

ADDENDUM #6

June 24, 2015

**TO
REQUEST FOR OFFERS TO PURCHASE
FOR
THE SALE OF REAL PROPERTY**

**Parcel B – Mixed Use Retail/Residential Site
Eatontown, New Jersey**

Issued by the
FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY

Date Issued: February 20, 2015

**RESPONSES NOW DUE BY 12:00 P.M. EDT ON
July 10, 2015**

This Addendum is being issued to respond to questions received via email and to make available additional information on asbestos via the following link: <https://njfmera.sharefile.com/d/c58a32c2729a4860>.

Prospective bidders are advised to check back regularly at www.fortmonmouthnj.com for additional addenda.

Questions and Answers

1. **Q: The Potential Purchaser is a newly formed single purpose limited liability company without any employees. Can one or both of the members of the single purpose entity (bidder) also be a single purpose newly created limited liability company without employees?**

A: See the first Q&A in addendum #5 which had the following answer - It is acceptable to add owners, members, partners or shareholders to an entity that submits a proposal; however, the identity of all owners, members, partners or shareholders of the winning bidder must be identified prior to FMERA entering into a contract to sell the property to the winning bidder. Keep in mind that FMERA can evaluate proposals only on the experience and financial capacity of the bidder based on the bidder and its owners, members, partners and shareholders that are identified in the proposal. Ownership Disclosure forms will need to be completed and submitted by all of the 10%+ owners, members, partners or shareholders of the entity that enters into a purchase agreement with FMERA.

2. **Q: The Potential Purchaser is a new single purpose limited liability company formed by two entities (Entity A and Entity B) pursuant to a joint venture agreement.**

As a new single purpose limited liability company, the Potential Purchaser does not currently have its own employees. Rather, if the Potential Purchaser's offer is chosen, the new single purpose limited liability company plans to rely upon Entity A's employees and the employees of one of Entity B's affiliated entities to manage, lease and develop Parcel B.

When completing the Employee Information Report included in "Attachment #2 – Required Forms" to the RFOTP, shall the Potential Purchaser submit one (1) Employee Information Report and simply include information about the new single purpose limited liability company (even if that entity does not have any employees) or should the Potential Purchaser include information about Entity A's employees and the employees of Entity B's affiliated entity and submit three (3) separate Employee Information Reports as follows: the first report on behalf of the new single purpose limited liability company; the second report on behalf of Entity A; and the third report on behalf of Entity B's affiliated entity?

A: The form should be filled out according to the instruction provided on page 2 of the form. Potential Purchasers have the option of completing (3) separate EIRs, one for the new single purpose LLC; a second report on behalf of Entity A; and a 3rd report on behalf of Entity B or submitting only one EIR for the new single purpose LLC which will require a re-visit and re-submission of this form if you are the successful bidder, prior to contract execution.

3. **Q: The Potential Purchaser is a newly formed single purpose limited liability company that is wholly-owned by a limited partnership. If chosen as the Purchaser, the newly formed single purpose limited liability company plans to subcontract the management, leasing and construction of the residential portion of the project. The newly formed single purpose limited liability company will develop Parcel B and will manage, lease and construct the retail portion of the project.**

Given that the New Jersey Department of Treasury has issued guidance in the form of Q&A on its website that compliance documentation is only required "one generation up" for

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ownership and is not required of a subcontractor, it is the Potential Purchaser's understanding that the Potential Purchaser is required to complete a "Two-Year Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions" Form on behalf of the single purpose limited liability company (as the Potential Purchaser) and on behalf of the limited partnership (as the sole member of the newly formed single purpose limited liability company). It is further the Potential Purchaser's understanding that the subcontractor is not required to submit a "Two-Year Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions" Form. Please confirm that the Potential Purchaser's understanding is correct.

A: See question #1 in Addendum #5 which had the following answer, "It is acceptable to add owners, members, partners or shareholders to an entity that submits a proposal; however, the identity of all owners, members, partners or shareholders of the winning bidder must be identified prior to FMERA entering into a contract to sell the property to the winning bidder. Keep in mind that FMERA can evaluate proposals only on the experience and financial capacity of the bidder based on the bidder and its owners, members, partners and shareholders that are identified in the proposal. Ownership Disclosure forms will need to be completed and submitted by all of the 10%+ owners, members, partners or shareholders of the entity that enters into a purchase agreement with FMERA."

4. **Q:** The Potential Purchaser is a newly formed single purpose limited liability company that does not currently have its own employees. Rather, if the Potential Purchaser's offer is chosen, the newly formed single purpose limited liability company plans to rely upon the employees of one of the Potential Purchaser's affiliated entities and the employees of its subcontractor in connection with the development, management, leasing and construction of Parcel B. When completing the Employee Information Report included in "Attachment #2 – Required Forms" to the RFOTP, shall the Potential Purchaser indicate that it has zero employees on its Employee Information Report or should the Potential Purchaser include information about the employees of its affiliated entity and subcontractor that will be working on the project?

A: See answer to Question #2 above.

5. **Q:** The Potential Purchaser is a newly formed single purpose limited liability company wholly-owned by a limited partnership. The limited partnership is comprised of multiple limited partners with less than a 10% ownership interest each in the limited partnership and a General Partner organized as a limited liability company. The General Partner will be owned by at least three (3) individuals with a 10%+ ownership interest in the General Partner. In accordance with the requirements of New Jersey law, the Potential Purchaser will fully disclose this ownership structure on its Ownership Disclosure Form in response to the RFOTP.

In response to Question 1 on Addendum #5 to this RFOTP, FMERA advised that "FMERA can evaluate proposals only on the experience and financial capability of the bidder based on the bidder and its owners, members, partners and shareholders that are identified in the proposal." The Potential Purchaser reads this response to mean that FMERA will take the experience and financial capability of the individuals with a 10%+ ownership interest in the

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General Partner into account when evaluating the Potential Purchaser's proposal. Is the Potential Purchaser's understanding correct?

A: This is correct to the extent the 10%+ owners are identified in the proposal.