

APPRAISAL REPORT

of the Real Property known as

**204-206 Hawthorne Avenue
Newark, Essex County, New Jersey
Block: 3589 | Lots: 32 & 33**



Prepared for

INVEST NEWARK

as of

January 19, 2021

Submitted by

THEODORE J. LAMICELLA, JR., SCGRE, CTA



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ASSOCIATED APPRAISAL GROUP

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March 4, 2021

ROGER JOHNSON
Senior Vice President
Invest Newark
111 Mulberry Street
Lower Lobby
Newark, New Jersey 07102

Re: Block/Lots: 3589 / 32 & 33
Property Address: 204-206 Hawthorne Avenue, Newark, NJ

Dear Mr. Johnson:

In conformity with your request, we have completed an appraisal report of the captioned real property, presented in a narrative format. This appraisal has been developed and this report has been prepared in conformity with the Uniform Standards of Professional Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation.

The purpose of this appraisal is to estimate the market value of the subject property as of the effective date of this report. It is our understanding that the intended use of this appraisal is to assist the client in establishing an acceptable offering price.

This appraisal may not be used or relied upon by anyone other than the client, for any purpose whatsoever, without the express written consent of the Appraisers. Please refer to the Scope of Assignment and Function/Purpose section of this report for a further discussion of its specific limitations.

The accompanying report contains a summary of data considered and the basis for the value conclusion(s). Based thereon, we are of the opinion the market value, of the fee simple estate, of the property in question and in conformity with the definition and limiting conditions set forth hereafter, as of January 19, 2021 was in the amount of:

\$220,000

(Two Hundred Twenty Thousand Dollars)



ROGER JOHNSON

Senior Vice President

Re: 204-206 Hawthorne Avenue, Newark, NJ

March 4, 2021

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Employment in, and compensation for, the preparation of this report is in no way contingent upon the value reported and we hereby certify that we have no financial interest in the subject property.

Our report is attached and made part of this letter of transmittal.

Respectfully,

ASSOCIATED APPRAISAL GROUP

THEODORE J. LAMICELLA, Jr., SCGRE, CTA

State Certified General Real Estate Appraiser

NJ License 42RG00189200

Valid through 12/31/2021

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Property Address: 204-206 Hawthorne Avenue
Newark, Essex County, New Jersey

Block/Lots: 3589 / 32 & 33

Size of Property (*Acres/Square Feet*): 0.1267± acres / 5,519± square feet

Property Description: Vacant Land

Zoning: C-1 (*Neighborhood*)

Assessed Valuation:	3589-32	3589-33	<i>Total</i>
Land	57,200	57,200	114,400
Improvement	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$57,200	\$57,200	\$114,400

Owner of Record: City of Newark

Highest and Best Use: Commercial Development

Purpose of Appraisal: To estimate the Market Value of the Fee Simple Estate

Function of Appraisal: To assist the client in establishing an acceptable offering price

Interest Appraised: Fee Simple

Valuation Date: January 19, 2021

Final Value Estimate **\$220,000**

PURPOSE OF APPRAISAL

The appraisal was made for the purpose of estimating the market value of the subject property as of January 19, 2021.

FUNCTION OF APPRAISAL

This report is being prepared to assist the client in establishing an acceptable offering price.

PROPERTY RIGHTS APPRAISED

The property rights appraised are all rights existing in fee simple as of the appraisal date. These are the legal and economic interests that may rightfully be exchanged for money or equivalent goods. Property rights inherent in the ownership of tangible personal property and intangible benefits of the property itself are not the subject of this report.

DELINEATION OF TITLE

The subject property is owned by City of Newark. There has not been an arms-length transaction within the past five years.

SITE INSPECTION

Keith Sansone conducted a site inspection of the subject property on January 19, 2021.

EXPOSURE TIME

Exposure Time is a reasonable estimate of the length of time the property interest being appraised would have been offered on the market prior to a hypothetical consummation of a sale at market value on the effective date of this appraisal. Exposure Time for the subject property would be six to twelve months.

SCOPE OF ASSIGNMENT

This is an appraisal reported in a narrative report format, prepared for the exclusive purpose of assisting the client in establishing the fair market value of the property in question as of January 19, 2021.

In performing the appraisal, we have inspected the subject property and researched, verified and analyzed all available data which pertain to the value estimates to be made. The property in question is vacant land. Accordingly, and in conformity with market forces primary reliance has been placed upon the sales comparison approach to value.

Market Value is commonly defined as:

“The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.”¹

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and Seller are typically motivated.
2. Both parties are well informed or well advised and each are acting in what they consider their best interests.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto.
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.²

¹ “The Dictionary of Real Estate Appraisal,” Fifth Edition. Chicago Appraisal Institute, 2010, Page 122.

² “The Appraisal of Real Estate”, Fourteenth Edition. Chicago Appraisal Institute, 2013, Page 59.

ASSESSED VALUATION, TAX RATE & TAXES

The subject is assessed by the City of Newark, Essex County, New Jersey and is designated as Block: 3589, Lots: 32 & 33.

	3589-32	3589-33	Total
Land	57,200	57,200	114,400
Improvements	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$57,200	\$57,200	\$114,400

The New Jersey Division of Taxation has advised that the following tax rate (per \$100 of assessed valuation) and equalization ratios apply to the subject municipality.

<u>YEAR</u>	<u>EQUALIZATION RATIO (%)</u>	<u>TAX RATE/\$100</u>	<u>EFFECTIVE TAX RATE (\$)</u>
2020	84.18%	\$3.81	\$3.20

TAXES FOR THE SUBJECT PROPERTY

<u>ASSESSED VALUE</u>	x	<u>TAX RATE</u>	=	<u>TAXES</u>
\$114,400	x	\$3.81	=	\$4,358.64 ³

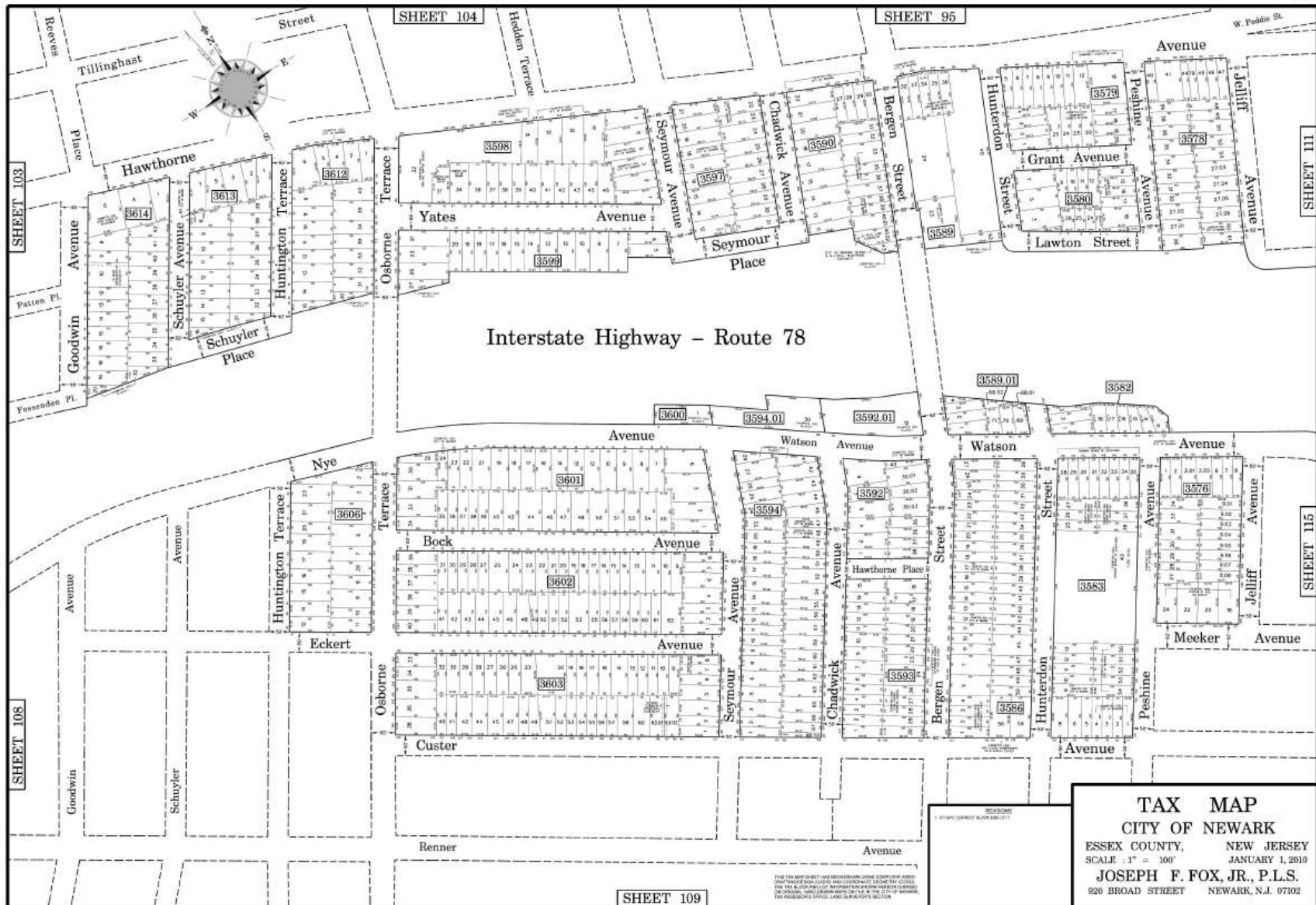
³ The subject property is owned by the Municipality and is therefore exempt from real property taxation.

The subject parcel is located on Hawthorne Avenue in the City of Newark. Vehicular access to the property is provided from Hawthorne Avenue.

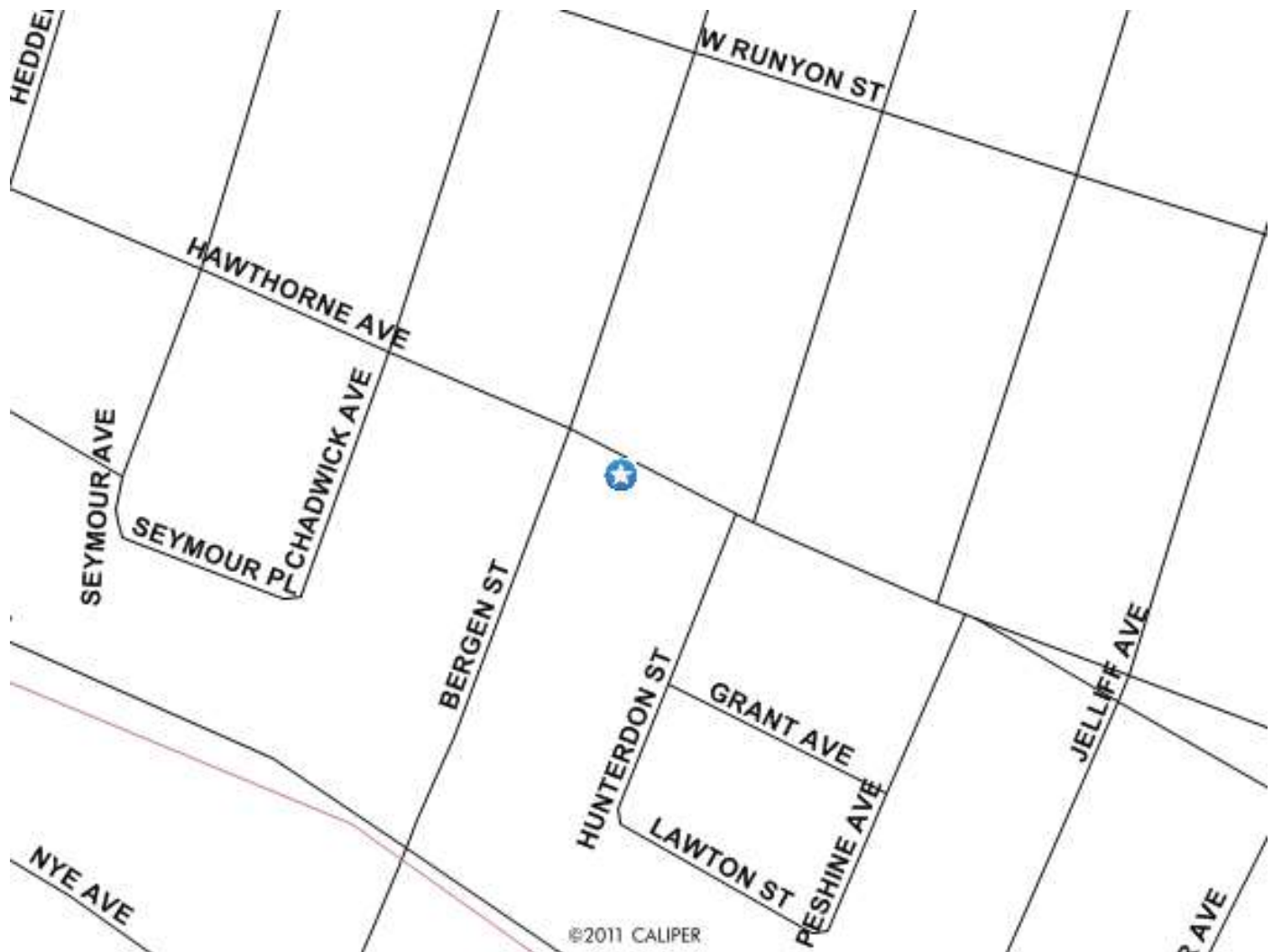
Size:	0.1267± acres / 5,519± square feet
Shape:	Rectangular
Topography:	Generally Level
Drainage:	Appears to be adequate. City storm water drains handle site drainage.
Flood Hazard:	U.S. Department of Housing and Urban Development, Community 340189, Panel # 0154F, dated June 4, 2007, indicates that the subject is located within Zone “X”, which is defined as areas determined to be outside the 500-year floodplain determined to be outside the 1% and 0.2% annual chance floodplains.
Wetlands:	None observed or reported.
Environmental Hazards:	None observed or reported.
Easements:	None observed or reported.
Soil Conditions:	We are unaware of any unusual or adverse soil conditions.
Frontage:	50.02± feet along Hawthorne Avenue.
Access:	Vehicular access is supplied from Hawthorne Avenue.
Utilities:	Electricity, public water and sewer, natural gas, and telephone services are all available with adequate capacity in the area.

TAX MAP

110



110



*Subject indicated by the **White Star***







The subject property is located in the C-1 “Neighborhood” zoning district. Permitted uses in the C-1 zoning district include the following:

1. Dwellings, above the ground floor of retail, office or service uses
2. Child care centers
3. Community centers
4. Community gardens
5. Consignment stores
6. Consumer repair services
7. Convenience retail (permitted on ground floor only)
8. Finance, insurance, real estate, or securities brokerage consumer services
9. Fresh food market
10. Governmental (non-municipal) uses
11. Laundromat
12. Market gardens
13. Municipal uses
14. Offices
15. Personal service establishments
16. Retail sales, general consumer goods
17. Sit-down restaurants
18. Take-out restaurants
19. Urban farms
20. Automotive lifts
21. Child care centers
22. Coldframes

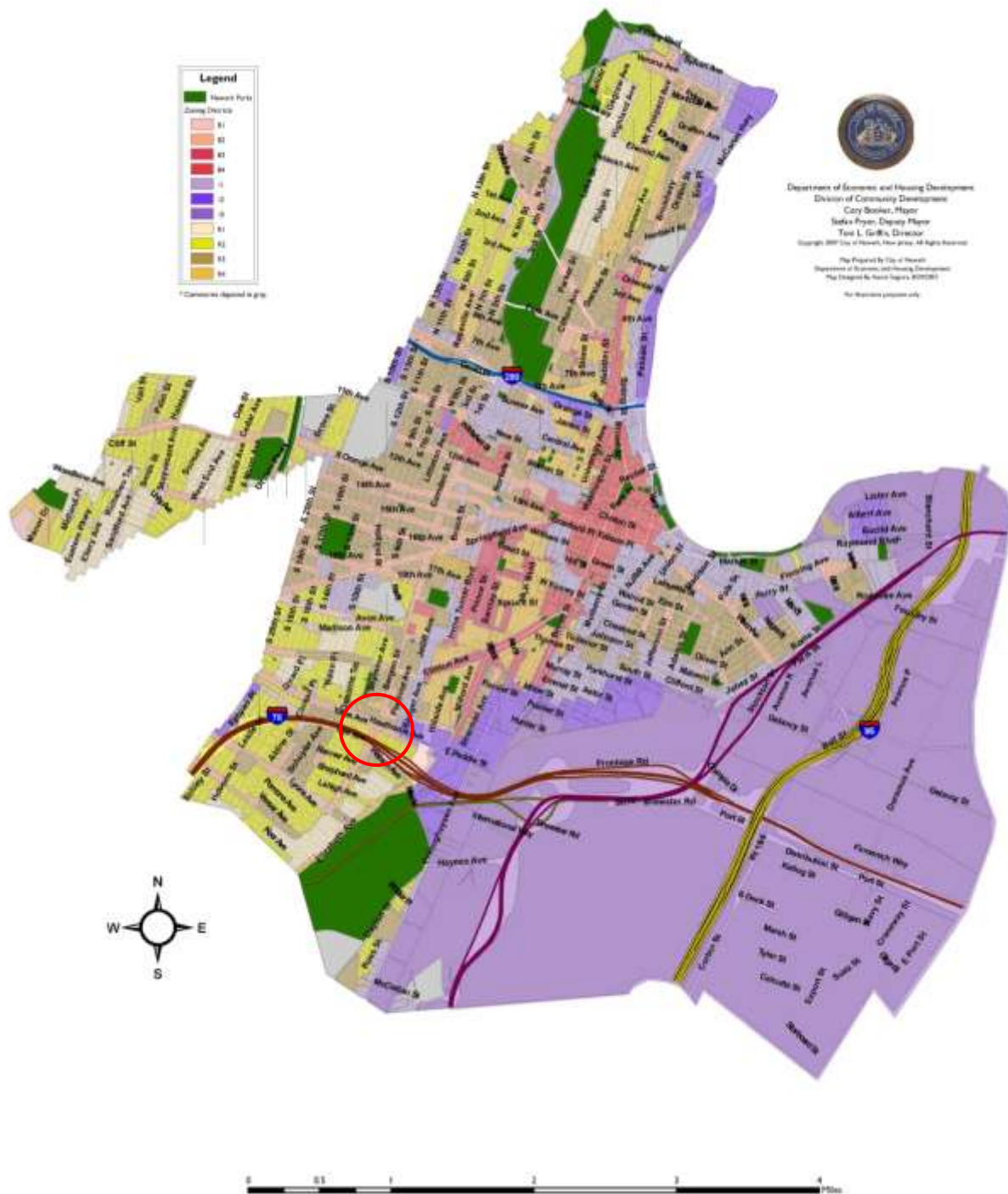
- 23. Composting
- 24. Donation bins
- 25. Greenhouses
- 26. Home occupations
- 27. Hoophouses
- 28. Farm stands
- 29. Parking, structured
- 30. Sidewalk cafes (accessory to permitted restaurants only)

Conditional uses in the C-1 zoning district include the following:

- 1. Commercial antennas and microwave dishes
- 2. Funeral home or mortuaries
- 3. Furniture and appliance stores, used
- 4. Places of worship
- 5. Primary and secondary schools
- 6. Emergency food distribution centers, food pantries, soup kitchens
- 7. Massage facilities
- 8. Ice cream service windows
- 9. Outdoor storage, portable storage units
- 10. Solar energy systems
- 11. Wind energy systems, small

Bulk requirements can be found in attached addenda.

City of Newark Zoning Districts



Subject Property Indicated by **Red** Oval

Essex County, which contains a total area of approximately 129.631 square miles (126.212 square miles of land and 3.419 square miles of water), is located in the north eastern portion of the State of New Jersey. The county is bounded on the north by Passaic County, on the east by Bergen and Hudson Counties, on the south by Union County, and on the west by Morris County. It is the second-most populated county in the state after Hudson County. The eastern region of Essex County tends to be poorer and more urbanized while the western parts tend to be more affluent and suburban.

The county is traversed by an extensive system of U.S., state, county and interstate roadways including U.S. 1/9, 22, and 46, State Routes 7, 10, 21, 23, 24, 27, 124, and 159, Interstate Routes 78, 80 and 280, and the Garden State Parkway. Essex County has ready access to the roadways that provide entry to lower and midtown New York City via the Lincoln Tunnel and the Holland Tunnel, as well as access to the George Washington Bridge as a “gateway” to the New England states. In addition to the extensive system of roadways, transportation facilities include commuter bus and rail service. Regularly scheduled commuter rail service to New York City is provided by New Jersey Transit. As well, Newark Liberty International Airport is located in the southeast section of the county.

As of the United States 2010 Census, there were 783,969 people in the county with a resulting population density of 6,211 inhabitants per square mile. As well, there were 283,712 households and 189,236 families residing in the county.

The county is governed by a county executive and a nine-member Board of Chosen Freeholders. The members are elected concurrently, one from each of five districts and four “at large”. Four Federal Congressional Districts are covered in the county, including portions of the 7th, 8th, 10th, and 11th districts.

Essex County has five public and four private institutions of higher education. The public institutions include Essex County College, Montclair State University, New Jersey Institute of Technology, Rutgers, Technology, Rutgers, and University of Medicine and Dentistry of New Jersey. Private institutions include Berkeley College, Bloomfield College, Caldwell College, Seton Hall University, and Seton Hall University School of Law.

Resident buying income is reflected in the 2010 annual per capita personal income estimate of approximately \$32,149 and the median household money income of \$69,490.

Utilities including water, sewer, natural gas, electricity and telephone services are available throughout the county. Garbage removal is either provided for by the various municipalities or a private service.

A range of recreational facilities, museums, historic sites, and entertainment activities are offered. As well, private facilities and parks provide a variety of activities including boating, picnicking, fishing, hiking, ice skating, riding, snowshoeing, athletic fields, and sightseeing.

Generally, the county offers those elements needed to attract residential, commercial and industrial development. In addition to the county's proximity to New York City, the county is located in the "Middle Atlantic" region of the United States representing a multi-billion dollar market area that stretches from Boston to Northern Virginia.

Newark is the largest city (by population) in the state of New Jersey, and the county seat of Essex County. One of the nation's major air, shipping, and rail hubs, the city had a population of 277,140 in 2010.

Located in the heart of New Jersey's Gateway Region, Newark is the second largest city in the New York metropolitan area, approximately 8 miles west of Manhattan. Port Newark, the major container shipping terminal in the Port of New York and New Jersey, is the largest on the East Coast. Newark Liberty International Airport was the first municipal commercial airport in the United States and today one of its busiest.

Newark is headquarters to numerous corporations, such as Prudential Financial and PSEG. It is also home to several universities, including Rutgers–Newark, the New Jersey Institute of Technology, and Seton Hall University's Law School. Among others, it's cultural and sports venues include: the New Jersey Performing Arts Center, the Prudential Center, and the Bears & Eagles Riverfront Baseball Stadium.

Newark is divided into five geographical wards, and contains neighborhoods ranging in character from bustling urban districts to quiet suburban enclaves. Newark's Branch Brook Park is the oldest county park in the United States and is home to the nation's largest collection of cherry blossom trees, which number about 4,300.

According to the United States Census Bureau, the city had a total area of 26.107 square miles, of which, 24.187 square miles of it is land and 1.920 square miles of it is water. The city had a population of 277,140 in 2010. After reaching a peak of 442,337 residents counted in the 1930 Census, the city's population saw a decline of nearly 40% as residents moved to surrounding suburbs, with the increase in 2010 of 3,594 (+1.3%) from the 273,546 counted in the 2000 Census marking the second census in 70 years in which the city's population had grown from the previous enumeration.

As of the 2010 United States Census, there were 277,140 people, 94,542 households, and 61,641 families residing in the city. The population density was 11,458.3 inhabitants per square mile. There were 109,520 housing units at an average density of 4,528.1 per square mile. The racial makeup of the city was 26.31% (72,914) White, 52.35% (145,085) Black or African American, 0.61% (1,697) Native American, 1.62% (4,485) Asian, 0.04% (118) Pacific Islander, 15.22% (42,181) from other races, and 3.85% (10,660) from two or more races. Hispanic or Latino of any race was 33.83% (93,746) of the population.

There were 94,542 households out of which 33.7% had children under the age of 18 living with them, 28.0% were married couples living together, 28.9% had a female householder with no husband present, and 34.8% were non-families. 27.9% of all households were made up of individuals and 8.2% had someone living alone who was 65 years of age or older. The average household size was 2.76 and the average family size was 3.36.

The Census Bureau's 2006-2010 American Community Survey showed the median household income was \$35,659 and the median family income was \$41,684. Males had a median income of \$34,350 versus \$32,865 for females. The per capita income for the city was \$17,367. About 22.0% of families and 25.0% of the population were below the poverty line, including 34.9% under age 18 and 22.4% age 65 or over.

Effective as of July 1, 1954, the voters of the city of Newark, by a referendum held on November 3, 1953 and under the Optional Municipal Charter Law (commonly known as the Faulkner Act), adopted the Faulkner Act (Mayor-Council) Plan C as the form of local government. There are nine council members elected on a nonpartisan basis at the regular municipal election or at the general election for terms of four years: one council member from each of five wards and four council members on an at-large basis. The mayor is also elected for a term of four years.

Newark is the third-largest insurance center in the United States, after New York City and Hartford. The Prudential Financial and Mutual Benefit Life companies originated in the city. The former, one of the largest insurance companies in the world, is still headquartered in Newark. Many other companies are headquartered in the city, including IDT Corporation, New Jersey Transit, Public Service Enterprise Group (PSEG), Manischewitz, Horizon Blue Cross and Blue Shield of New Jersey, and Audible.com. Panasonic plans to leave its longtime North American headquarters in nearby Secaucus, New Jersey and move to a 250,000 square feet space in Newark in 2013.

Though Newark is not the industrial colossus of the past, the city does have a considerable amount of industry. The southern portion of the Ironbound, also known as the Industrial Meadowlands, has seen many factories built since World War II, including a large Anheuser-Busch brewery. The service industry is also growing rapidly, replacing those in the manufacturing industry, which was once Newark's primary economy. In addition, transportation has become a large business in Newark, accounting for more than 17,000 jobs in 2011.

Port Newark is the part of Port Newark-Elizabeth Marine Terminal and the largest cargo facility in the Port of New York and New Jersey. Located on Newark Bay, it is run by the Port Authority of New York and New Jersey and serves as the principal container ship facility for goods entering and leaving the New York metropolitan region and the northeastern quadrant of North America.

Newark is the home of the New Jersey Institute of Technology (NJIT), Rutgers-Newark, Seton Hall University School of Law, the University of Medicine and Dentistry of New Jersey (Newark Campus), Essex County College, and a Berkeley College campus. Most of Newark's academic institutions are located in the city's University Heights district. The colleges and universities have worked together to help revitalize the area, which serves more than 40,000 students and faculty.

The Newark Public Schools, a state-operated school district, is the largest school system in New Jersey. The district is one of 31 Abbott districts statewide, which are now referred to as "SDA Districts" based on the requirement for the state to cover all costs for school building and renovation projects in these districts under the supervision of the New Jersey Schools Development Authority. As of the 2009-10 school year, the district's 75 schools had an enrollment of 39,443 students and 2,685 classroom teachers, for a student–teacher ratio of 14.69.

The city's public schools are among the lowest-performing in the state, leading to a takeover by the state government in 1995 with the intention of improvement. The school district continues to struggle with low high school graduation rates and low standardized test scores. Charter schools in Newark include the Robert Treat Academy Charter School, a National Blue Ribbon School drawing students from all over Newark. University Heights Charter School is another charter school, serving children in grades K-5, Gray Charter School, like Robert Treat, also won a Blue Ribbon Award. Also, Newark Collegiate Academy (NCA) opened in August 2007.

The city hosts three high schools as part of the Roman Catholic Archdiocese of Newark. The coeducational Christ The King Prep, founded in 2007, is part of the Cristo Rey Community; Saint Benedict's Preparatory School is an all-boys Roman Catholic high school founded in 1868 and conducted by the Benedictine monks of Newark Abbey, whose campus has grown to encompass both sides of MLK Jr. Blvd. near Market Street and includes a dormitory for boarding students; and Saint Vincent Academy, is an all-girls Roman Catholic high school founded and sponsored by the Sisters of Charity of Saint Elizabeth and operated continuously since 1869.

Newark is a hub of air, road, rail, and ship traffic, making it a significant gateway into the New York metropolitan area and the northeastern United States. Newark Liberty International Airport, the second-busiest airport in the New York region and the 14th-busiest in the United States (in terms of passenger traffic), had 403,429 plane movements, transported 33,107,041 passengers, 860,845 tons of cargo and processed 82,479 tons of airmail in 2010.

Newark is served by numerous highways including the New Jersey Turnpike (Interstate 95), Interstate 280, Interstate 78, the Garden State Parkway, U.S. Route 1/9, U.S. Route 22, and Route 21. Newark is connected to the Holland Tunnel and Lower Manhattan by the Pulaski Skyway.

Newark Penn Station, situated just east of downtown, is the city's major train station, connecting the interurban PATH system (which links Newark to Manhattan) with three New Jersey Transit commuter rail lines and Amtrak service to Philadelphia and Washington, D.C. Only one mile north, the Newark Broad Street Station is served by two commuter rail lines. The two train stations are linked by the Newark Light Rail system, which also provides services from Newark Penn Station to Newark's northern communities and into the neighboring towns of Belleville and Bloomfield. The city's third train station, Newark Liberty International Airport, connects the Northeast Corridor and North Jersey Coast Line to the airport via AirTrain Newark. Bus service in Newark is provided by New Jersey Transit, CoachUSA contract operators and DeCamp in North Newark.

Newark is served by New Jersey Transit bus routes 1, 5, 11, 13, 21, 25, 27, 28, 29, 34, 37, 39, 40, 41, 42, 43, 59, 62, 65, 66, 67, 70, 71, 72, 73, 74, 75, 76, 78, 79, 90, 92, 93, 94, 96, 99, 107, and 108. Bus route 308 is an express bus route to Six Flags Great Adventure from Newark Penn Station while 319 is an express service to Atlantic City. The *go bus* 25 and *go bus* 28 are bus rapid transit lines through the city to Irvington, Bloomfield, and Newark Liberty.

NEIGHBORHOOD DESCRIPTION

The immediate area of the subject neighborhood is characterized by a mix of residential and commercial uses. The subject property is a vacant lot on Hawthorne Avenue. The subject property enjoys access to Interstate 78, Route 22, Route 21, Routes 1/9, and the Garden State Parkway.

The subject property has been valued, according to proper appraisal techniques, in terms of its highest and best use.

Highest and Best use may be defined as:

“the reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported and financially feasible and that results in the highest value.”⁴

The definition immediately above applies specifically to the highest and best use of land. It is to be recognized that in cases where a site has existing improvements, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

Implied within this definition is recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners. Also implied is that the determination of highest and best use results from the appraiser’s judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (market value), another appropriate term to reflect highest and best use would be most probable use. In the context of investment value, an alternative term would be most profitable use.

⁴ “The Appraisal of Real Estate”, Thirteenth Edition, Page 277-278, published by the Appraisal Institute 2008.

AS VACANT

Legally Permissible

The subject property is located within the C-1 Neighborhood Commercial zoning district which permits a variety of uses including mixed use – dwellings over ground floor retail or office, community centers, retail uses, governmental uses, Laundromat, offices, restaurants, child care centers and more. Due to bulk requirements of this zoning district, the sites can be developed with a mixed use facility with dwellings above ground floor commercial use up to four stories of various commercial uses if they are merged.

Physical Possibility

We have considered all readily available information pertaining to the physical characteristics of the site including its size, shape, access, topography, flood plain encroachment, and soil characteristics. Based upon our analysis, development of the subject site consistent with uses allowed in the C-1 zoning district is physically possible.

Financial Feasibility

In order to determine financial feasibility, an appraiser typically estimates the income that can be expected from each potential highest and best use of the property. In order to be financially feasible, revenue from the proposed development must be sufficient to satisfy the required rate of return on the investment. Essentially, a proposed development would be financially feasible if the income to be derived from selling or renting the end product will be sufficient to satisfy the costs of development and the entrepreneurial profit required for such development. The demand for the various permitted uses in this market place is good and construction of facilities consistent with zoning is possible. Therefore, it is our opinion that development of the subject property for uses consistent with existing zoning is financially feasible.

Maximally Productive

Various permitted uses meet the first three tests of highest and best use. We have considered which use would support the highest land value. The immediate area is comprised of a mix of residential and commercial uses; therefore, the maximally productive use is commercial development consistent with zoning.

Conclusion

After careful consideration of all factors including the property's physical, legal, and economic characteristics, it is our opinion that the highest and best use of the subject site is to merge the lots for commercial development consistent with zoning.

There are three (3) approaches to the problem of finding market value. All data utilized in these approaches must come from the market place. The approaches are commonly referred to as the Cost, Income, and Sales Comparison.

The Cost Approach is utilized by estimating, utilizing market costs, the replacement cost of a building and other improvements, deducting depreciation, which is a loss in value from all causes, and adding this depreciated value to the value of the land upon which the improvements are constructed. Depreciation may come from actual physical deterioration, loss in value due to functional inutility, or through a loss in value resulting from economic reasons such as factors in the market place which would cause the property to rent for an amount not adequate to justify the investment in the improvements.

The Income Approach to value is utilized by estimating potential gross income, deducting an amount for vacancies and other rent loss and deducting all expenses in order to apply an appropriate capitalization rate to the resulting net income in order to find market value. All income estimates, expense items and capitalization rates must be obtained from the market. In order to derive pertinent income and expense data, appraisers try to obtain all income and expense data from the income-producing properties used as comparables.”⁵

The Sales Comparison is sometimes referred to as the Direct Comparison Approach to value. Sales of similar properties are compared to the property under appraisal in order to arrive at an estimate of value. Units of comparison in appraising income producing property include location, age, time of sale and other characteristics of the property that may influence value. Adjustments made in making this comparison must have a basis in market experience.

In essence, all approaches to value (particularly when the purpose of the appraisal is to establish market value) are market data approaches since the data inputs are presumably market derived.

⁵ "The Appraisal of Real Estate" Thirteenth Edition, Page 473 published by the Appraisal Institute 2008.

In this report all three approaches to value were considered. The Sales Comparison approach is considered to be the most appropriate method in estimating the subject property's market value since the subject property is vacant land therefore, sales of comparable vacant land sites have been analyzed to develop an estimate of market value for the subject property.

The Cost and Income approaches to value are not applicable for the subject property type; therefore, they were not utilized.

The Sales Comparison Approach is based on the premise that the informed prudent and rational person (investor or user) applying the principle of substitution will pay no more for a property than the cost of acquiring a similar or comparable property with the same utility as of the valuation date. This approach is predicated on the assumption that there is, in fact, an active market for the type of property being appraised; and that data on recent sales of comparable properties in the same market, representing bona fide arm's-length transactions, are an appropriate guide to the market value of the subject property.

Application of the Sales Comparison Approach requires the comparing and rating of other comparable properties to the property appraised. That is, to develop an indication of what they would have sold for if they had possessed all of the basic and pertinent physical and economic characteristics of the subject property. Indications of such adjusted sales prices are developed for several comparable sales. These indications hopefully fall into a pattern clustering around one figure which, when appropriately rounded, provides an indication of the market value of the subject property as of the date of appraisal.

In addition, the Sales Comparison Approach takes into account such important, but frequently overlooked, market elements as the effect of financing terms on sales prices and sales commissions. Market price is the basic guide to market value in the Sales Comparison Approach. It includes whatever constitutes the cost to the typical informed purchaser.

Sales of properties, as they appear on the following pages, have been assembled for the purpose of providing a comparative basis for the value estimate of the subject property.

COMPARABLE LAND SALE ONE

PROPERTY DATA

<i>Location:</i>	314-328 Adams Street, Newark, Essex County, NJ
<i>Block/Lot:</i>	971 / 1 & 8
<i>Date of Sale:</i>	March 19, 2019
<i>Deed Reference:</i>	20190 / 27397
<i>Grantor:</i>	Patsy Ragonese and Sons, Inc.
<i>Grantee:</i>	314 Adams St LLC
<i>Consideration:</i>	\$650,000
<i>Terms/Conditions:</i>	Cash to Seller
<i>Estate Conveyed:</i>	Fee Simple
<i>Land Sold:</i>	By Right

SITE DATA AND ANALYSIS

<i>Lot Size (acres / square feet):</i>	0.4722± acres / 20,572 square feet
<i>Width / Depth:</i>	91 x 209
<i>Zoning:</i>	MX-1
<i>Shape:</i>	Slightly Irregular
<i>Topography:</i>	Generally Level
<i>Highest and Best Use:</i>	Commercial Development

MARKET INDICATORS

<i>SP/SF – Land:</i>	\$31.60 per square foot
<i>SP/AC – Land:</i>	\$1,376,337
<i>SP/ Site:</i>	\$650,000

COMMENTS

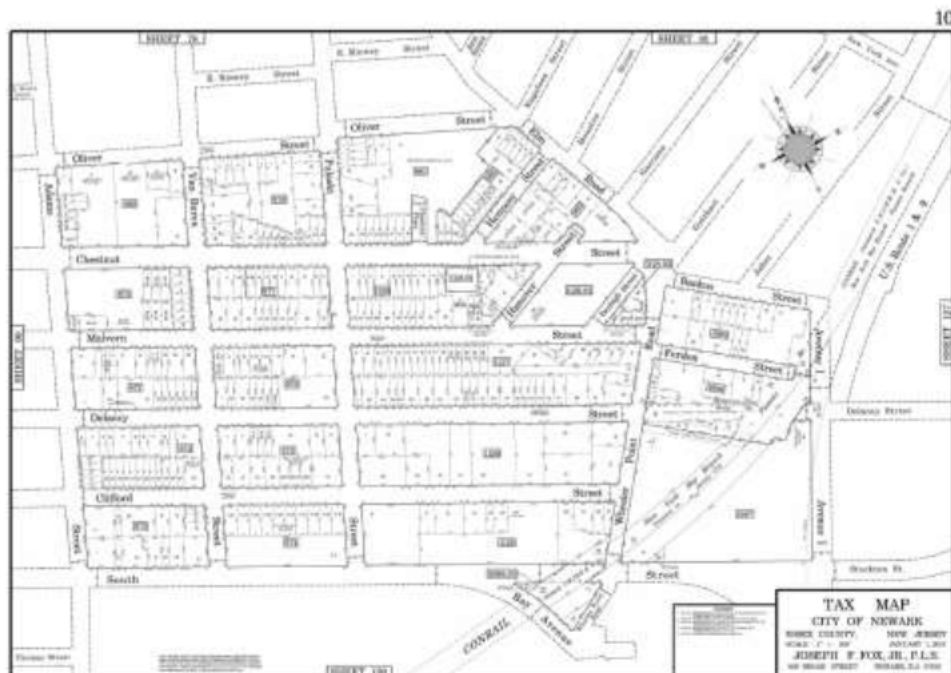
This is the sale of a 0.4722 acre parcel of land.

COMPARABLE LAND SALES, CONTINUED

COMPARABLE LAND SALE ONE AERIAL VIEW



COMPARABLE LAND SALE ONE TAX MAP



COMPARABLE LAND SALES, CONTINUED**COMPARABLE LAND SALE TWO****PROPERTY DATA**

<i>Location:</i>	420-434 Springfield Avenue, Newark, Essex County, NJ
<i>Block/Lot:</i>	300 / 2
<i>Date of Sale:</i>	October 24, 2019
<i>Deed Reference:</i>	20191 / 9016
<i>Grantor:</i>	Sayola Realty LLC
<i>Grantee:</i>	420 Springfield LLC
<i>Consideration:</i>	\$1,000,000
<i>Terms/Conditions:</i>	Cash to Seller
<i>Estate Conveyed:</i>	Fee Simple
<i>Land Sold:</i>	By Right

SITE DATA AND ANALYSIS

<i>Lot Size (acres / square feet):</i>	.4079± acres / 17,770± square feet
<i>Width / Depth:</i>	95 x 174
<i>Zoning:</i>	RDV
<i>Shape:</i>	Irregular
<i>Topography:</i>	Generally Level
<i>Highest and Best Use:</i>	Commercial Development

MARKET INDICATORS

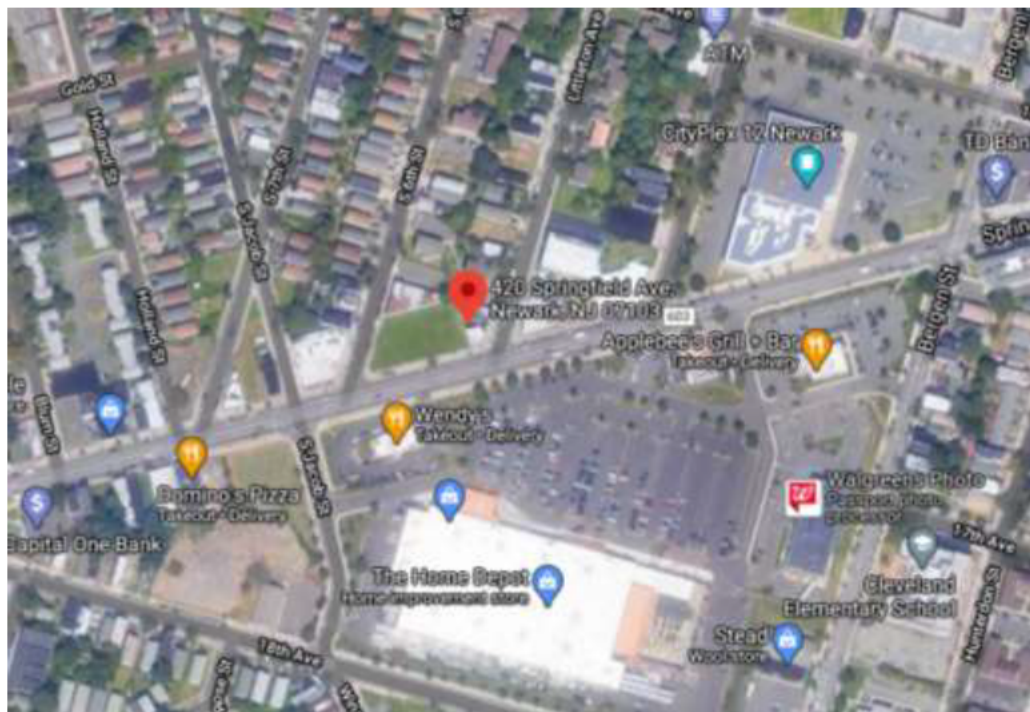
<i>SP/SF – Land:</i>	\$56.27
<i>SP/AC – Land:</i>	\$2,451,322
<i>SP/ Site:</i>	\$1,000,000

COMMENTS

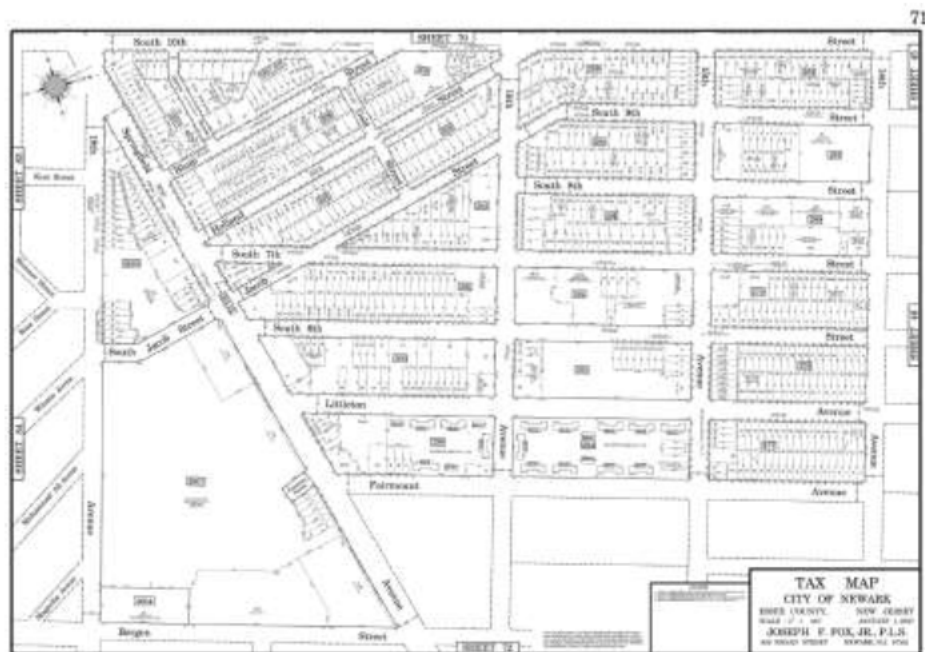
This is the sale of a 0.4079 acre parcel of land.

COMPARABLE LAND SALES, CONTINUED

COMPARABLE LAND SALE TWO AERIAL VIEW



COMPARABLE LAND SALE TWO TAX MAP



COMPARABLE LAND SALES, CONTINUED**COMPARABLE LAND SALE THREE****PROPERTY DATA**

<i>Location:</i>	35 Libella Court Newark, Essex County, NJ
<i>Block/Lot:</i>	2462 / 1.16
<i>Date of Sale:</i>	March 10, 2020
<i>Deed Reference:</i>	20200 / 42097
<i>Grantor:</i>	Senator Development Group LLC
<i>Grantee:</i>	Libella 35 LLC
<i>Consideration:</i>	\$535,000
<i>Terms/Conditions:</i>	Cash to Seller
<i>Estate Conveyed:</i>	Fee Simple
<i>Land Sold:</i>	By Right

SITE DATA AND ANALYSIS

<i>Lot Size (acres / square feet):</i>	.3367± acres / 14,667± square feet
<i>Width / Depth:</i>	74 x 185
<i>Zoning:</i>	I-1
<i>Shape:</i>	Slightly Irregular
<i>Topography:</i>	Generally Level
<i>Highest and Best Use:</i>	Commercial Development

MARKET INDICATORS

<i>SP/SF – Land:</i>	\$36.48
<i>SP/AC – Land:</i>	\$1,588,914
<i>SP/ Site:</i>	\$535,000

COMMENTS

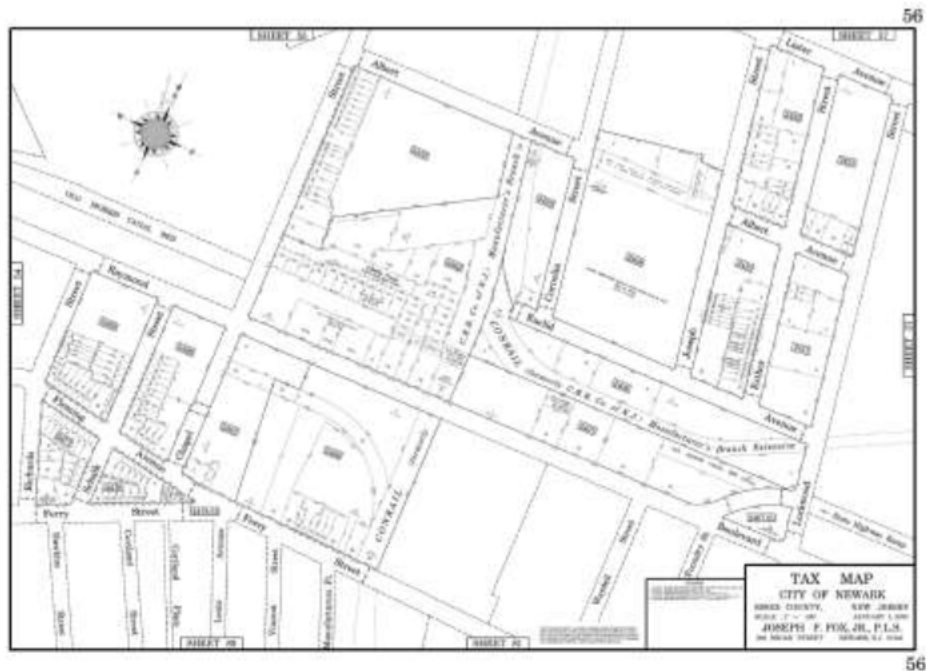
This is the sale of a 0.3367 acre parcel of land.

COMPARABLE LAND SALES, CONTINUED

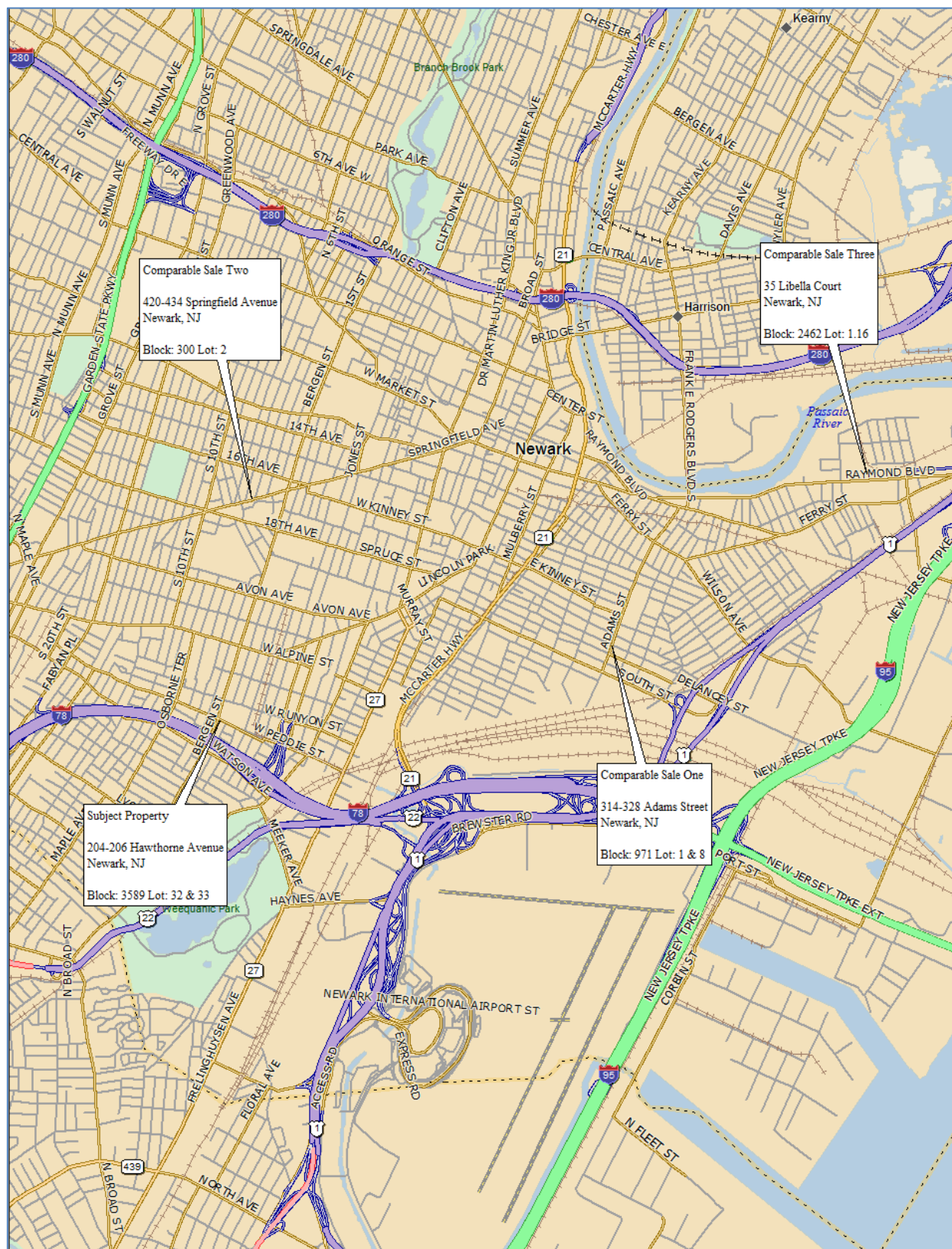
COMPARABLE LAND SALE THREE AERIAL VIEW



COMPARABLE LAND SALE THREE TAX MAP



COMPARABLE LAND SALES MAP



LAND SALE SUMMARY & ADJUSTMENT GRID AS OF JANUARY 19, 2021

	<u>SUBJECT</u>	<u>COMPARABLE LAND SALE 1</u>	<u>COMPARABLE LAND SALE 2</u>	<u>COMPARABLE LAND SALE 3</u>
Location:	204-206 Hawthorne Newark	314-328 Adams Street Newark	420-434 Springfield Ave Newark	35 Libella Court Newark
Block/Lot:	3589 / 32 & 33	971 / 1 & 8	300 / 2	2462 / 1.16
Sale Date:		March 19, 2019	October 24, 2019	March 10, 2020
Sale Price:		\$650,000	\$1,000,000	\$535,000
Price per Square Foot:		\$31.60	\$56.27	\$36.48
Market Adjustment:				
Time/Adjustment:		22 months / 0%	15 months / 0%	10 months / 0%
Fin./Adjustment:		Market / 0%	Market / 0%	Market / 0%
Condition/Adjustment:		Market / 0%	Market / 0%	Market / 0%
Adjusted Price:		\$650,000	\$1,000,000	\$535,000
Other Adjustment:				
Location/Adjustment:	Average	Superior / (15%)	Superior / (15%)	Superior / (10%)
Size (square feet)/Adjustment:	5,519 sf	20,572 sf / 10%	17,770 sf / 10%	14,667 sf / 10%
Physical Characteristics/Adj:	Paving / Level	Similar / 0%	Similar / 0%	Similar / 0%
Development Approvals/Adj.:	By Right	By Right / 0%	By Right / 0%	By Right / 0%
Net Adjustment:		(5%)	(5%)	0%
Adjusted Sale Price:		\$617,500	\$950,000	\$535,000
Adjusted Price per SF:		\$30.02	\$53.45	\$36.48

Numerous comparable land sales were considered for analysis. Our analysis of the comparable sales considers adjustments for date of sale, financing/terms of sale, location, size, and any other discernible physical characteristics. To bring the comparables to a common base for the purposes of noting similarities/differences, we used a unit price per site as an applicable unit of comparison. Comparable land sales adjustment grids are presented on the previous pages. The following paragraphs explain the basis for the adjustments.

Property Rights Conveyed

All of the sales were fee simple estate.

Terms of Sale/Financing

All of the sales transferred under normal conditions of sale with none of the parties under undue duress or with any unusual circumstances or atypical financing that would affect property value. Therefore, no adjustments were warranted to the sales.

Market Conditions (Time)

The sales occurred between March 2019 and March 2020. Our research of the subject market segment has revealed that prices have remained relatively stable over the time period 2019 – 2020.

Location

The subject property and the comparable sales are located in similar locations; therefore, no adjustments were warranted.

Size

The subject property consists of 0.1267 acres. Generally, there is an inverse relationship between size and unit price; the larger the site, the lower the unit price, with all other factors being equivalent. All of the comparable sales are larger in size to the subject property; therefore, adjustments were warranted.

ANALYSIS OF COMPARABLE LAND SALES, CONTINUED

Physical Characteristics

The subject property is a level, lot with paving and the comparable sales are level lots with paving. Therefore, adjustments were not required.

Development Approvals

The subject property can be developed by right. Vacant parcels with development approvals are more desirable than parcels that do not enjoy final development approvals as the fees for legal, engineering, municipal charges and time associated with the approval process are costly. Therefore, vacant land with development approvals or by right, typically trades at higher unit values than those parcels without development approvals. All comparable sales can be developed by right therefore, no adjustments were warranted.

Summary

After applying all necessary adjustments, the sales reflect rounded unit prices ranging from \$30.02 to \$53.45 per square foot.

Based upon our analysis of these sales and after making all the appropriate adjustments, we estimate the fair market value of the subject property, without development approvals, as of January 19, 2021 for be \$40.00 per square foot. The value of the subject property is calculated as follows:

$$\begin{array}{rclcl} 5,519 \text{ sf} & \times & \$40.00 \text{ per sf} & = & \$220,760 \\ & & \text{Rounded} & = & \$220,000 \end{array}$$

RECONCILIATION AND VALUE CONCLUSION

The three approaches to value have produced the following conclusions:

January 19, 2021	
Cost Approach	Not Applicable
Sales Comparison Approach	\$220,000
Income Approach	Not Applicable

All three approaches to value were considered in this report. Since the subject property is vacant land, the Cost and Income Approaches were not utilized. Consideration to the problem of finding market value in this appraisal was placed on the Sales Comparison Approach.

Therefore, we have concluded that the fair market value of the subject property without development approvals, as of January 19, 2021, to be:

\$220,000
(Two Hundred Twenty Thousand Dollars)

The appraisers assume no responsibility for matters legal in character, nor render any opinion as to title, which is assumed to be good. The legal description, if any furnished, is assumed to be correct. All existing liens and encumbrances have been disregarded and the property has been appraised as though free and clear and under responsible ownership and competent management.

A personal inspection of the property has been made. Areas and dimensions of the property have been physically measured with the exception of the lot size which was provided by the current tax map of the municipality in which the subject exists.

An analysis of local conditions and all relevant data has been made. Verification of factual matters contained in this report, has been made to the extent deemed practicable. We certify, that to the best of our knowledge and belief, such factual matters are true and correct and that no important factors affecting value of this property were knowingly overlooked or withheld. Market data has been taken from sources deemed to be reliable, but may not have been able to be verified in all cases. The resultant estimate of market value is predicated on the financial structure prevailing as of the date of value.

This appraisal report sets forth all of the limiting conditions (imposed by the terms of the assignment or by the undersigned) affecting the analysis, opinion and conclusions contained in this report.

Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may all or any part of the contents of this report be conveyed to the public through advertising, public relations, news, sales or other media, without written consent and approval of the author, particularly as to value conclusions, and the identity of the appraisers or firm which they are connected.

The appraisers shall not be required to give testimony or appear in court by reason of this appraisal, unless specific arrangements for these services are otherwise arranged.

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest with respect to the parties involved.
4. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. We have conducted an exterior and interior inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the people signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'THEODORE J. LAMICELLA, JR.', with a stylized flourish at the end.

THEODORE J. LAMICELLA, Jr., SCGRE, CTA
State Certified General Real Estate Appraiser
NJ License 42RG00189200
Valid through 12/31/2019

THEODORE J. LAMICELLA, JR., SCGRE, CTA
STATE CERTIFIED GENERAL REAL ESTATE APPRAISER

EDUCATION:

OCEAN COUNTY COLLEGE
Business Administration

Additional Course Work:

- Real Property Appraisal I - Rutgers University
- Real Property Appraisal II - Rutgers University
- Property Tax Administration - Rutgers University
- General Applications - Appraisal Institute
- Advanced Income Capitalization - Appraisal Institute
- Market Analysis and Highest & Best Use - Appraisal Institute
- Advanced Applications - Appraisal Institute
- Standards of Professional Practice, Parts A & B - Appraisal Institute
- Hotel Valuation - Appraisal Institute
- Report Writing & Valuation Analysis - Appraisal Institute
- Real Estate Finance Statistics and Valuation Modeling
- Uniform Appraisal Standards for Federal Land Acquisitions
- Farmland Assessment

EXPERIENCE:

2010 – Present

ASSOCIATED APPRAISAL GROUP
Director, Appraisal & Litigation Services

Responsibilities include providing professional appraisal consulting services to government/public agencies, corporation, the legal profession, financial institutions and private individuals. Responsible for the supervision of the litigation support staff.

2016 – Present

TOWNSHIP OF WALL
Tax Assessor

Department head responsible for the annual valuation of all real property within the Township for taxation purposes.

Analysis of all sales transactions for consideration of inclusion in annual sales study required by the State of New Jersey for measuring the deviation between sale values and assessed values.

Defending tax assessments for appeals at the Monmouth County Tax Board and the New Jersey State Tax Court.

QUALIFICATIONS OF THE APPRAISERS, CONTINUED

2008 – 2010

APPRAISAL SYSTEMS, INC.
Senior Appraiser

Responsible for all phases of revaluation programs relating to commercial properties, including the estimation of all property values in municipalities throughout Bergen, Essex, Hunterdon, Monmouth, Morris, Ocean, Passaic, Sussex, Union and Warren Counties.

Narrative report writing for the Tax Court of New Jersey, condemnation matters, lending institutions, various governmental agencies and private clients.

Expert witness at the Tax Court of New Jersey and various County Boards of Taxation.

1997 - 2008

CERTIFIED VALUATIONS, INC.
Project Manager / Chief Commercial Appraiser

Responsibilities included: supervision and training for data collection, conducting income and expense analysis, sales analysis and valuation of commercial properties, as well as attendance at and review of informal taxpayer hearings. Responsible for training and supervising of field personnel.

Participated in the revaluations and assessments in the following municipalities: City of Atlantic City, Town of Dover, Fort Lee Borough, Harding Township, Kinnelon Borough, Lincoln Park Borough, Madison Borough, Mansfield Township, Montville Township, Morris Township, Town of Morristown, City of Newark, Parsippany-Troy Hills Township, Randolph Township, Rockaway Township, Washington Township and West Windsor Township.

Responsible for the valuation of commercial, industrial and apartment properties during the revaluation of the City of Newark.

Responsible for the valuation of Casino/Hotel properties during the revaluation of the City of Atlantic City.

1992 – 1997

MMC, INC.
Commercial Appraiser

Established data collection and valuation guidelines for commercial/industrial properties in New Jersey. Trained and supervised staff. Data collected and reviewed commercial/industrial properties in field. Analyzed sales & income and expense reports. Developed CAP rates. Built databases and wrote guidelines for income/capitalization programs.

Participated in revaluation and assessments in the following municipalities: Dover Township, Warren Township and Washington Township (Mercer County).

QUALIFICATIONS OF THE APPRAISERS, CONTINUED

1990 - 1992 VITAL APPRAISAL
Commercial Data Collector

Performed data collection of commercial/industrial and residential properties. Administered quality control reports on staff. Analyzed sales ratio reports. Conducted hearings.

Participated in revaluation and assessments in the following municipalities: Brick Township, Cherry Hill Township, Marlboro Township and Mercerville.

1988 - 1990 COLE-LAYER-TRUMBLE
Crew Chief - Field Inspections

Coordinated and supervised residential data collection. Administered quality control reports on staff. Analyzed sales ratio reports. Supervised and conducted hearings.

EXPERT WITNESS:

Tax Court of New Jersey
Superior Court of New Jersey
United States District Court – District of New Jersey
Atlantic County Board of Taxation, Bergen County Board of Taxation
Camden County Board of Taxation, Essex County Board of Taxation
Hudson County Board of Taxation, Hunterdon County Board of Taxation
Middlesex County Board of Taxation, Monmouth County Board of Taxation
Morris County Board of Taxation, Ocean County Board of Taxation
Passaic County Board of Taxation, Sussex County Board of Taxation
Union County Board of Taxation, Warren County Board of Taxation
Bucks County, PA Board of Assessment

CERTIFICATIONS AND PROFESSIONAL AFFILIATIONS:

Certified Tax Assessor - State of New Jersey
State of New Jersey, State Certified General Real Estate Appraiser
License Number: **42RG001892000**
Commonwealth of Pennsylvania, State Certified Real Estate Appraiser
License Number: **GA004258**
Associate Member - Appraisal Institute

BULK REQUIREMENTS

Chapter 5. Building Bulk & Design Requirements

The Newark Zoning & Land Use Ordinance provides the rules for the bulk and design of buildings organized by *building types* such as single-family house, apartment building, and houses of worship. Once you understand the zone for a particular lot in the city and the uses that are permitted for that lot, this chapter provides the rules for which building types are permitted to contain those uses, and the rules for the physical layout and shape of the building.

40:5-1. Permitted Building Types by Zoning District

Table 5.1 below indicates which building types are permitted in which zones.

On the following pages, Tables 40:5-2 and 40:5-3 provide the specific bulk and design standards for each building type. Following that, graphic illustrations depict the rules for building type. In case of conflict or ambiguity, bulk and design standards provided in tables shall prevail.

Table 5.1 Building types permitted by zone																
P = permitted, see Bulk & Design requirements																
Note: This table pertains only to building design requirements and not permitted uses. For permitted uses, see Chapter 4: Permitted Uses By District.																
BUILDING TYPE	R1	R2	R3	R4	R5	R6	C1	C2	C3	I1	I2	I3	MX1	MX2	INST	EWR-S
RESIDENTIAL																
One-family	P	P	P	P									P	P		
Two-family		P	P	P									P	P		
Three-family			P	P									P	P		
Townhouse		P	P	P									P	P	P	
Low-rise multifamily & Four-Family				P	P	P	P						P	P	P	
Mid-rise multifamily					P	P									P	
High-rise multifamily						P										
COMMERCIAL																
Ground-floor commercial with commercial or residential above				P	P	P	P	P	P				P	P	P	
Detached commercial									P	P			P			P
INDUSTRIAL										P	P	P		P		P
CIVIC/INSTITUTIONAL																
University															P	
Hospital or Medical Institution															P	
Schools (Elementary, Middle, High Schools)		P	P	P	P	P	P	P	P				P		P	
Place of Worship		P	P	P	P	P	P	P	P	P			P	P	P	
Community Center, Stand-Alone Daycare or Preschool in a Non-residential Area, and other Civic Buildings				P	P	P	P	P	P				P	P	P	

40:5-2. Bulk & Design Standards for 1-family houses in R-1

Table 5.2 Bulk & Design Standards for 1-family houses in R-1					
	Min Lot Size for Subdivision	Min Lot Width for Subdivision	Max Building Height	Front Yard	Side Yard
1-family house in R-1 For accessory buildings in residential districts see Note 7 on page 114. For fire escapes, see Note 9 on page 115.	5000 SF	50 feet	3 stories and 35 feet For towers, cupolas, and other elements of architectural character, see Note 1 on page 114.	Front setback shall match the shorter front setback of the two closest principle buildings on each side of the project site on the same block as the site up to 50 feet. If no prevailing setback, 15 feet max and min. For through lots, a front yard shall be provided at each street. For corner lots, there shall be a front yard on each street-facing frontage, provided that the width of such lot for building purposes shall not be reduced to less than 25 feet and no accessory building shall project into the front yard on either street. No front yard on the longer side of a corner need exceed 12½ feet.	One side yard must be 10 feet minimum and other must be 5 feet minimum. For ornamental features, window sills, bay windows, and balconies, see Note 10 on page 115. For chimneys, see Note 12 on page 115.

Table 5.2 Bulk & Design Standards for 1-family houses in R-1 (continued)					
Min Rear Yard	Min Lot Area per Dwelling	Max Lot Coverage	Max Impervious (Paved) Yard Area	Min Building Transparency	Orientation of primary entrance
30 feet For ornamental features, window sills, bay windows, and balconies, see Note 10 on page 115. For chimneys, see Note 12 on page 115. When a rear yard opens onto a public alley, see Note 13 on page 115.	n/a	40%	Front Yard: 30% Rear Yard: 50% Only one driveway no wider than 10 feet permitted in the front yard area. A paved walkway is permitted along one side of a dwelling at the side yard.	Primary Front Façade: 30% Street-Facing Side & Rear Façades: 20% Non-Street-Facing Façades: 10% or the maximum allowed by construction code, whichever is greater. All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.	Primary street facing façade must include primary entrance. Corner lots must include two entrances, one on each street-facing façade.

40:5-3. General Bulk & Design Standards

Table 5.3 General Bulk & Design Standards

	Min Lot Size for Subdivision	Min Lot Width for Subdivision	Max Building Height	Front Yard	Side Yard	Min Rear Yard	Min Lot Area per Dwelling	Max Lot Coverage
1-family For accessory buildings in residential districts see Note 7 on page 114. For fire escapes, see Note 9 on page 115.	2500 square feet	25 feet	3 stories and 36 feet For towers, cupolas, and other elements of architectural character, see Note 1 on page 114.	Front setback shall match the shorter front setback of the two closest principle buildings on each side of the project site on the same block as the site or 6 feet if no prevailing setback. Regarding exceptions for bay windows, balconies, stoops, porches, and other elements of architectural character, see Note 2 on page 114. For through lots, see Note 3 on page 114. For corner lots, see Note 4 on page 114.	3 feet minimum	30 feet	n/a	50%
2-family For accessory buildings in residential districts see Note 7.	2500 square feet	25 feet	3 stories and 36 feet For towers, cupolas, and other elements of architectural character, see Note 1.	Front setback shall match the shorter front setback of the two closest principle buildings on each side of the project site on the same block as the site or 6 feet if no prevailing setback. Regarding exceptions for bay windows, balconies, stoops, porches, and other elements of architectural character, see Note 2 on page 114. For through lots, see Note 3 on page 114. For corner lots, see Note 4 on page 114. For stoops, see Note 8 on page 115. For porches, see Note 11 on page 115.	3 feet minimum For party walls and other exceptions, see Note 5 on page 114. For ornamental features, window sills, bay windows, and balconies, see Note 10 on page 115. For chimneys, see Note 12 on page 115.	30 feet For ornamental features, window sills, bay windows, and balconies, see Note 10 on page 115.	1250 SF/du	50%

Max Impervious (Paved) Yard Area	Min Building Transparency	Orientation of primary entrance	Active Ground floor Reqs
<p>Front Yard: 65% Rear Yard: 30%</p> <p>Only one driveway no wider than 10 feet permitted in the front yard.</p> <p>A paved walkway is permitted along one side of a dwelling.</p>	<p>Primary Front Façade: 30%</p> <p>Street-Facing Side & Rear Façades: 20%</p> <p>Non-Street-Facing Façades: 10% or the maximum allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>Corner lots must include two entrances, one on each street-facing façade.</p>	n/a
<p>Front Yard: 60% Rear Yard: 30%</p> <p>Only one driveway no wider than 10 feet permitted in the front yard area.</p> <p>A paved walkway is permitted along one side of a dwelling at the side yard.</p>	<p>Primary Front Façade: 30%</p> <p>Street-Facing Side & Rear Façades: 20%</p> <p>Non-Street-Facing Façades: 10% or the maximum allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>All units must be accessible from front or side façade. Rear primary entrances are prohibited.</p>	n/a

Table 5.3 General Bulk & Design Standards

	Min Lot Size for Subdivision	Min Lot Width for Subdivision	Max Building Height	Front Yard	Side Yard	Min Rear Yard	Min Lot Area per Dwelling	Max Lot Coverage
3-family For accessory buildings in residential districts see Note 7 on page 114.	3500 square feet	35 feet	3 stories and 36 feet For towers, cupolas, and other elements of architectural character, see Note 1 on page 114.	Front setback shall match the shorter front setback of the two closest principle buildings on each side of the project site on the same block as the site or 6 feet if no prevailing setback. Regarding exceptions for bay windows, balconies, stoops, porches, and other elements of architectural character, see Note 2 on page 114. For through lots, see Note 3 on page 114. For corner lots, see Note 4 on page 114.	3 feet minimum For party walls and other exceptions, see Note 5 on page 114. For ornamental features, window sills, bay windows, and balconies, see Note 10 on page 115.	30 feet For ornamental features, window sills, bay windows, and balconies, see Note 10 on page 115. When a rear yard opens onto a public alley, see Note 13 on page 115.	1165 SF/du	55%
Townhouse (At least 3 adjacent town houses with 1-3 families in each with shared side driveway) For accessory buildings in residential districts see Note 7 on page 114.	7000 square feet	70 feet	3 stories and 36 feet For towers, cupolas, and other elements of architectural character, see Note 1 on page 114.	Front setback shall match the shorter front setback of the two closest principle buildings on each side of the project site on the same block as the site or 6 feet if no prevailing setback. Regarding exceptions for bay windows, balconies, stoops, porches, and other elements of architectural character, see Note 2 on page 114. For through lots, see Note 3 on page 114. For corner lots, see Note 4 on page 114.	3 feet minimum For party walls and other exceptions, see Note 5 on page 114. 10-foot-wide driveway may be placed at side property line.	30 feet	770 SF/du	60%

Max Impervious (Paved) Yard Area	Min Building Transparency	Orientation of primary entrance	Active Ground floor Reqs
<p>Front Yard: 55% Rear Yard: 75%</p> <p>Only one driveway no wider than 10 feet permitted in the front yard area.</p> <p>A paved walkway is permitted along one side of a dwelling at the side yard.</p>	<p>Primary Front Façade: 30%</p> <p>Street-Facing Side & Rear Façades: 20%</p> <p>Non-Street-Facing Façades: 10% or the maximum allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>All units must be accessible from front or side façade. Rear primary entrances are prohibited.</p>	n/a
<p>Front Yard: 55% Rear Yard: 15%</p> <p>Only one driveway no wider than 10 feet permitted in the front yard area.</p> <p>A paved walkway is permitted along one side of a dwelling at the side yard.</p>	<p>Primary Front Façade: 30%</p> <p>Street-Facing Side & Rear Façades: 20%</p> <p>Non-Street-Facing Façades: 10% or the maximum allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.</p>	<p>Primary street-facing façade must include primary entrance for each town house.</p> <p>All units must be accessible from front or side façade. Rear primary entrances are prohibited.</p>	n/a

Table 5.3 General Bulk & Design Standards

	Min Lot Size for Subdivision	Min Lot Width for Subdivision	Max Building Height	Front Yard	Side Yard	Min Rear Yard	Min Lot Area per Dwelling	Max Lot Coverage
Low-rise multifamily For accessory buildings in residential districts see Note 7 on page 114.	10,000 square feet	100 feet	4 stories and 48 feet For towers, cupolas, and other elements of architectural character, see Note 1 on page 114.	Front setback shall match the shorter front setback of the two closest principle buildings on each side of the project site on the same block as the site or 6 feet if no prevailing setback. Regarding exceptions for bay windows, balconies, stoops, porches, and other elements of architectural character, see Note 2 on page 114. For through lots, see Note 3 on page 114. For corner lots, see Note 4 on page 114.	5 feet minimum For party walls and other exceptions, see Note 6 on page 114.	30 feet	625 SF/du	66%
Mid-rise multifamily For accessory buildings in residential districts see Note 7 on page 114.	10,000 square feet	100 feet	8 stories and 96 feet For towers, cupolas, and other elements of architectural character, see Note 1 on page 114.	Front setback shall match the shorter front setback of the two closest principle buildings on each side of the project site on the same block as the site or 6 feet if no prevailing setback. Regarding exceptions for bay windows, balconies, stoops, porches, and other elements of architectural character, see Note 2 on page 114. For through lots, see Note 3 on page 114. For corner lots, see Note 4 on page 114.	5 feet minimum For party walls and other exceptions, see Note 6 on page 114.	30 feet	350 SF/du	60%

Max Impervious (Paved) Yard Area	Min Building Transparency	Orientation of primary entrance	Active Ground floor Reqs
Front Yard: 55% Rear Yard: 30%	<p>Primary Front Façade: 50%</p> <p>Street-Facing Side & Rear Façades: 35%</p> <p>Non-Street-Facing Façades: 20% or the maximum allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.</p> <p>If there is retail, office or personal services on the ground floor between zero (0) and 14 feet, the front façade must have 65% transparency.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>All units must be accessible from front or side façade. Rear primary entrances are prohibited.</p> <p>If there is one or more units of retail, office, or personal services on the ground floor between zero (0) and 14 feet, each unit must have its own primary entrance on the street-facing façade.</p>	<p>If there is one or more units of retail, office or personal services on the ground floor, the ground floor shall have a 14 feet max floor-to-floor height.</p>
Front Yard: 55% Rear Yard: 30%	<p>Primary Front Façade: 50%</p> <p>Street-Facing Side and Rear Façades: 35%</p> <p>Non-Street Facing Walls: 20% or the maximum amount allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.</p> <p>If there is retail, office or personal services on the ground floor between zero (0) and 14 feet, the front façade must have 65% transparency.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>All units must be accessible from front or side façade. Rear primary entrances are prohibited.</p> <p>If there is one or more units of retail, office, or personal services on the ground floor between zero (0) and 14 feet, each unit must have its own primary entrance on the street-facing façade.</p>	<p>If there is one or more units of retail, office or personal services on the ground floor, the ground floor shall have a 14 feet max floor-to-floor height.</p>

Table 5.3 General Bulk & Design Standards

	Min Lot Size for Subdivision	Min Lot Width for Subdivision	Max Building Height	Front Yard	Side Yard	Min Rear Yard	Min Lot Area per Dwelling	Max Lot Coverage
High-rise multifamily	10,000 square feet	100 feet	<p>10 stories and 120 feet</p> <p>An additional 1 story per 12 feet of height shall be permitted for each additional 1,000 SF of lot area up to 20,000 SF, for a maximum height of 20 stories and 243 feet.</p>	<p>Front setback shall match the shorter front setback of the two closest principle buildings on each side of the project site on the same block as the site or 6 feet if no prevailing setback.</p> <p>Regarding exceptions for bay windows, balconies, stoops, porches, and other elements of architectural character, see Note 2 on page 114.</p> <p>For through lots, see Note 3 on page 114.</p> <p>For corner lots, see Note 4 on page 114.</p>	10 feet minimum	30 feet	300 SF/du	60%
Ground-floor commercial with commercial or residential above	3,500 square feet	35 feet	<p>In C1 zone: 4 stories and 48 feet</p> <p>In C2 zone: 5 stories and 60 feet</p> <p>In C3 zone: 8 stories and 96 feet</p> <p>In MX-1 & MX-2 zones: 4 stories and 48 feet</p>	<p>Minimum: 0 feet Maximum: 5 feet</p> <p>Regarding exceptions for bay windows, balconies, stoops, porches, and other elements of architectural character, see Note 2 on page 114.</p>	0 feet min and max	<p>Abutting a residential district or residential use: 25 feet</p> <p>Abutting a non-residential district: 20 feet</p>	<p>In C1 zone: 580 SF/du</p> <p>In C2 zone: 340 SF/du</p> <p>In C3 zone: 310 SF/du</p>	80%

Max Impervious (Paved) Yard Area	Min Building Transparency	Orientation of primary entrance	Active Ground floor Reqs
Front Yard: 55% Rear Yard: 30%	<p>Primary Front Façade: 50%</p> <p>Street-Facing Side & Rear Façades: 35%</p> <p>Non-Street Facing Walls: 20% or the maximum amount allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.</p> <p>If there is retail, office or personal services on the ground floor between zero (0) and 14 feet, the front façade must have 65% transparency.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>All units must be accessible from front or side façade. Rear primary entrances are prohibited.</p> <p>If there is one or more units of retail, office, or personal services on the ground floor between zero (0) and 14 feet, each unit must have its own primary entrance on the street-facing façade.</p>	<p>If there is one or more units of retail, office or personal services on the ground floor, the ground floor shall have a 14 feet max floor-to-floor height.</p>
Front Yard: n/a Rear Yard: 50%	<p>Ground-level street-facing façade below 14 feet in height: 65%</p> <p>Ground-level windows must allow views of indoor nonresidential space or product display areas.</p> <p>Corner uses having frontage on two streets shall meet this requirement for each of the street frontages.</p> <p>Primary Front Façade (excluding ground-level façade): 50%</p> <p>Street-Facing Side and Rear Façades: 35%</p> <p>Non-Street Facing Walls: 20% or the maximum amount allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.</p> <p>Reflective, mirrored, smoked and dark tinted glass are prohibited on façades facing a public street.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>Buildings may have more than one principal façade and/or entry.</p> <p>Entries to non-residential uses shall have their own individual entrance from a sidewalk or walkway; mall-style interior retail entrances are prohibited.</p>	<p>Ground floor shall have a 14 feet min floor-to-floor height.</p>

Table 5.3 General Bulk & Design Standards

	Min Lot Size for Subdivision	Min Lot Width for Subdivision	Max Building Height	Front Yard	Side Yard	Min Rear Yard	Min Lot Area per Dwelling	Max Lot Coverage
Detached commercial	5000 square feet	50 feet	In MX-1 zone: 4 stories and 48 feet In C-3, I-1, & EWR-S zones: 8 stories and 96 feet	Minimum 0 feet Maximum 5 feet	0 feet or 5 feet	Abutting a residential district: 25 feet Abutting a non-residential district: 20 feet	n/a	85%
Industrial	5000 square feet	50 feet	In MX-2 zone: 4 stories and 48 feet In I-1, I-2, I-3 & EWR-S zones: 8 stories and 96 feet	Front setback shall match the shorter front setback of the two closest principle buildings on each side of the project site on the same block as the site or 6 feet if no prevailing setback.	3 feet minimum	50 feet abutting a residential district; 20 feet abutting a non-residential district	n/a	85%

Max Impervious (Paved) Yard Area	Min Building Transparency	Orientation of primary entrance	Active Ground floor Reqs
<p>Front Yard: 55% Rear Yard: 60%</p>	<p>Ground-level street-facing façade below 14 feet in height: 65% Ground-level windows must allow views of indoor nonresidential space or product display areas. Corner uses having frontage on two streets shall meet this requirement for each of the street frontages.</p> <p>Primary Front Façade (excluding ground-level façade): 50%</p> <p>Street-Facing Side and Rear Façades: 35%</p> <p>Non-Street Facing Walls: 20% or the maximum amount allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement. Reflective, mirrored, smoked and dark tinted glass is prohibited on façades facing a public street.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>Buildings may have more than one principal façade and/or entry. (§40:7-2-2).</p> <p>Entries to non-residential uses shall have their own individual entrance from a sidewalk or walkway; mall-style interior retail entrances are prohibited (§40:8-2-19).</p>	<p>Ground floor shall have a 14 feet min floor-to-floor height.</p> <p>Maximum 30% of primary lot frontage may be used for parking.</p> <p>Minimum 50% of primary lot frontage must be occupied by building at front setback.</p>
<p>Front Yard: 55% Rear Yard: 30%</p>	<p>Primary Front Façade: 25%</p>	<p>Primary street-facing façade must include primary entrance.</p>	<p>n/a</p>

Table 5.3 General Bulk & Design Standards								
	Min Lot Size for Subdivision	Min Lot Width for Subdivision	Max Building Height	Front Yard	Side Yard	Min Rear Yard	Min Lot Area per Dwelling	Max Lot Coverage
University	10,000 square feet	100 feet	20 stories, 210 feet	Minimum 5 feet Maximum 10 feet	5 feet	30 feet	n/a	80%
Hospital or Medical Institution	10,000 square feet	100 feet	20 stories, 210 feet	Minimum 5 feet Maximum 10 feet	5 feet	30 feet	n/a	n/a
Schools (elementary, middle and high school)	10,000 square feet	100 feet	Schools: 5 stories, 55 feet	Minimum 5 feet Maximum 10 feet	5 feet	30 feet	n/a	65%

Max Impervious (Paved) Yard Area	Min Building Transparency	Orientation of primary entrance	Active Ground floor Reqs
Front Yard: 55% Rear Yard: 30%	<p>Primary Front Façade: 50%</p> <p>Street-Facing Side and Rear Façades: 50%</p> <p>Non-Street Facing Walls: 35% or the maximum amount allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement. Reflective, mirrored, smoked and dark tinted glass is prohibited on façades facing a public street.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>Rear primary entrances are prohibited.</p>	n/a
Front Yard: 55% Rear Yard: 30%	<p>Primary Front Façade: 50%</p> <p>Street-Facing Side and Rear Façades: 50%</p> <p>Non-Street Facing Walls: 35% or the maximum amount allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement. Reflective, mirrored, smoked and dark tinted glass is prohibited on façades facing a public street.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>Rear primary entrances are prohibited.</p>	n/a
Front Yard: 55% Rear Yard: 30%	<p>Primary Front Façade: 50%</p> <p>Street-Facing Side and Rear Façades: 50%</p> <p>Non-Street Facing Walls: 35% or the maximum amount allowed by construction code, whichever is greater.</p> <p>All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement. Reflective, mirrored, smoked and dark tinted glass is prohibited on façades facing a public street.</p>	<p>Primary street-facing façade must include primary entrance.</p> <p>Rear primary entrances are prohibited.</p>	n/a

Table 5.3 General Bulk & Design Standards

	Min Lot Size for Subdivision	Min Lot Width for Subdivision	Max Building Height	Front Yard	Side Yard	Min Rear Yard	Min Lot Area per Dwelling	Max Lot Coverage
Place of Worship	10,000 square feet	100 feet	2 stories and 30 feet, excluding steeple, tower or cupola element, which can be 30 feet above permitted height	Minimum 5 feet Maximum 10 feet	5 feet	20 feet	n/a	65%
Community Center, Stand-Alone Daycare or Preschool in a Non-residential Area, and other Civic Buildings	5,000 square feet	50 feet	Community Center, Stand-Alone Daycare or Preschool in a non-residential area: 3 stories, 35 feet	Minimum 5 feet Maximum 10 feet	5 feet	30 feet	n/a	65%

Max Impervious (Paved) Yard Area	Min Building Transparency	Orientation of primary entrance	Active Ground floor Reqs
Front Yard: 55% Rear Yard: 20%	Primary Front Façade: 50% Street-Facing Façades and Side: 35% Rear Façade: 20% Non-Street Facing Façades: 20% or the maximum allowed by construction code, whichever is greater. All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement	Primary street-facing façade must include primary entrance. Rear primary entrances are prohibited.	n/a
Front Yard: 55% Rear Yard: 30%	Primary Front Façade: 50% Street-Facing Side and Rear Façades: 50% Non-Street Facing Façades: 35% or the maximum allowed by construction code, whichever is greater. All transparent glazing areas on door panels count towards this requirement, but door panels themselves do not count towards this requirement.	Primary street-facing façade must include primary entrance. Rear primary entrances are prohibited.	n/a

Note 1 Architectural elements such as towers and cupolas may break this limit but not by greater than 6 feet.

Note 2 Bay windows (with no wall section greater than 6 feet), balconies, stoops, and porches are permitted to encroach into the front setback area.

Note 3 For through lots, the street frontage where the closest principal buildings on each end of the lot that have the lesser setback shall be considered the front yard.

Note 4 For corner lots, the following special setback requirements apply to the street frontages of the two intersecting streets in R-2, R-3, R-4, MX-1, and MX-2: 1) one of the setbacks of a new structure shall match the lesser front setback of the closest principal building on that block and on that street frontage; 2) the other frontage's setback shall be 6 feet or less.

Note 5 1) Side yard setback is allowed to be zero instead of 3 feet if the closest building on the adjacent lot has 3 feet of setback from the common lot line; 2) The side yard setback is also allowed to be zero instead of the minimum if the closest building on the adjacent lot has a zero setback from the common lot line and the new structure's wall can be built flush with the adjacent building's wall; 3) No new construction shall encroach within 3 feet of another building's windows or other fenestrations nor block emergency access to those fenestrations. In cases where the side yard setback is to be zero, the setback area from that adjacent building's fenestrations shall only extend from the location of the fenestration to the rear of the new structure; 4) No side yard shall be of a distance between zero and 3 feet.

Note 6 1) The side yard setback is allowed to be zero instead of 5 feet if the closest building on the adjacent lot has 5 feet of setback from the common lot line; 2) The side yard setback is also allowed to be zero instead of the minimum if the closest building on the adjacent lot has a zero setback from the common lot line and the new structure's wall can be built flush with the adjacent building's wall; 3) No new construction shall encroach within 5 feet of another building's windows or other fenestrations nor block emergency access to those fenestrations. In cases where the side yard setback is to be zero, the setback area from that adjacent building's fenestrations shall only extend from the location of the fenestration to the rear of the new structure; 4) No side yard shall be of a distance between zero and 5 feet.

Note 7 1) Accessory buildings may occupy forty (40%) percent of the required area of a rear yard up to a height of eighteen (18) feet above the curb level; 2) No accessory building shall be erected or altered in any interior lot fronting upon only one (1) street so as to encroach upon that half of the lot depth nearest the street; 3) No accessory building shall be erected or altered on an interior lot fronting upon two (2) streets so as to encroach upon that fourth of the lot depth nearest either street; 4) On corner lots, no accessory buildings shall be located within three (3) feet of its rear lot line or side lot line when such line forms part of the front half of the side line of an adjacent interior lot, or nearer any street line than the setback line to be observed by adjacent buildings, and in no case, less than four (4) feet from the street line; 5) The foregoing regulations shall not prohibit any accessory building fifty (50) feet or more from any street line. A private garage may be attached to an existing

building provided the front of the garage does not extend beyond the front of the main building, and the garage shall conform to the architectural design and construction of the main building.

Note 8 Stoops may encroach into a front yard with the following dimensions: 1) Minimum depth: four feet; 2) Minimum length: ten (10) percent of building frontage; 3) Maximum length: twenty-five (25) percent of building frontage; 4) Maximum height: ninety-six inches.

Note 9 An open or lattice enclosed iron fire-escape, fireproof outside stairway, or solid-floored balcony to a fire tower may project not more than four (4) feet into a rear yard, except that: 1) An open or lattice-enclosed iron fire-escape may project not more than eight (8) feet into a rear yard, when it does not occupy more than twenty (20%) percent of the area of such yard; 2) The construction of fire escapes on single-family dwellings shall be prohibited at any street exposure. In every district, the construction of fire escapes on single-family dwellings shall be prohibited at any street exposure.

Note 10 The area required in a yard at any given level shall be open from such level to the sky unobstructed, except for the following: 1) Parapets, cornices and other ornamental features may extend into a yard no greater than eighteen (18) inches; 2) Window sills and belt courses may extend into a yard no greater than four (4) inches; 3) Bay windows with no wall section wider than six feet may extend into a front yard no greater than four (4) feet; 4) Upper-story balconies may extend into a yard no greater than five (5) feet.

Note 11 A one-story open porch may project into a required front yard for a distance not greater than eight (8) feet.

Note 12 Chimneys or flues may be erected within a side or rear yard, provided they do not project more than two (2) feet and they shall not obstruct ventilation.

Note 13 In computing the depth of a rear yard when the rear yard opens onto a public alley, one-half (1/2) of the width of the alley may be considered to be a portion of the rear yard.