RESOLUTION APPROVING REAL ESTATE EXCHANGE BETWEEN CLAREMONT PROPERTIES, INC. AND NEW JERSEY INSTITUTE OF TECHNOLOGY

WHEREAS, New Jersey Institute of Technology owns Block 2835, Lot 30 which measures 0.1191 acres and Block 2836, Lot 24 which measures 0.0895 acres in Newark, NJ which are north of the NJIT campus, and,

WHEREAS, there is an opportunity to exchange these parcels in an effort at assemble contiguous properties for future development needs of the University, and,

WHEREAS, Claremont Properties, Inc. is the contract purchaser of Block 2836, Lot 17 (formerly Lots 17 and 18) and commonly known as 13-15 Lock Street and Block 2836, Lot 20, which measure a total of 0.2805 acres from the City of Newark and the Newark Housing Authority, respectively, and desires to exchange these properties with NJIT to facilitate their future development activities in the area, and,

WHEREAS, NJIT will acquire an additional 0.049 acres of property through the exchange, and,

WHEREAS, the University will maintain significant property ownership in the area north of the campus along Lock Street after execution of this exchange, and,

WHEREAS, all fees related to the property exchange with the exception of any due diligence performed by NJIT will be paid by Claremont Properties, Inc, and

NOW THEREFORE IT BE RESOLVED that the Board of Trustees authorizes the administration to negotiate the final terms and conditions, as reviewed and approved by counsel, for the exchange of Block 2835, Lot 30 and Block 2836, Lot 24 from NJIT to Claremont Properties, Inc. for Block 2836, Lot 17 (formerly Lots 17 and 18), commonly known as 13-15 Lock Street, and Block 2836, Lot 20.

Holly C. Stern, Esq.
General Counsel/Vice President of Legal Affairs and Secretary to the Board of Trustees
New Jersey Institute of Technology

July 20, 2017
Board Resolution No. 2018-4
NEW JERSEY INSTITUTE OF TECHNOLOGY

STATEMENT

RESOLUTION APPROVING REAL ESTATE EXCHANGE BETWEEN CLAREMONT PROPERTIES, INC. AND NEW JERSEY INSTITUTE OF TECHNOLOGY

Background:

New Jersey Institute of Technology owns several properties north of Central Avenue, adjacent to the University campus. These properties were acquired over time in an effort to assemble land parcels for future University expansion. Recently, Claremont Properties, Inc. reached an agreement with the City of Newark and the Newark Housing Authority to purchase and redevelop several underutilized properties in this area. Claremont Properties, Inc. approached NJIT regarding a land exchange whereby Claremont Properties, Inc. would acquire two NJIT owned properties contiguous to their recent acquisitions.

Originally, Claremont Properties, Inc. proposed a purchase of the property from NJIT for a fair market appraised value. However, the Administration, knowing the increasing value of land in the area, proposed a property exchange allowing NJIT to gain parcels of land contiguous to their other owned properties in exchange for the parcels needed by Claremont Properties, Inc. for their development. This will move NJIT closer to assembling a parcel large enough to facilitate future development as needed as the campus needs evolve.

The following parcels will be exchanged:

**NJIT will acquire:**

Block 2836, Lot 17 which measures 0.1921 acres (shown as Lots 17 & 18 on the tax map)

Block 2836, Lot 20 which measures 0.0884 acres

**Claremont Properties, Inc. will acquire:**

Block 2835, Lot 30 which measures 0.1191 acres

Block 2836, Lot 24 which measures 0.0895 acres

**Implication:**

- By exchanging these properties, NJIT will maintain significant property ownership in the area north of the NJIT campus along Lock Street.
- NJIT gains contiguous properties to facilitate future development.
- NJIT will gain 0.051 acres of property in the exchange

**Recommendation:**

Authorize the Administration to execute the non-binding letter of intent and negotiate the final terms and conditions of the property exchange as described above.