



Armada Zoning Report

The Greene Apartments
100 Greene Road
Pemberton, NJ 08068

Prepared For:

Sample Company, Inc. and Fannie Mae

As of:

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Job Reference No:

200000

55 Beattie Place, Suite 1510, Greenville, SC 29601
www.armadaanalytics.com
(800) 480-3050

Table of Contents

Executive Summary	1
Zoning District and Permitted Use	2
Adjacent Zoning	2
Building Requirements	3
Lot Requirements	4
Parking Requirements	5
Reconstruction	6
Reconstruction Stress Analysis	7
Code Violations	8
Fannie Mae Requirements	9
Fannie Mae Reliance Language	10
Contact and Sources	11

Executive Summary

At A Glance	
Conformance Status:	Legal Non-Conforming
Legal Nonconforming Characteristics:	Parking
Right to Rebuild:	The subject may be fully reconstructed as it was prior to the casualty as long as reconstruction begins within 12 months.
Insurance Recommendation:	Law and ordinance insurance should be required in the amount of \$15,000,000 for Loss of Undamaged Portion of the Property (Coverage A), \$3,000,000 for Demolition Cost (Coverage B), and \$3,000,000 for Cost of Construction (Coverage C) per Fannie Mae Guidelines.
Structural Reconstruction Stress Analysis:	Should the subject be damaged beyond 50% of its reasonable market value and not be able to be rebuilt to its current form, 450 units could be reconstructed in order to bring the parking into compliance.

Zoning Data	
Zoning Jurisdiction:	Pemberton Township, NJ
Zoning District:	R-96, Very High Density Residential
Zoning Ordinance Date:	April 17, 2019
Current Use Permitted:	Yes
Certificate of Occupancy:	No; See Fannie Mae Requirements
Open Code Violations:	None Reported

Property Data	
Property Type:	Multifamily
Year Built:	1950
Units:	500
Buildings:	30
Site Acreage:	22.95 Acres
Site Square Footage:	1,000,000 SF

	Conformance Status	Required	Subject
Building Requirements			
Building Height (max.)	Yes	2.5 stories/30'	2 stories/24'
Lot Requirements			
Lot Area (min.)	Yes	9,600 SF	1,000,000 SF
Lot Dimensions (min.)	Yes	See Page	See Page
Front Property Line Setback (min.)	Yes	25'	>25'
Side Property Line Setback (min.)	Yes	10'	>10'
Rear Property Line Setback (min.)	Yes	40'	>40'
Building Coverage (max.)	Yes	25%	15%
Parking Requirements			
Off-Street Parking (min.)	No	1,000	900

Zoning District and Permitted Use

The Pemberton Township, NJ's R-96 Very High Density Residential is intended to provide for the continued high-density development of existing subdivided areas of the Township, according to the general standard prescribed in § 190-16 of the Pemberton Township, NJ municipal code.

Legal Conforming: The use of Multifamily is a permitted use by right within the R-96 Very High Density Residential district.

Overlay District:	No
Conditional Use:	No
Special Use Permit:	No
Variances:	No

Adjacent Zoning

Adjacent Zoning	
Direction	Zoning District
North:	R-1
South:	R-96
East:	R-96
West:	R-1

Building Requirements

Building Height: Per § 190-16(D) of the zoning code, a Multifamily property in the R-96 Very High Density Residential district must not exceed a maximum height of 2.5 stories or 30'.

Legal Conforming: The subject is a maximum of 2 stories at an estimated height of 12' per story or 24' total.

Lot Requirements

Lot Area: Per § 190 Attachment 6 of the zoning code, a Multifamily property in the R-96 Very High Density Residential district must have a minimum lot area of 9,600 SF.

Legal Conforming: The subject has a lot area of 1,000,000 SF.

Lot Dimensions: Per § 190 Attachment 6 of the zoning code, a Multifamily property in the R-96 Very High Density Residential district must have a minimum lot frontage/width of 80' as well as lot depth of 120'.

Legal Conforming: While an exact measurement is not available, based on visual review of Google Earth, the subject is estimated to conform to the Lot Dimensions requirements. A survey was not provided.

Property Line Setback: Per § 190 Attachment 6 of the zoning code, a Multifamily property in the R-96 Very High Density Residential district must be set back a minimum of 25' from the front*, 10' from the sides*, and 40' from the rear*.

*The subject property must adhere to the front setback requirement for all lot lines abutting a public right of way.

Legal Conforming: While an exact measurement is not available, based on visual review of Google Earth, the subject is estimated to conform to the Property Line Setback requirements. A survey was not provided.

Building Coverage: Per § 190 Attachment 6 of the zoning code, a Multifamily property in the R-96 Very High Density Residential district must not exceed a maximum Building Coverage of 25%.

Legal Conforming: The subject is estimated to cover 15% of the lot (300,000 GBA SF/ 2 stories/ 1,000,000 SF).

Parking Requirements

Off-Street Parking: Per §190-16(G) of the zoning code, the minimum off street parking requirements for Multifamily properties are based 2 parking spaces per dwelling unit.

Legal Nonconforming: The subject is required to have a minimum of 1,000 parking spaces (500 units x 2 parking spaces). The subject has 900 parking spaces. This leaves the subject deficient 100 parking spaces by current code requirements.

Reconstruction

Legal nonconforming uses: Per § 25-2-944 of the zoning code, a damaged structure used for a nonconforming use may be repaired and the nonconforming use continued if the building official determines that the cost of repair does not exceed 90 percent of the value of the structure immediately before the damage.

Legal nonconforming uses, buildings and/or structures: Per § 25-2-964 of the zoning code, a person may restore a noncomplying structure that is damaged or destroyed by fire, explosion, flood, tornado, riot, act of the public enemy, or accident of any kind if the restoration begins not later than 12 months after the date the damage and destruction does not exceed 50% of its reasonable market value. A structure restored under this section is limited to the same building footprint, gross floor area, and interior volume as the damaged or destroyed structure; and a noncomplying portion of the structure may be restored only in the same location and to the same degree of noncompliance as the damaged or destroyed structure.

The subject is a legal conforming use; however, it is legal nonconforming structure for parking. Despite this, the subject may be fully reconstructed as it was prior to the casualty as long as reconstruction begins within 12 months and destruction does not exceed 50%.

Reconstruction Stress Analysis

Most Restrictive Requirement	Required	Subject	Units to be Rebuilt
Parking	1,000 parking spaces	900 parking spaces	450 units

Should the subject be damaged beyond 50% of its reasonable market value and not be able to be rebuilt to its current form, 450 units could be reconstructed in order to bring the parking into compliance.

Code Violations

Code	Violations	Source
Zoning:	None Reported	Pemberton Township Susan Edwards, Deputy Township Clerk 609-357-1128
Building:	None Reported	Pemberton Township Susan Edwards, Deputy Township Clerk 609-357-1128
Fire:	None Reported	Pemberton Township Susan Edwards, Deputy Township Clerk 609-357-1128

Fannie Mae Requirements

Current Zoning or Land Use: The Lender must verify the current zoning or land use designation for the property and determine whether the property conforms to the current zoning or land use designation.

The subject is currently zoned R-96 Very High Density Residential and is a legal conforming use.

Certificates of Occupancy: All units in Non-Recently Completed Properties shall have had at some point in time a Certificate of Occupancy issued by the applicable governmental authority. The Lender must use all reasonable efforts to obtain copies of all Certificates of Occupancy. If the Lender cannot obtain copies of all Certificates of Occupancy or other sufficient evidence that Certificates of Occupancy for all units in the Property have been issued because of the age of the Property or other reasonable cause, the Lender must use its judgment whether to proceed with the transaction and evidence its reason for proceeding in the Lender's Transaction Approval Memo.

Certificates of Occupancy covering the property are not available; however, the lack of Certificates of Occupancy will not give rise to any enforcement actions nor constitute a code violation.

Restoration: If the property is a legal non-conforming use, the Lender must assess whether the Mortgage can be supported in the event of a casualty that results in the Borrower's inability to rebuild the improvements on the Property to the density level immediately prior to such casualty, taking into consideration the Borrower's insurance coverages and the continued use, marketability and economic viability of the Property in the event of full or partial destruction of the Property. The Lender must take the following into account in its underwriting:

- the percentage of damage that could occur before the property would be forced to comply with current zoning requirements,
- the property characteristics to which the percentage applies (e.g., market value, assessed value, replacement cost or unit count),
- for multiple building properties, whether the test applies to a single building or the complex as a whole,
- the amount and type of insurance coverage maintained by the applicable Borrower.

The subject is a legal conforming use; however, it is legal nonconforming structure for parking. Despite this, the subject may be fully reconstructed as it was prior to the casualty as long as reconstruction begins within 12 months.

Fannie Mae Requirements (Continued)

Law and Ordinance Coverage: For properties that have any type of non-conformance under current building, zoning, land use laws, or ordinances, law and ordinance coverage shall be required if the subject may not be fully rebuilt “as-is”. Furthermore, coverage must be obtained for any Property with a construction date 25 years or more before closing.

- Coverage A - Loss of Undamaged Portion of the Property, in an amount equal to (i) 100% of the full replacement cost of the Property less the damage threshold of the local building ordinance, or (ii) 50% if the threshold of the local building ordinance is not explicitly stated.
- Coverage B - Demolition/Debris Removal Cost: Minimum 10% of the full replacement cost of the Property.
- Coverage C - Increased Cost of Construction: Minimum 10% of the full replacement cost of the Property.

The subject property is a legal conforming use and a legal nonconforming structure with respect to parking. Furthermore, the subject is over 25 years of age; therefore, law and ordinance insurance is required per Fannie Mae guidelines.

Coverage A: Loss of Undamaged Portion of the Property: \$15,000,000 minimum (\$30,000,000 insurable value per appraisal x 50% (100% minus 50% destruction threshold)).

Coverage B – Demolition/Debris Removal Cost: \$3,000,000 minimum (\$30,000,000 insurable value per appraisal x 10%).

Coverage C – Cost of Construction: \$3,000,000 minimum (\$30,000,000 insurable value per appraisal x 10%).

Fannie Mae Reliance Language

This report is for the use and benefit of, and may be relied upon by Sample Company, Inc., Fannie Mae and any successors and assigns (“Lender”); independent auditors, accountants, attorneys and other professionals acting on behalf of Lender; governmental agencies having regulatory authority over Lender; designated persons pursuant to an order or legal process of any court or governmental agency; prospective purchasers of the Mortgage; and with respect to any debt (or portion thereof) and/or securities secured, directly or indirectly, by the Property which is the subject of this report, the following parties and their respective successors and assigns: any placement agent or broker/dealer and any of their respective affiliates, agents and advisors; any initial purchaser or subsequent holder of such debt and/or securities; any Servicer or other agent acting on behalf of the holders of such debt and/or securities; any indenture trustee; any rating agency; and any institutional provider from time to time of any liquidity facility or credit support for such financings. In addition, this report, or a reference to this report, may be included or quoted in any offering circular, information circular, offering memorandum, registration statement, private placement memorandum, prospectus or sales brochure (in either electronic or hard copy format) in connection with a securitization or transaction involving such debt (or portion thereof) and/or securities.

Contact and Sources

Zoning General Contact:
Armada Analytics, Inc.
Attn: Zoning Department
55 Beattie Place, Suite 1510
Greenville, SC 29601
(800) 480-3050

Written By:
Zachary Boyles, Zoning Analyst II
ZBoyles@ArmadaAnalytics.com
864-751-4008

Reviewed By:
Andrew Brown, Assistant Vice President
ABrown@ArmadaAnalytics.com
864-751-4013

Armada Analytics, Inc. has relied on information provided by the following sources:	
Municipality:	Pemberton Township Susan Edwards, Deputy Township Clerk 609-357-1128
Appraisal:	Sample Appraisal Dated August 1, 2020 Prepared by Sample Appraiser, NJ Lic. #12345
Fannie Mae Requirements:	AllRegs Online