

OFFERING MEMORANDUM

BRUNSWICK ESTATES

391-413 Montgomery Street
442-464 York Street
12 Colgate Street
14 Colgate Street
479-489 Montgomery Street
451-477 Montgomery Street
73-77 Merseles Street
17-31 Merseles Court
1-15 Merseles Court
63-71 Merseles Street
250-260 Bright Street
262-290 Bright Street
17-31 Montgomery Court
1-16 Montgomery Court

Jersey City, New Jersey 07302





Executive Summary

Dane PCG has been retained as the exclusive agent in the sale of Brunswick Estates

Dane Professional Consulting Group has been retained as the exclusive agent in the sale of a wonderfully situated 14-building project consisting of 131 residential units benefiting from Project Based Section 8 HAP contract. Minutes from Manhattan, residents take full advantage of the stellar location and easy commute into New York City and other neighboring business centers in the tri-state area.

The complex is known as the Brunswick Estates with 14 buildings comprised of one, two, and three-story row houses with initial occupancy in 1985. Unit mix for the property is divided as follows: 34 two-bedrooms, 6 handicap two-bedrooms, 58 three-bedrooms, 22 four-bedrooms, and 10 five-bedroom apartments. Property is situated on two non-contiguous parcels in Jersey City with many forms of public transportation within in minutes from the site. Residents also are in short distance to major retail corridors.

Given its proximity to Manhattan and measures taken by the current Fulop administration, the last few years have resulted in a boom of development and surge in economic activity in Jersey City. Heralded as “the sixth borough,” more and more families and young professionals alike are opting to take advantage of the blossoming Jersey City community as opposed to similarly developed neighborhoods in Brooklyn, whose rents are approaching and in some cases have eclipsed rents in Manhattan.

As Jersey City continues to flourish and be greatly developed, Brunswick will have strong rental appeal for years to come—and a prime asset to own in one’s growing portfolio.

Given the historically stable occupancy of the property, the suggested future improvements of the physical asset, and the prime location of Brunswick Estates in one of the most desired neighborhoods of New Jersey, the property will likely remain sought out after in all phases of the economic market cycle. Brunswick Estates presents an ideal opportunity for a purchaser to enhance their portfolio holdings and maintain as strong rental property for many years.



Property Overview

ADDRESSES

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442-446 York Street
12 Colgate Street
14 Colgate Street

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PROPERTY DESCRIPTION

The Brunswick Estates A.K.A Montgomery Village is that of townhouse style apartments. Initial occupancy of the development started in 1985. There is a total of 14 clusters of buildings housing a total of 131 apartments divided as follows: 34 two bedrooms, 6 handicap two bedroom apartments, 58 three bedroom apartments, 22 four bedroom apartments, 10 five bedroom apartments, and unit is occupied by the super. The development's amenities include a community room, washer and dryer hookups in each apartment, on-site parking, and individual heat and hot water.

Occupancy for the units has consistently been near 100%. Each two bedroom unit contains an average of 750 SF with one bathroom; the three bedroom units an average of 900 SF with one and a half bathrooms; the four bedroom units an average of 1,175 SF with two bathrooms and the five bedroom units an average of 1,500 SF with two bathrooms. All units have vinyl floors, with vinyl flooring in the kitchens and ceramic tile in the bathrooms.

PROPERTY DESCRIPTION CONTINUED

Each unit contains a stove, refrigerator, and double paned aluminum windows. Tenants pay for electricity, heat, hot water and cooking gas.

Each unit has its own furnace for heat, a separate heater for hot water and gas stove. Each unit is provided with electrical outlets for washers & dryers' hook-ups. There are two on-site outdoor parking areas available to tenants at no charge, one in Site #1 the other in Site #2. The buildings are protected by a live-in Super as well as a 24-hour security that patrols the premises.

PROGRAM

100% Project Based Section 8. HAP Contract was renewed for 20 years in 2012.

REAC

94b (07/10/2013)

UNIT BREAKDOWN

Rent Schedule as of August 1, 2013. OCAF Rent adjustment is approximately 1.4% for 2014 not reflected below. Adjustments are effective on August 1 of each year.

Type of Unit	Total Baths	Total Units	Square Feet	Current Contract Rent	Utility Allowance	Gross Rent
2 BR	1.0	40	750	\$1232	\$128	\$1360
3 BR	1.5	58	900	\$1382	\$134	\$1516
4 BR	2.0	22	1175	\$1645	\$174	\$1819
5 BR	2.0	10	1500	\$1793	\$238	\$2031

UTILITIES

Type	Responsible Party
Heating (Gas)	Tenant
Hot Water (Gas)	Tenant
Cooking Gas	Tenant
Electricity	Tenant



PRINCIPAL REGISTRATION AND CONFIDENTIALITY AGREEMENT

THIS REGISTRATION AND CONFIDENTIALITY AGREEMENT (this "Agreement"), made effective as of the _____ day of _____, _____, by and between DANE PROFESSIONAL CONSULTING GROUP as agent of Seller, and _____, a _____, whose address is _____, ("Principal"), is to, among other things, assure the protection and preservation of the confidential and/or proprietary nature of information to be disclosed or made available to Principal by Seller, or Dane Professional Consulting Group relating to the potential purchase and sale of the real property commonly known as Brunswick Estates 391-413 and 479-489 Montgomery Street (the "Property").

NOW, THEREFORE, for good and valuable consideration, the parties hereto, for themselves, or for any corporation, partnership, association, joint stock company, limited liability company, limited liability partnership, or trust directly or indirectly controlling, controlled by or under common control of such party, or any employee, servant, agent of such party (all the foregoing being hereinafter collectively referred to as Principal's "Affiliates"), agree as follows:

1. Registration and Compensation. By execution below, Principal hereby registers its interest in the potential purchase of the Property and acknowledges receipt of the materials included in the offering package pertaining to the Property prepared by Dane Professional Consulting Group and delivered herewith (the "Offering Package").

Principal hereby agrees that, notwithstanding anything herein or any other agreement or principle of law or equity to the contrary, in no event shall Seller and/or Dane Professional Consulting Group be liable or responsible to pay, or cause to be paid, to any real estate broker, finder, consultant, agent or any other similar party (such parties being hereinafter collectively referred to as the "Broker") any compensation whatsoever including, without limitation, any brokerage commission (or similar charge). Principal hereby agrees to defend, indemnify and hold harmless Seller and Dane Professional Consulting Group from and against any and all claims, demands, or causes of action or other liability, cost or expense, including attorneys' fees and disbursements, arising from, relating to or pertaining to any compensation (including any brokerage commission or similar charge) sought by any Broker and for which Seller and/or Dane Professional Consulting Group is, or is alleged to be, liable or responsible for in connection with the purchase by and/or sale to Principal of the Property.

2. Scope. For purposes of this Agreement, the "Proprietary Information" shall mean any and all information disclosed relating to the Property, the documents and information included in the Offering Package of which this Agreement is a part, or any other oral, written, graphical, and electronic information disclosed to the Principal or any of its Affiliates (the Principal and its Affiliates shall hereinafter sometimes be referred to as the "Recipient") by Seller or any agent of Seller (including, without limitation, Dane Professional Consulting Group).

3. Limitation. The term "Proprietary Information" does not include information which: (a) has been or may in the future be published, or is now or may in the future be otherwise, in the public domain through no fault of the Recipient; (b) prior to disclosure pursuant to this Agreement is properly within the legitimate possession of the Recipient; (c) subsequent to disclosure pursuant to this Agreement, is lawfully received from a third party having rights in the information without restriction of the third party's right to disseminate the information and without notice of any restriction against its further disclosure; (d) is independently developed by the Recipient through parties who have not had, either directly or indirectly, access to or knowledge of such Proprietary Information; (e) is approved for disclosure by prior written consent of an authorized signatory of Seller; or

(f) is obligated to be produced by law, under order of a court of competent jurisdiction or other similar requirement of a governmental agency, so long as the Recipient required to disclose such information provides Seller with prior written notice of any required disclosure pursuant to such law, order or requirement.

4. Use. Principal agrees to use the Proprietary Information only for the purpose of analyzing whether to deliver an offer to purchase the Property in accordance with the Offering Package. No other rights are implied or granted under this Agreement or by the conveying of the Proprietary Information. Principal agrees that it shall not disclose the Proprietary Information to any party whatsoever except, subject to the terms and conditions of this Agreement, to (a) its employees, officers, and directors or those of its Affiliates, (b) third-parties being utilized to perform investigations or analyze information, so as to advise the Principal with respect to submitting an offer on the Property; or (c) third-parties providing the Principal with financing for purchase of the Property, unless Seller shall have delivered its prior written consent to such disclosure of the Proprietary Information.

5. Reproduction. Proprietary Information supplied is not to be reproduced in any form, without having obtained the prior written consent of Seller (acting through Dane Professional Consulting Group).

6. Duty of Care. All Proprietary Information shall be retained by the Principal in a secure place with access limited to only such of the Principal's employees (or Affiliates) who need to know such information for purposes of determining whether Principal shall elect to deliver an offer in accordance with the Offering Package.

7. Term. This agreement shall terminate on the earlier to occur of (i) **July 24, 2016** or (ii) execution and delivery of a written agreement evidencing the parties' mutual intent to terminate this Agreement. All of the obligations undertaken by each party hereto shall survive and continue after any termination of this Agreement.

8. Ownership. All Proprietary Information, unless otherwise specified in writing, (a) remains the property of Seller, and (b) must be used by the Principal only for the purpose intended. Upon the earlier to occur of (i) termination of this Agreement or (ii) **July 24, 2016** all copies of written, recorded, graphical or other tangible Proprietary Information shall be returned to Seller.

9. Right to Enjoin Disclosure. The parties acknowledge that a Recipient's unauthorized disclosure or use of Proprietary Information may result in irreparable harm to Seller. Therefore, the parties agree that, in the event of violation or threatened violation of this Agreement, and without limiting any other rights and remedies of Seller, a temporary restraining order and/or an injunction to enjoin disclosure of Proprietary Information may be sought against the Recipient who has breached or threatened to breach this Agreement, and the Recipient who has breached or threatened to breach this Agreement will not raise the defense of an adequate remedy at law.

10. "As Is" Sale. By requesting the Offering Package and by executing this Agreement, Principal expressly acknowledges and agrees that Principal is contemplating the purchase of the Property in "AS-IS" condition and "WITH ALL FAULTS" at the date hereof and on the date a definitive purchase and sale agreement is entered into by and between Seller and Principal (if ever), subject to reasonable wear and tear and damage by the elements. The materials and information concerning the Property contained herein and in the Offering Package, and any and all other information provided by Seller or Dane Professional Consulting Group, their counsel and/or their employees, agents, subsidiaries or affiliates, is based in part upon information and materials obtained from sources deemed reliable, but without any independent verification having been undertaken. Principals must not base their offers upon information disseminated in the Offering Package or otherwise made available to Principal by or on behalf of Seller such as, but not limited to, environmental studies, reports, repair estimates, or other studies, proforma and financial information that may be provided by the Seller or Dane Professional Consulting Group, but shall rely solely on their own estimates and studies. No warranty or representation, express or implied, is made by either Seller or Dane Professional Consulting Group and their employees and agents, as to the accuracy or completeness of any or all such information.

11. General.

- (a) This Agreement shall be governed by the laws of the State of New Jersey. Any claim arising out of or related to this agreement shall be submitted to binding arbitration conducted by the American Arbitration Association, Hudson County, pursuant to their rules related to real estate disputes. The parties agree to submit the dispute to three (3) arbitrators chosen pursuant to AAA Rules. This shall be the sole remedy for any resolution of a dispute and the parties consent to the exclusive jurisdiction of the American Arbitration Association. There are no understandings, agreements or representations, express or implied, not specified herein.
- (b) This Agreement represents the entire understanding between the parties as to the subject matter hereof, and the terms of this Agreement supersede the terms of any prior agreements or understandings, written or oral.
- (c) This Agreement may not be amended except in a writing signed by the parties.
- (d) The provisions of this Agreement are to be considered as severable, and in the event that any provision is held to be invalid or unenforceable, the parties intend that the remaining provisions will remain in full force and effect.
- (e) Captions in this Agreement are for ease of reference only and should not be considered in the construction of this Agreement.
- (f) There are no third party beneficiaries to this Agreement.
- (g) Failure by a party to enforce or exercise any provision, right or option contained in this Agreement will not be construed as a present or future waiver of such provision, right or option.
- (h) The existence of this Agreement and the nature of the discussions between the parties may not be disclosed by either party without the prior written consent of the other party.
- (i) For purposes of this Agreement, the purchase and/or sale of the Property shall mean any transaction, including, but not limited to a lease, mortgage or other debt financing or equity financing.

IN WITNESS THEREOF, the parties have executed this Agreement as of the effective date stated above.

PRINCIPAL

By: _____
Name:
Title:
Company Name:
Email Address:

DANE PROFESSIONAL CONSULTING GROUP

By: _____
Name:
Title: