



# THE LOFTS

## PIER VILLAGE

### TAX ABATEMENT

The following summarizes the terms of the PILOT – Tax Abatement enjoyed by Residents at The Lofts, Pier Village:

- **Length of PILOT** – 30 years from project completion
- **Beginning Rate** - \$4.50 per square foot
- **Annual Incremental Increase** – The Annual Service Charge (funds due in lieu of taxes) will increase each year between 1% and 3% based on a mathematical formula designed to track increases in property taxes throughout the City of Long Branch.

Examples of the estimated year 1 tax savings that would be realized appear below for three different unit types.

PILOT SAVINGS ANALYSIS					
Unit Type	Sale Price	SF	Typical Taxes	Annual PILOT	Year 1 Savings
1 BR	\$625,000	902	\$12,881	\$4,059	\$8,822
2 BR	\$950,000	1,342	\$19,580	\$6,039	\$13,541
3 BR	\$1,500,000	1,702	\$30,915	\$7,659	\$23,256

These examples are estimates and should not be relied upon for accuracy as actual savings may vary. For the purpose of this estimate, the sales price of each unit was used as the market value assessment and the current tax rate was applied to 100% percent of value in order to calculate what first year property taxes would be without an abatement.

ENTITLEMENTS TO THE BENEFITS OF THE FINANCIAL AGREEMENT IS RESTRICTED TO BONA FIDE PURCHASERS THAT OWN NO OTHER RESIDENTIAL UNIT(S) AT THE TIME OF TRANSFER. RESIDENCY BY THE UNIT OWNER IS NOT REQUIRED. Purchasers are, therefore, directed to their legal, tax and financial advisors for a more detailed review of the PILOT Financial Agreement and its impact on their respective Residential Units.