,031	—	1,269,275	(236,775)	13,826,531
Fees	2,765,570	50,523	703,246	(100,924)	3,418,415
Rental income	206,391	—	2,034,807	—	2,241,198
Gain on sale of property and mortgages	160,908	—	606,567	—	767,475
Total operating revenues, gains and other support	16,525,718	(41,305)	4,694,801	205,301	21,384,515
Operating expenses:					
Program services	6,336,610	206,378	4,018,202	(310,570)	10,250,620
Supporting services:					
Management and general	843,491	39,913	295,859	(16,223)	1,163,040
Fundraising	562,128	26,608	169,163	(10,906)	746,993
Total supporting services	1,405,619	66,521	465,022	(27,129)	1,910,033
Total operating expenses	7,742,229	272,899	4,483,224	(337,699)	12,160,653
Changes in net assets before nonoperating activities	8,783,489	(314,204)	211,577	543,000	9,223,862
Nonoperating activities:					
Impairment loss on real property held for sale	(5,733)	—	—	—	(5,733)
Contributions from noncontrolling interests	—	—	448,685	—	448,685
Realized gain on investments	343,162	—	—	—	343,162
Unrealized gain on investments	176,190	—	—	—	176,190
Total nonoperating activities, net	513,619	—	448,685	—	962,304
Increase (decrease) in net assets	9,297,108	(314,204)	660,262	543,000	10,186,166
Net assets, beginning of year	45,084,479	1,402,076	1,215,622	(42,597)	47,659,580
Net assets, end of year	$ 54,381,587	1,087,872	1,875,884	500,403	57,845,746

Note: This column represents Community Loan Fund, Inc. and all subsidiaries, except Community Lending Partners and CAPC.

See accompanying independent auditors' report.

Schedule 4

**COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES**

Schedule of Activities Information

Year ended September 30, 2016

	Community Loan Fund of New Jersey, Inc. (note)	Community Lending Partners of New Jersey, Inc.	Community Asset Preservation Corporation	Eliminating entries	Total
Operating revenues, gains and other support:					
Interest from loans receivable	$ 2,517,237	705,679	2,231	(375,012)	2,850,135
Investment interest and dividends	421,006	13,743	—	—	434,749
Total investment income	2,938,243	719,422	2,231	(375,012)	3,284,884
Interest expense	(1,731,309)	(410,277)	—	375,012	(1,766,574)
Net investment income	1,206,934	309,145	2,231	—	1,518,310
Provision for loan losses, net	(700,255)	65,000	—	—	(635,255)
Net investment income after provision for loan losses	506,679	374,145	2,231	—	883,055
Contributions, gifts, and grants	12,593,695	—	530,850	—	13,124,545
Fees	3,488,178	71,734	549,093	(390,428)	3,718,577
Rental income	218,138	—	1,429,660	—	1,647,798
Gain on sale of property and mortgages	58,750	—	264,552	—	323,302
Total operating revenues, gains and other support	16,865,440	445,879	2,776,386	(390,428)	19,697,277
Operating expenses:					
Program services	6,162,355	209,546	2,310,451	(316,339)	8,366,013
Supporting services:					
Management and general	664,861	29,623	140,537	(46,586)	788,435
Fundraising	387,841	17,488	114,173	(27,503)	491,999
Total supporting services	1,052,702	47,111	254,710	(74,089)	1,280,434
Total operating expenses	7,215,057	256,657	2,565,161	(390,428)	9,646,447
Changes in net assets before nonoperating activities	9,650,383	189,222	211,225	—	10,050,830
Nonoperating activities:					
Impairment loss on real property held for sale	(77,853)	—	—	—	(77,853)
Realized gain on investments	344,605	—	—	—	344,605
Unrealized gain on investments	586,812	—	—	—	586,812
Total nonoperating activities, net	853,564	—	—	—	853,564
Increase in net assets	10,503,947	189,222	211,225	—	10,904,394
Net assets, beginning of year	34,580,532	1,212,854	1,004,397	(42,597)	36,755,186
Net assets, end of year	$ 45,084,479	1,402,076	1,215,622	(42,597)	47,659,580

Note: This column represents Community Loan Fund, Inc. and all subsidiaries, except Community Lending Partners and CAPC.

See accompanying independent auditors' report.

Schedule 5

COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES

Schedule of Functional Expenses

Year ended September 30, 2017

	Program services	Supporting services: Management and general	Supporting services: Fundraising	Supporting services: Total	Total functional expenses
Salaries and benefits	$ 3,975,700	666,295	436,240	1,102,535	5,078,235
Depreciation and amortization	392,029	36,562	21,792	58,354	450,383
Insurance	81,261	14,653	9,670	24,323	105,584
Occupancy	164,248	27,610	18,084	45,694	209,942
Office supplies	184,881	28,435	18,430	46,865	231,746
Professional development	56,964	9,717	6,375	16,092	73,056
Professional fees	1,517,987	142,771	93,458	236,229	1,754,216
Publicity	36,598	5,970	10,169	16,139	52,737
Loan servicing and commitment fees	757,080	51,849	28,420	80,269	837,349
Grants expense	750,794	—	—	—	750,794
Rental expenses	2,079,150	172,035	99,641	271,676	2,350,826
Property held for sale holding costs	130,601	—	—	—	130,601
Travel-site visits	61,383	—	—	—	61,383
Other	61,944	7,143	4,714	11,857	73,801
Total	$ 10,250,620	1,163,040	746,993	1,910,033	12,160,653

See accompanying independent auditors' report.

Schedule 6

COMMUNITY LOAN FUND OF NEW JERSEY, INC.
AND SUBSIDIARIES

Schedule of Functional Expenses

Year ended September 30, 2016

	Program services	Supporting services: Management and general	Supporting services: Fundraising	Supporting services: Total	Total functional expenses
Salaries and benefits	$ 3,436,843	454,493	277,664	732,157	4,169,000
Depreciation and amortization	264,752	22,313	16,191	38,504	303,256
Insurance	60,891	8,485	5,097	13,582	74,473
Occupancy	162,652	20,414	12,692	33,106	195,758
Office supplies	128,856	15,627	9,832	25,459	154,315
Professional development	66,045	9,480	5,641	15,121	81,166
Professional fees	1,761,342	91,116	53,792	144,908	1,906,250
Publicity	40,411	12,605	2,750	15,355	55,766
Loan servicing and commitment fees	372,744	51,577	31,049	82,626	455,370
Grants expense	531,554	—	—	—	531,554
Rental expenses	1,288,085	96,782	73,952	170,734	1,458,819
Property held for sale holding costs	147,607	—	—	—	147,607
Travel-site visits	52,598	—	—	—	52,598
Other	51,633	5,543	3,339	8,882	60,515
Total	$ 8,366,013	788,435	491,999	1,280,434	9,646,447

See accompanying independent auditors' report.

The Alpert Group, LLC
Financial Statements - Income Tax Basis
December 31, 2016 and 2015

The Alpert Group, LLC
Table of Contents
December 31, 2016 and 2015

Willkin & Guttenplan P.C.
Certified Public Accountants and Consultants

Independent Accountants' Compilation Report

To the Members of

The Alpert Group, LLC

Management is responsible for the accompanying financial statements of The Alpert Group, LLC (a "limited liability company") (the "Company), which comprise the statement of assets, liabilities, and members' equity – income tax basis as of December 31, 2016 and 2015, and the related statements of revenues and expenses – income tax basis and changes in members' equity – income tax basis for the years then ended in accordance with accounting principles generally accepted in the Unites States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the income tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures required by the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Wilkin & Guttenplan

East Brunswick, New Jersey

June 9, 2017

1200 Tices Lane
East Brunswick, NJ 08816
Tel: 732.846.3000

2032 Washington Valley Road
Martinsville, NJ 08836
Tel: 732.469.4202

555 Fifth Avenue, 17th Floor
New York, NY 10017
Tel: 212.856.7201

info@wgcpas.com
www.wgcpas.com

The Alpert Group, LLC
Statements of Assets, Liabilities and Member's Equity - Income Tax Basis
December 31, 2016 and 2015

	2016	2015
Assets		
Current Assets		
Cash	$ 52,300	$ 663,833
Due from related entities	4,929,843	1,060,387
Other receivables	2,739	1,680
Total Current Assets	4,984,882	1,725,900
Property and Equipment		
Furniture and equipment	18,022	18,022
Less: accumulated depreciation	(18,022)	(18,022)
Total Property and Equipment	-	-
Total Assets	$ 4,984,882	$ 1,725,900
Liabilities and Members' Equity		
Current Liabilities		
Other payable	$ 14,334	$ 14,296
Due to related entity	221,000	221,000
Total Current Liabilities	235,334	235,296
Members' Equity	4,749,548	1,490,604
Total Liabilities and Members' Equity	$ 4,984,882	$ 1,725,900

See independent accountants' compilation report.

The Alpert Group, LLC
Statements of Revenues and Expenses - Income Tax Basis
For the Years Ended December 31, 2016 and 2015

	2016	2015
Revenues		
Developer fees	$ 1,904,095	$ 94,371
Management fees	954,690	827,005
Marketing fees	120,000	43,000
Other income	721	603
Total Revenues	2,979,506	964,979
Expenses		
Development Costs	212,169	-
Commissions and marketing	250,000	17,650
Officer's wages	226,736	416,459
Other wages	211,510	204,266
Professional fees	114,843	113,222
Employee benefits	69,441	70,428
Rent	50,785	50,909
Office expense	41,579	46,307
Payroll taxes	39,563	42,578
Travel and entertainment	34,238	27,820
Insurance	24,773	22,542
Donations	14,625	11,740
Auto expense	12,477	8,164
Telephone	12,080	12,046
Miscellaneous	5,416	8,584
Messenger service	327	433
Total Expenses	1,320,562	1,053,148
Net Income (Loss)	$ 1,658,944	$ (88,169)

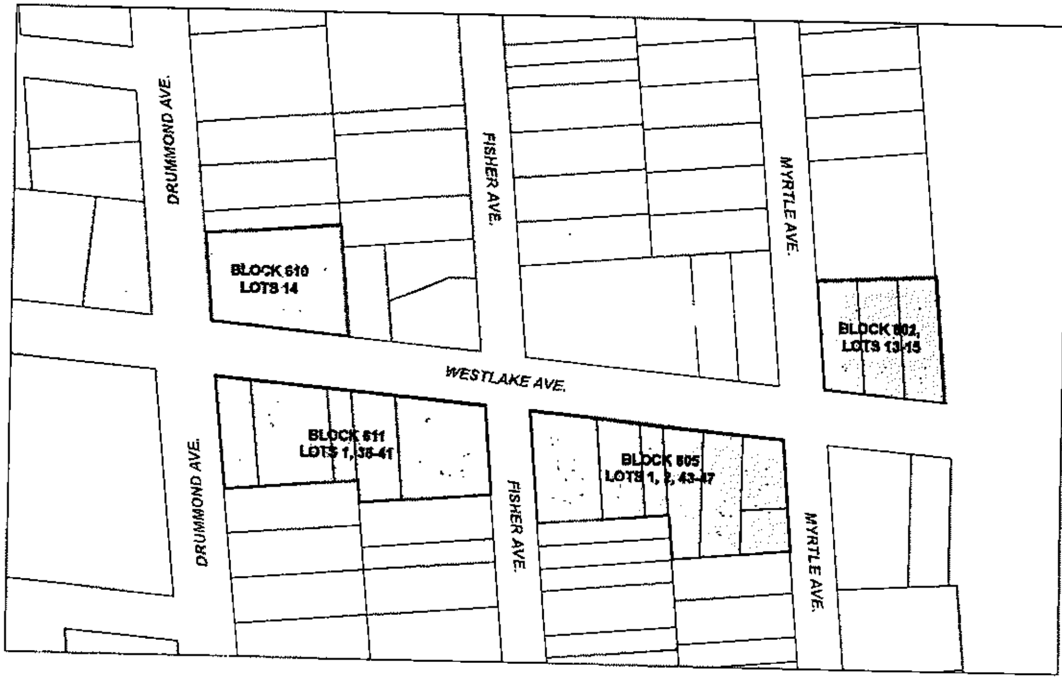
See independent accountants' compilation report.

The Alpert Group, LLC
Statements of Changes in Members' Equity - Income Tax Basis
For the Years Ended December 31, 2016 and 2015

	Total	Joseph Alpert	Susan Alpert
Balances at December 31, 2014	$ 1,448,773	$ 1,432,195	$ 16,578
Partner Contribution	130,000	130,000	-
Net Loss - 2015	(88,169)	(87,287)	(882)
Balances at December 31, 2015	1,490,604	1,474,908	15,696
Partner Contribution	1,600,000	1,600,000	-
Net Income - 2016	1,658,944	1,642,355	16,589
Balances at December 31, 2016	$ 4,749,548	$ 4,717,263	$ 32,285

See independent accountants' compilation report.

EXHIBIT D



BLOCK 610, LOTS 14

UNIT METRIX

#UNITS	#BEDROOM	x2 FLOORS
5	2	10
4	1	8
1	3	2
	TOTAL UNITS	20

PARKING

RESIDENTIAL
29 UNITS x 1.3 = 26 PARKING SPACE(REQ.)
RESTAURANT
1,000 SF = 3 PARKING SPACE(REQ.)

TOTAL PARKING SPACE(REQUIRED) 29
TOTAL PARKING SPCAE(PROVIDED) 30

AREA (SF.)

RESIDENTIAL	24,354	SF
FLEX SPACE	2,132	SF
RESTAURANT	1,000	SF
GRAND TOTAL AREA	27,486	SF

BLOCK 611, LOTS 1, 38-41

UNIT METRIX

#UNITS	#BEDROOM	x2 FLOORS
10	2	20
7	1	14
4	3	8
	TOTAL UNITS	42

PARKING

RESIDENTIAL
42 UNITS x 1.3 = ~~55~~ PARKING SPACE(REQ.)
RETAIL
2,850 SF = 11 PARKING SPACE(REQ.)

TOTAL PARKING SPACE(REQUIRED) 66
TOTAL PARKING SPCAE(PROVIDED) 69

AREA (SF.)

RESIDENTIAL	50,500	SF
FLEX SPACE	3,177	SF
RETAIL	2,850	SF
GRAND TOTAL AREA	56,527	SF

BLOCK 605, LOTS 1, 2, 43-47

UNIT METRIX

#UNITS	#BEDROOM	x2 FLOORS
10	2	20
7	1	14
4	3	8
	TOTAL UNITS	42

PARKING

RESIDENTIAL
42 UNITS x 1.3 = 55 PARKING SPACE(REQ.)
RETAIL
3,000 SF = 11 PARKING SPACE(REQ.)

TOTAL PARKING SPACE(REQUIRED) 66
TOTAL PARKING SPCAE(PROVIDED) 69

AREA (SF.)

RESIDENTIAL	51,434	SF
FLEX SPACE	2,774	SF
RETAIL	3,000	SF
GRAND TOTAL AREA	57,208	SF

BLOCK 602, LOTS 13-15

UNIT METRIX

#UNITS	#BEDROOM	x2 FLOORS
5	2	10
4	1	8
1	3	2
	TOTAL UNITS	20

PARKING

RESIDENTIAL
20 UNITS x 1.3 = 26 PARKING SPACE(REQ.)
RETAIL
750 SF = 2 PARKING SPACE(REQ.)

TOTAL PARKING SPACE(REQUIRED) 28
TOTAL PARKING SPCAE(PROVIDED) 30

AREA (SF.)

RESIDENTIAL	24,592	SF
FLEX SPACE	1,990	SF
RETAIL	750	SF
GRAND TOTAL AREA	27,332	SF

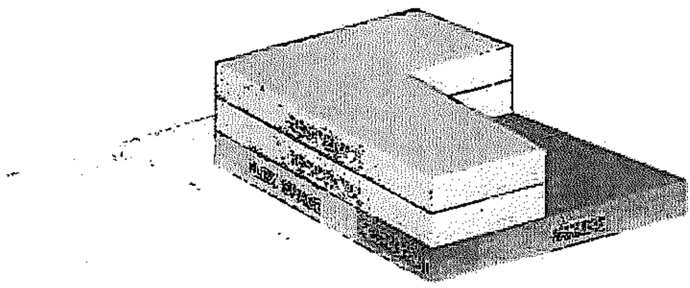
GRAND TOTAL

TOTAL UNITS	124	UNITS
TOTAL PARKING SPACE	195	UNITS
USEABLE AREA	168,563	SF
RESIDENTIAL	150,880	SF
FLEX SPACE	10,073	SF
RETAIL	6,700	SF
RESTAURANT	1,000	SF

Westlake Avenue - Mixed Use, Neptune, NJ

August 31, 2018 *(Revised September 24, 2018)*

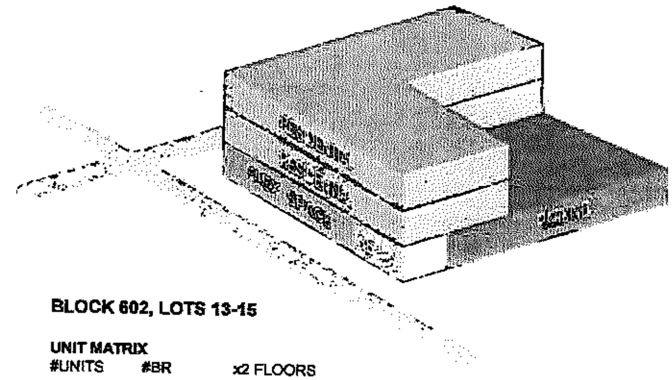
Clarke Caton Hintz
Architecture
Planning
Landscape Architecture



BLOCK 610, LOTS 14

UNIT MATRIX

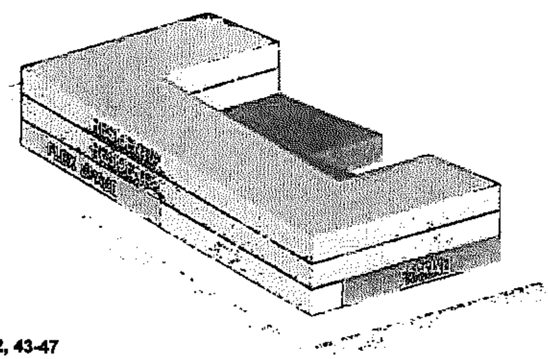
#UNITS	#BR	x2 FLOORS
5	2	10
4	1	8
1	3	2
		20 total units



BLOCK 602, LOTS 13-15

UNIT MATRIX

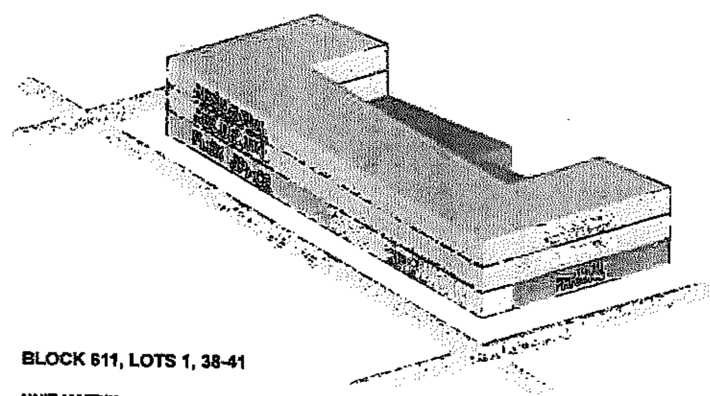
#UNITS	#BR	x2 FLOORS
5	2	10
4	1	8
1	3	2
		20 total units



BLOCK 605, LOTS 1, 2, 43-47

UNIT MATRIX

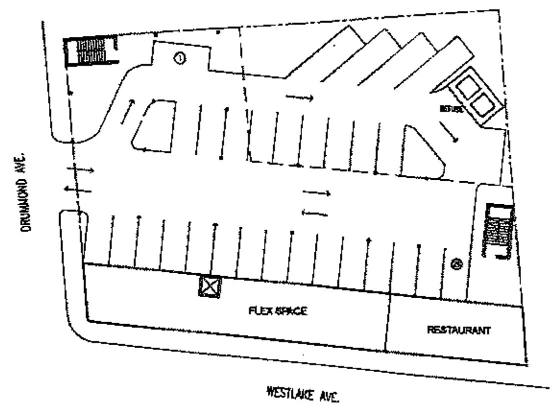
#UNITS	#BR	x2 FLOORS
10	2	10
7	1	8
4	3	2
		42 total units



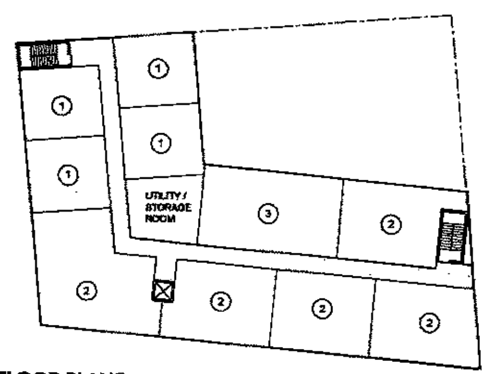
BLOCK 611, LOTS 1, 38-41

UNIT MATRIX

#UNITS	#BR	x2 FLOORS
10	2	20
7	1	14
4	3	8
		42 total units



GRADE LEVEL PLAN



SECOND/ THRID FLOOR PLANS
TYPICAL UPPER LEVEL

UNIT METRIX

#UNITS	#BEDROOM	x2 FLOORS
5	2	10
4	1	8
1	3	2
	TOTAL UNITS	**20**

PARKING

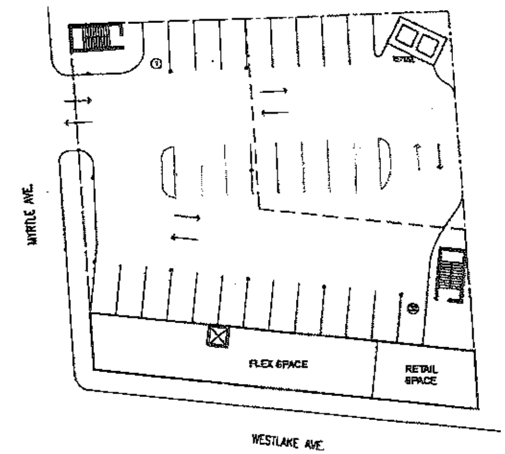
RESIDENTIAL
20 UNITS x 1.3 = 26 PARKING SPACE(REQ.)
RESTAURANT
1,000 SF = 3 PARKING SPACE(REQ.)

TOTAL PARKING SPACE(REQUIRED) 29
TOTAL PARKING SPCAE(PROVIDED) **29**

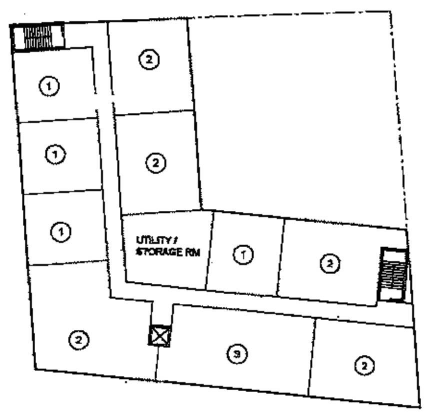
Westlake Avenue - Mixed Use, Neptune, NJ
BLOCK 610, LOTS 14

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

GRADE LEVEL PLAN



SECOND/ THRID FLOOR PLANS
TYPICAL UPPER LEVEL



UNIT METRIX

#UNITS	#BEDROOM	x2 FLOORS
5	2	10
4	1	8
1	3	2
	TOTAL UNITS	**20**

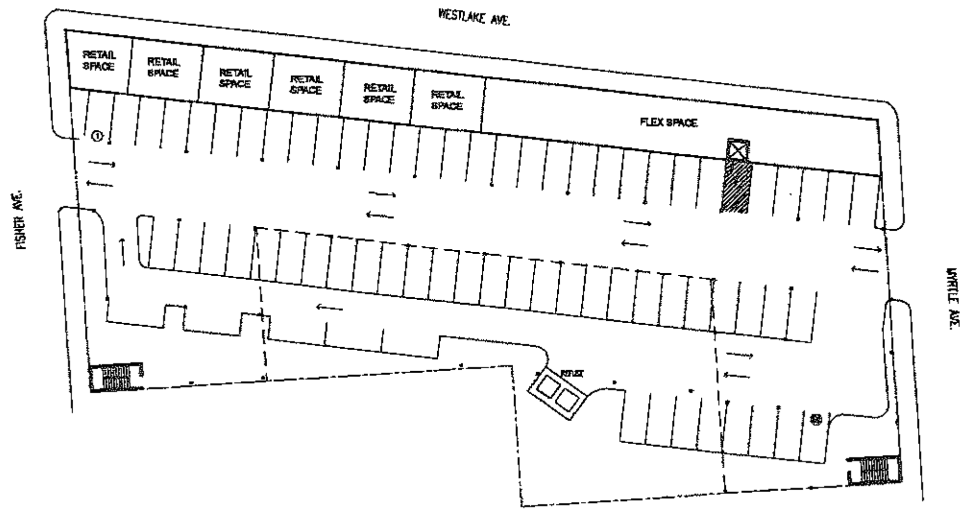
PARKING

RESIDENTIAL
20 UNITS x 1.3 = 26 PARKING SPACE(REQ.)
RETAIL
750 SF = 2 PARKING SPACE(REQ.)

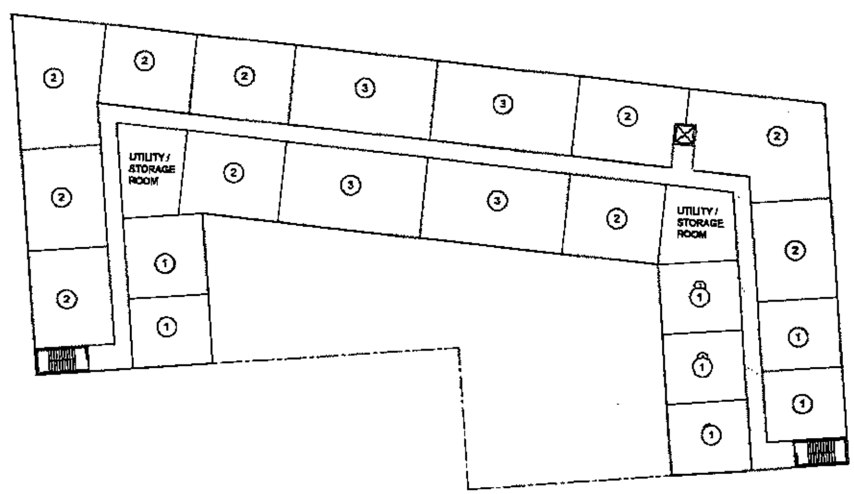
TOTAL PARKING SPACE(REQUIRED) 28
TOTAL PARKING SPCAE(PROVIDED) **30**

Westlake Avenue - Mixed Use, Neptune, NJ
BLOCK 602, LOTS 13-15

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture



GRADE LEVEL PLAN



SECOND/ THRID FLOOR PLANS
TYPICAL UPPER LEVEL

UNIT METRIX

#UNITS	#BEDROOM	x2 FLOORS
10	2	20
7	1	14
4	3	8

TOTAL UNITS **42**

PARKING

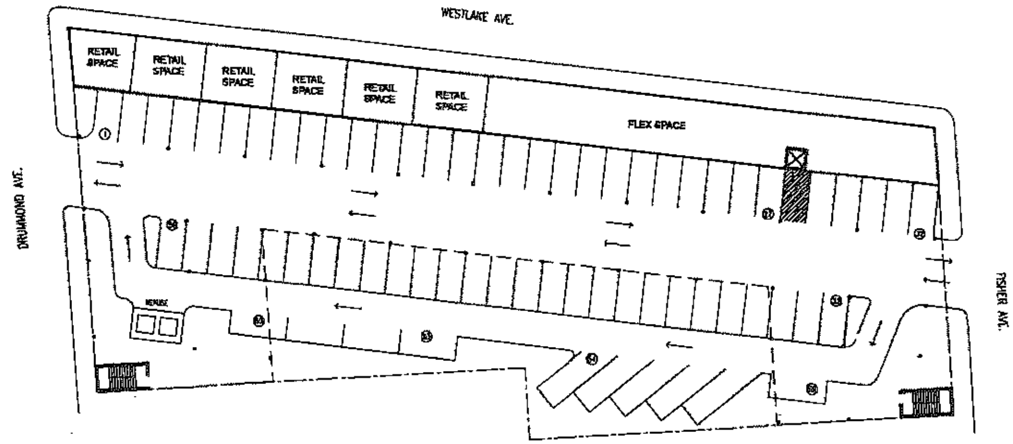
RESIDENTIAL
42 UNITS x 1.3 = 55 PARKING SPACE(REQ.)
RETAIL
3,000 SF = 11 PARKING SPACE(REQ.)

TOTAL PARKING SPACE(REQUIRED) 66
TOTAL PARKING SPCAE(PROVIDED) **69**

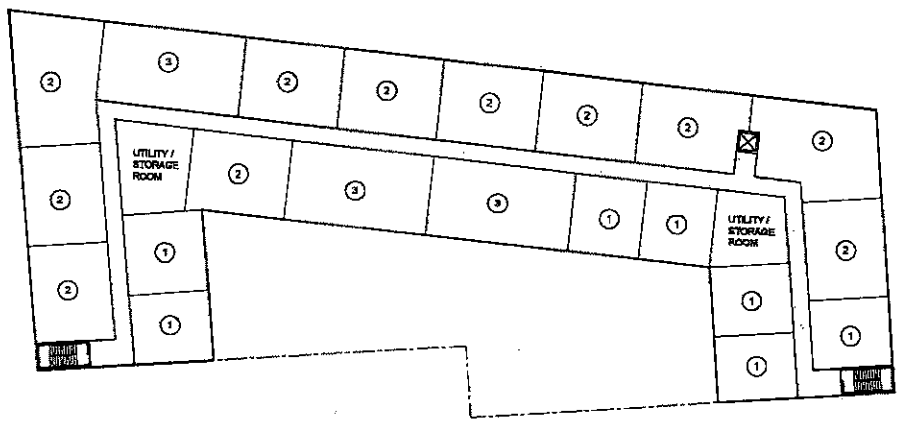
Westlake Avenue - Mixed Use, Neptune, NJ

BLOCK 605, LOTS 1, 2, 43-47

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture



GRADE LEVEL PLAN



SECOND/ THRID FLOOR PLANS
TYPICAL UPPER LEVEL

UNIT METRIX

#UNITS	#BEDROOM	x2 FLOORS
10	2	20
7	1	14
4	3	8
	TOTAL UNITS	**42**

PARKING

RESIDENTIAL
42 UNITS x 1.3 = 55 PARKING SPACE(REQ.)
RETAIL
2,950 SF = 11 PARKING SPACE(REQ.)

TOTAL PARKING SPACE(REQUIRED) 66
TOTAL PARKING SPCAE(PROVIDED) 68

Westlake Avenue - Mixed Use, Neptune, NJ

BLOCK 611, LOTS 1, 38-41

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

Attachment B
Form of Interim Cost and Conditional Designation Agreement

INTERIM COST AND CONDITIONAL DESIGNATION AGREEMENT BY AND BETWEEN THE TOWNSHIP OF NEPTUNE AND BAW DEVELOPMENT, LLC

THIS INTERIM COST AND CONDITIONAL DESIGNATION AGREEMENT dated as of _______________ ___, 2018, by and between the **TOWNSHIP OF NEPTUNE,** (the "Township"), having offices at 25 Neptune Boulevard, Neptune, New Jersey 07753, acting pursuant to the provisions of the Local Redevelopment and Housing Law, and **BAW DEVELOPMENT, LLC,** a New Jersey limited liability corporation with offices at 555 Rte. 1 South, Suite 440, Iselin, New Jersey 08830 ("BAW") (this "Agreement").

WITNESSETH

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

WHEREAS (#2), the Township desires that the land located in an area which has been determined to be an area in need of redevelopment in accordance with the Act (the "Redevelopment Area"), currently designated as Block 611, Lots 38, 39, 40 and 41, more commonly known collectively as 1718 West Lake Avenue; Block 605, Lots 1, 2, 43, 44, 45, 46 and 47, more commonly known collectively as 1620 West Lake Avenue; Block 602, Lots 13, 14 and 15, more commonly known collectively as 1509 West Lake Avenue; and Block 610, Lot 14, more commonly known collectively as 1715 West Lake Avenue; on the Tax Map of the Township of Neptune (collectively referred to herein as the "Project Site"), be redeveloped in accordance with the West Lake Avenue Redevelopment Plan, as same may have been amended from time to time (the "Redevelopment Plan"); and

WHEREAS (#3), on or about February 20, 2018, BAW, an entity that will be owned equally by the Alpert Group, LLC and Community Asset Preservations Corporation, a subsidiary of New Jersey Community Capital, submitted an initial Pre-Submission Form, a complete copy of which is on file at the Town Hall, seeking to be designated as the Redeveloper of six (6) certain parcels included within the Project Site in order to build a mixed-use, mixed-income residential project consisting of affordable housing units and retail with parking; and

WHEREAS (#4), the Township's Redevelopment Committee vetted the information contained within the initial Pre-Submission Form and met with BAW to further discuss the Pre-Submission Form and the implementation of the Redevelopment Plan, generally; and

WHEREAS (#5), following said meetings, BAW submitted a revised Pre-Submission Form on or about September 26, 2018, a copy of which is attached hereto as **Exhibit A** (the "Proposal"), proposing to build a more comprehensive mixed-use project consisting of one hundred and twenty-four (124) mixed income residential units for rental or homeownership, 10,073 sq. ft. of flex space, 6,700 sq. ft. of retail space, 1,000 sq. ft. of restaurant space, and one hundred and ninety-eight (198) parking spaces upon the fifteen (15) parcels within the Redevelopment Area which comprise the Project Site; and

WHEREAS (#6), the Proposal calls for BAW acquiring each of the parcels which comprise the Project Site, some of which are owned by the Township and some of which are not, and redeveloping them in accordance with the Proposal, the Redevelopment Plan and all applicable laws, rules and regulations; and

WHEREAS (#7), the Township and BAW desire to negotiate a Redevelopment Agreement in order for BAW to implement the Proposal, subject to the provisions herein and further review by the Township; and

WHEREAS (#8), the Township shall, during the Interim Period, as that term is defined herein, negotiate exclusively with BAW with regard to the Proposal for the redevelopment of the Project Site; and

WHEREAS (#9), the Township requires that BAW pay the reasonable costs and fees incurred by the Township associated with the review of the initial Pre-Submission Form, the Proposal, the drafting and negotiation of a Redevelopment Agreement (a "Redevelopment Agreement"), and all other costs and fees related to this matter prior to the execution of any such Redevelopment Agreement, should a Redevelopment Agreement ultimately be executed, or the determination by the Township that such a Redevelopment Agreement cannot be executed, should that result occur.

NOW, THEREFORE, for and in consideration of the promises and of the mutual representations, covenants and agreements set forth herein, the parties hereto, each binding itself, its successors and assigns, do mutually promise, covenant and agree as follows:

1. **Conditional Designation.** Upon the complete execution of this Agreement, BAW shall be designated as the Conditional Redeveloper of the Project Site, on the express and absolute condition that the parties shall successfully negotiate all the issues identified herein and other such related issues and execute a Redevelopment Agreement, within the time frame set forth herein. In the event that the parties are unable to reach agreement on the terms of such a Redevelopment Agreement, then this Agreement shall be terminated and the designation of BAW as the Conditional Redeveloper of the Project Site set forth herein shall be automatically terminated, subject to the provisions herein.

2. **Interim Period.** The "Interim Period" shall be the one hundred and eighty (180) day period that commences on the date of the full execution of this Agreement; provided however, that if at any time during the Interim Period it is determined that a Redevelopment Agreement cannot be successfully negotiated and executed for any reason, then this Agreement may be

terminated in writing by either party, subject to the provisions herein. During the Interim Period, the Township agrees to negotiate exclusively with BAW toward the preparation and execution of a Redevelopment Agreement providing for the completion of the redevelopment project, which shall include all the project details, terms and conditions, schedules, and financial arrangements between the Township and BAW with respect to the redevelopment of the Project Site. In the event that this Agreement is terminated for any reason, then neither the Township nor the Conditional Redeveloper shall be bound by any further obligations hereunder to the other, except as may exist under **Paragraph 3** pertaining to the Payment of Interim Costs.

3. **Payment of Interim Costs.** BAW shall pay or reimburse the Township, as applicable, all reasonable costs and fees incurred by the Township associated with any issues or tasks related to or arising out of the designation of BAW as the Conditional Redeveloper of the Project Site, the consideration and review of the Pre-Submission Form, the Proposal, and any additional information submitted or to be submitted by BAW or by any entity so directed by BAW, the undertaking of any compliance reviews, the drafting and negotiation of this Agreement and any Redevelopment Agreement and all such related documents, and all other costs, fees and expenses incurred by the Township in connection with the redevelopment of the Project Site, which have been incurred by the Township since or about February 20, 2018, the date which BAW submitted the Pre-Submission Form, and which shall continue to be incurred prior to the execution of any Redevelopment Agreement or the determination that such a Redevelopment Agreement cannot be executed, should that result occur, as well as any such other costs and fees incurred by the Township at any time as may be expressly enumerated in the Redevelopment Plan.

A. **Definition of Interim Costs:** The term "Interim Costs" shall include, but not be limited to, all costs and fees incurred by the Township in connection with, related to or arising out of the following: the designation of BAW as the Conditional Redeveloper of the Project Site; the consideration and review of the Pre-Submission Form, the Proposal and any additional information submitted or to be submitted; the undertaking of any compliance reviews; the drafting and negotiation of this Agreement and any Redevelopment Agreement and all such related documents; the review of any future revised or updated proposal(s) that may be submitted; the Township's acquisition and ultimate conveyance of any parcel comprising any portion of the Project Site, as may be applicable, including if such parcel(s) are acquired through eminent domain (including but not limited to appraisals, negotiations, litigation, environmental assessments and environmental investigation and remediation, and relocation), if applicable; any time expended by any staff of the Township ("Staff Time"); professional fees charged by any legal, engineering or financial consultant, planner, contractor or vendor retained by the Township in connection with same; and any such other costs and fees incurred by the Township at any time as may be expressly enumerated in the Redevelopment Plan. BAW shall be responsible for the reimbursement of the Township, even if a Redevelopment Agreement pertaining to the Project Site between the Township and BAW is not executed for any reason. BAW further agrees that in the event the parties continue negotiations following the expiration of the Interim Period, which such continuation may occur without formal agreement, then all Interim Costs incurred by the Township shall be included in the definition of "Interim Costs" and shall be reimbursed by BAW in the same manner as Interim Costs. Notwithstanding anything contained in this Paragraph 3A to the contrary, Staff Time shall be charged at the then prevailing hourly rate of the staff person assigned to the matter.

B. **<u>Deposit of Project Funds</u>:** Within ten business (10) days from the full execution of this Agreement, BAW shall pay Twenty-Five Thousand Dollars ($20,000.00) ("Project Funds") to the Township to be maintained in a separate account by the Township and to be drawn down upon by the Township to cover Interim Costs. The Township shall provide

BAW with invoice(s) setting forth the fees and costs incurred by the Township which have been drawn down from the Project Funds. Within thirty (30) days of the receipt by BAW of written notice from the Township that the amount of Project Funds has decreased to Five Thousand Dollars ($5,000.00) or less, BAW shall promptly replenish the Project Funds to the amount of $20,000.00. If at any time the Interim Costs exceed the amount of the Project Funds, BAW agrees to pay such costs within thirty (30) days written notice from the Township stating that such costs are due.

C. **Termination:** Subject to the terms herein, in the event that a Redevelopment Agreement is not ultimately executed and this Agreement is terminated, the Township shall draw down upon the Project Funds in order to pay all invoices for Interim Costs incurred up to the termination. Within thirty (30) days from the date of termination, the Township shall return any remaining Project Funds to BAW. In the event that a Redevelopment Agreement is ultimately executed, the Project Funds shall remain on deposit with the Township to cover any additional Interim Costs incurred by the Township and to cover any costs and fees incurred by the Township pursuant to the Redevelopment Agreement, which shall contain a provision providing for the payment of such costs.

4. **Scope.** The parties have had preliminary discussions regarding the scope of the project to be covered by the Redevelopment Agreement. The parties agree that the description set forth in the Proposal shall provide the basis for the commencement of the negotiations for the Redevelopment Agreement, subject to the provisions herein. The parties further agree that the parties are not bound by the description of the project set forth in the Proposal, nor does the Proposal contain an exhaustive list of all terms, conditions and obligations to be included in a Redevelopment Agreement. The continuing negotiations between the parties shall address a number of issues to refine the description of the project set forth in the Proposal and the overall scope of a Redevelopment Agreement, including, but not limited to, the following:

(i) the parcels within the Project Site to be included in the project and any phasing of the redevelopment of the Project Site;

(ii) the acquisition by BAW or any such affiliate of BAW of any parcel(s) within the Project Site, including those that are currently owned by the Township;

(iii) the terms of any conveyance of any parcel(s) within the Project Site from the Township to BAW or any such affiliate of BAW, including but not limited to provisions regarding purchase price, due diligence, and environmental remediation; and

(iv) the number of residential units overall to be built and the bedroom mix of same;

(v) the number and type (i.e. moderate or low income) of Affordable Housing Units to be built, if any;

(vi) whether the residential units will be for sale or rental or both and if both, then the percentage of the overall units of each;

(vii) type, square footage and location of the flex space and type, square footage and location of the retail component, including the proposed restaurant;

(viii) any existing easements that may need to be revised or terminated, or new easements that may need to be created, as may be applicable;

(ix) traffic study/traffic circulation and parking;

(x) public space, open space and community benefits/contributions;

(xi) streetscaping, landscaping, lighting and signage;

(xii) architecture and design/façade of each building;

(xiii) sustainability and green features/initiatives, stormwater management, and LEED components to be incorporated;

(xiv) ongoing maintenance of any common areas within the Project Site;

(xv) reimbursement of Redeveloper's proportional share of costs for any studies, plans, reports, or analyses prepared by or for the Township, in accordance with the Redevelopment Plan; and

(xvi) and compliance with the Redevelopment Plan, all as may be applicable.

5. **Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to the subject matter of this Agreement, and supersedes all prior negotiations, agreements and understandings with respect thereto.

[Remainder of this Page Intentionally Left Blank; Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, all as of the date first above written.

BAW DEVELOPMENT, LLC

Attest:

____________________________ By: ____________________________

Name:
Title:

TOWNSHIP OF NEPTUNE

Attest:

____________________________ By: ____________________________

Nicholas Williams
Mayor, Township of Neptune

[Signature Page for Interim Cost Agreement]

STATE OF NEW JERSEY)
) **ss:**
COUNTY OF MIDDLESEX)

I CERTIFY that on ________________ _____, 2018, __________________ personally came before me, and this person acknowledged under oath, to my satisfaction, that this person, ______________, is the ______________ of BAW Development, LLC, a New Jersey limited liability corporation, which is the company named in this document; and signed and delivered this document as his/her act and deed on behalf of the said corporation.

____
Name:

Signed and sworn to before me

on ____________________, 2018

____
Notary Public

STATE OF NEW JERSEY)
) ss:
COUNTY OF MONMOUTH)

I CERTIFY that on ____________________ _____, 2018, ________________________________, personally came before me, and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the ______________ of the Township of Neptune, named in this document;

(b) this person is the attesting witness to the signing of this document by the proper Township of Neptune official who is Nicholas Williams, Mayor;

(c) this document was signed and delivered by the Township of Neptune as its voluntary act duly authorized by a proper resolution of the Township Committee of the Township of Neptune; and

(d) this person signed this proof to attest to the truth of these facts.

____
Name:

Signed and sworn to before me

on ____________________, 2018

____
Notary Public

RESOLUTION #18-370 – 10/22/18

ADOPT SIDE BAR AGREEMENT BETWEEN NEPTUNE TOWNSHIP AND NEW JERSEY STATE PBA LOCAL 74 NEPTUNE TOWNSHIP UNIT

WHEREAS, the Township of Neptune ("TOWNSHIP") wishes to enter into a Side Bar Agreement with New Jersey State PBA Local 74 Neptune Township Unit ("PBA") to the collective negotiations agreement ("CNA") with a term of January 1, 2017 to December 31, 2020, establishing a twelve (12) hour schedule and parameters for the distribution of overtime; and

WHEREAS, Township and PBA has executed a Side Bar Agreement regarding schedule change and overtime distribution as evidenced by the attached Exhibit "A," which is attached hereto and incorporated herein by reference; and

WHEREAS, the Township possesses the authority to enter into an Agreement with PBA; and

WHEREAS, the Township finds that it is in its best interest to enter into an Agreement with PBA,

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Neptune as follows:

1. The Township accepts the Side Bar Agreement regarding the PBA, which is attached hereto as Exhibit "A."

2. Accordingly, the Township shall execute same.

BE IT FURTHER RESOLVED, that a certified copy of this resolution be forwarded to the Police Committee, Chief of Police, PBA Local #74, Business Administrator, Chief Financial Officer, and Human Resources Director.

SIDE BAR AGREEMENT

This Agreement is made by and between the Township of Neptune ("Township") and Policemen's Benevolent Association Local 74 (herein "PBA") on this ____ day of October, 2018.

WHEREAS, the Township and the PBA are parties to a collective negotiations agreement ("CNA") with a term of January 1, 2017 to December 31, 2020; and

WHEREAS, the Township and the PBA have met to discuss implementing a new work schedule and overtime procedure and have memorialized those terms in this side bar agreement; and

WHEREAS, the PBA has filed several grievances concerning the fair and equitable distribution of overtime; and

WHEREAS, two grievances have been advanced to arbitration; and

WHEREAS, the parties seek to resolve those grievances without the cost and expense of arbitration;

NOW THEREFORE, in consideration of the mutual covenants, promises and undertakings herein set forth the parties agree as follows:

1. **SCHEDULE**

A. Officers not assigned to patrol shall work their current schedule.

B. The schedule for patrol officers is as follows:

i. The workday shall consist of 12 hours on-duty with a rotation of 2 consecutive days on duty followed by 2 consecutive days off duty, 3 consecutive days on duty followed by 2 consecutive days off duty, and 2 consecutive days on duty followed by 3 consecutive days off duty ("Pitman schedule"). There shall be two (2) shifts with the hours being: 0700-1900

(Days) and 1900 to 0700 (Midnights). To staff these shifts, there shall be 2 Platoons of 2 squads each.

ii. Bidding for shifts shall take place once per calendar year in November for the upcoming calendar year. Members with more than three (3) years of experience as of January 1 of the year to be scheduled shall select their shifts and platoons by seniority for the calendar year. However, if after bidding is completed and an officer voluntarily transfers back to Patrol from a non-patrol assignment, he shall be placed in a platoon and shift at the Chief's discretion. That officer shall not displace an officer who was granted a bid for that year. If an officer is involuntarily returned to Patrol, he shall be allowed to bump the least senior officer assigned to Patrol, at his option.

iii. If manpower allows, the parties agree that they will meet to discuss implementing a 10-hour or 11-hour Pitman schedule. The Police Oversight Committee ("POC") must agree to said change.

iv. As a result of the change in schedule, PBA unit members will work an additional one hundred and four (104) hours worked in a calendar year compared to the prior eight (8) hour per day work schedule. The additional time will be returned to officers in the form of "Kelly time" which may be used as leave time upon request. Any Kelly time not used in a given year shall be rolled over and accumulate the next year.

v. The Pitman schedule shall be implemented not later than January 1, 2019. It shall continue as a pilot program on an 18-month trial basis. After the initial 12-months, the parties shall conduct a review of the schedule's impact on the department. The review shall be concluded by the time the period expires. At the expiration of the eighteen-month period, either the PBA or the Township may seek to revert back to the schedule that was in effect prior to the implementation of the Pitman schedule. The party seeking to revert back must prove that it has justification to do so and that the justification is caused by the schedule. Justification may include but is not limited to increased overtime and/or sick time. The Police Oversight Committee is designated as hearing officer to decide reversion justification. If the Police Oversight Committee is unable or unwilling to hear the case, then a mutually agreed upon Arbitrator shall be selected, and if that fails, an Arbitrator shall be selected through the offices of the Public Employment Relations Commission. The Pitman schedule shall remain in effect during the pendency of the arbitration process.

vi.. All contractual leave time for officers on the "Pitman" schedule is to be converted to hours based on an 8 hour day except that Personal and bereavement days shall be based on a 12 hour day (day-for-day). Personal and vacation time can be taken in full or ½ day increments.

vii. Except as provided herein and under emergency circumstances, officers may not work more than 18 hours in a 24-hour period. The 24-hour period commences at the start of the officer's regular shift. An officer may work more than 18 hours in a 24-hour period on the last day of his tour.

2. **OVERTIME**

The procedure for assigning overtime shall be as follows:

A. Overtime shall be assigned in a fair and equitable manner among all members of the PBA negotiations unit.

B. The Department shall maintain an overtime list based on seniority.

C. All overtime, whether regular overtime, call-in or special assignment, outside of an officer's regularly scheduled tour of duty shall first be offered by seniority within the specific division or bureau. Such assignments shall rotate equitably by seniority to ensure the fair and equitable distribution of overtime hours. The division or bureau shall have first preference in filling the vacancy. If the overtime position remains open it will be filled by seniority outside the division or bureau. An officer that refuses an overtime assignment shall maintain his position on the overtime rotation list until he or she accepts an overtime assignment. If the overtime assignment cannot be filled voluntarily, the least senior unit member who is on-duty shall be ordered to work overtime that is contiguous to his/her shift up to 6.0 hours and the least senior officer on the incoming shift shall be ordered in 6 hours early.

D. The Department shall establish and maintain a current and accurate record of all hours of overtime worked or refused each week. A monthly record will be given to the PBA, the Chief and the Police Oversight Committee.

E. Overtime requiring special skills shall first be offered to the most senior officer with the required special skills, and if refused, the next senior officer until the assignment is filled.

F. The shift commander will have the authority to assign overtime when a bona fide emergency exists, but he/she must ensure that the overtime is recorded. This Section shall not be used to circumvent this policy's intent to equitably distribute overtime.

G. The Department shall not change an officer's shift for the purposes of avoiding overtime.

H. All paid leave time shall be counted as time worked for overtime purposes.

I. The Police Oversight Committee and PBA shall jointly produce an overtime policy consistent with the terms set forth herein.

3. All other terms and conditions of employment contained in the CNA shall remain *status quo* and nothing in this Agreement shall change or alter any term or condition of employment except as set forth herein.

4. In consideration for the above, the PBA agrees to withdraw the arbitrations currently pending as AR-2018-189, currently pending before Arbitrator Tener and AR-2018-188, currently pending before Arbitrator Weinstock.

5. This agreement is subject to ratification by the PBA members and shall be null and void if not ratified. The PBA maintains the right to advance the underlying grievances if this Agreement is not ratified.

6. Any disputes regarding this Agreement shall be resolved through the grievance procedure set forth in the CNA.

FOR PBA LOCAL 74	**FOR THE TOWNSHIP**
____________________	____________________
Thomas Blewitt, President	
Date:	**Date:**