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Appendix to trial brief of T's

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ALOIS HAUEIS, ERNA HAUEIS, )  
JOHN OCHS and PRISCILLA OCHS, )  
Plaintiffs, )

SUPERIOR COURT OF  
NEW JERSEY  
LAW DIVISION  
SOMERSET COUNTY

v. )

THE BOROUGH OF FAR HILLS, THE )  
PLANNING BOARD OF FAR HILLS, )  
THE BOROUGH COUNCIL OF FAR )  
HILLS, AND THE MAYOR OF FAR )  
HILLS, )  
Defendants. )

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APPENDIX TO TRIAL BRIEF  
OF PLAINTIFFS.

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DATED: August 13, 1982.

The Housing Obligations  
of  
Far Hills Borough

June, 1982

PREPARED FOR:  
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Far Hills, New Jersey

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## INTRODUCTION

Planners have always been concerned with the provision of community facilities, the provision of an adequate traffic and transportation network, the preservation and respect for environmental considerations, the existing land use pattern and character of the community, the fiscal solvency of the jurisdiction, and the relationship of the individual locality to surrounding land areas, as well as the housing needs of the community's population. When the Southern Burlington County N.A.A.C.P. vs. Township of Mount Laurel decision was rendered by the New Jersey Supreme Court on March 24, 1975, it immediately was assumed that the provision of multi-family housing overrode all other planning considerations. As the dust settled and further court decisions addressed the housing issue, it became evident that the Mount Laurel decision did not really change the planning process, and that planners should continue to be concerned with all aspects of community development when approaching the question of meeting housing needs. In fact, the Mount Laurel decision emphasized the importance for a municipality to plan in a comprehensive manner and to be prepared to specifically explain and justify its decisions. The necessity for a documented comprehensive master plan is particularly clear when a municipality is challenged on a Mount Laurel count and is placed in a position of proving its innocence, whether or not the accusations against it are false.

No two communities in the State of New Jersey are alike, and thus the effect of the Mount Laurel decision and others subsequent to it upon each municipality will be unique. Therefore, it is important for a jurisdiction to know both its responsibilities as well as its limitations and capacities for future development. A rational plan for the provision of low and moderate income housing within a municipality is not one that starts with an assumption of an equal share of particular types of housing versus particular quantities of industrial land or any other similarly simplistic and generalized equation. A rational plan is one that measures market realities against needs; that considers the socio-economic mixture of a municipality's residents versus that of the region's population; that details a program for the provision of community facilities and relates the program to the demand for such facilities; that weighs the physical capacity of the land to accommodate development; and that balances all other relevant planning criteria in an effort to determine the saturation point for development in that particular municipality, based on all of its capabilities and limitations taken together. ✓

Court decision in the Mount Laurel case. In his decision, Justice Hall outlined the litany of planning related techniques which have prohibited the construction of affordable housing for low and moderate income families including the exclusion of multiple family dwelling units as permitted land uses, the inordinant amount of land commonly reserved for non-residential purposes, extremely low density large lot zoning which by virtue of the size of the area affected precludes any area for smaller sized lots, and excessively high minimum floor area requirements for residential units.

Justice Hall emphasized the importance of affirmative action on the part of municipalities to protect the general welfare of the public; not merely the parochial interest of the municipality. Among the remedial actions suggested was the requirement that each municipality consider the "regional housing needs" (as long as zoning is done on a municipal rather than regional basis). In providing for the housing needs of the "regional population", a municipality should insure that a wide range of housing types can be constructed for the prospective needs of the regional population, including multiple family units and small detached homes on small individual lots.

The Oakwood at Madison case, decided January 26, 1977 by the State Supreme Court, has helped to refine the Mount Laurel decision. Moreover, the "Madison" decision introduced a new term to the ever-expanding planning and legal vocabulary.

The decision addressed the well-known fact that in the current economy, private enterprise cannot ". . .without subsidization or external incentive . . ." provide affordable housing for the low or moderate income population. The court recognized that mere zoning does not provide housing for the lower income groups. The court proceeded to find that although newly constructed housing for the low income groups cannot be provided through conventional construction techniques, sound housing can nevertheless be provided through the "filtering down process".

The "filtering down" theory holds that the construction of new housing, although beyond the range of lower income groups, initiates a chain-like reaction, freeing the older but sound housing vacated by the population moving up the housing scale. The speed at which lower income families can occupy the better housing is dependent on the length of the chain; i.e., the cost of the most recently constructed housing. The Supreme Court, following this rationale, found that it is incumbent upon the municipalities to insure that "least cost housing" can be built in sufficient amounts to satisfy the deficiency in the hypothesized fair share, thus providing the necessary link for the provision of housing for low and moderate income households.

While the Oakwood at Madison case de-emphasized the importance of designating specific numbers of dwelling units as a quota for municipalities to construct within a given time frame, the decision did not alter the most basic conclusion of the Mount Laurel decision. Summarily, the Mount Laurel decision concluded that "developing municipalities" must "affirmatively plan and provide by its land use regulations a reasonable opportunity for an appropriate variety and choice of housing, including, of course, low and moderate income housing, to meet the needs, desires and resources of all categories of people who may desire to live within its boundaries". While the purpose of the litigation was to provide low and moderate income housing, the decision specifically requires such municipalities to provide an opportunity for an "appropriate variety and choice of housing for all categories of people".

Subsequent Superior Court decisions throughout New Jersey have helped to define municipalities as either "developed" or "non-developing" thereby exempting them from the "fair share" mandates of Mount Laurel. Other Superior Court decisions have helped to refine the terminology included in prior court decisions. One recent court decision affecting a town in Hunterdon County (Round Valley, Inc. vs. Township of Clinton) reemphasized several of the court's concerns that were articulated in the Oakwood at Madison decision. Among those concerns outlined by Judge Beutel were the reasonableness of the region in which the prospective housing needs were to be met and the requirement that the developing municipalities eliminate the zoning and subdivision "cost exactions" which unreasonably restrict the availability of housing to low and moderate income families.

Currently, the New Jersey Supreme Court is reviewing six (6) zoning cases concerning the Mount Laurel theme. The Court's ruling, which is anticipated sometime in the near future, is expected to clarify a number of the unresolved questions regarding municipal responsibility to actually provide, as opposed to zoning for, housing and the extent of the obligation carried by "developing", "developed" and "non-developing" municipalities.

In any case, however, the need for a diversity of housing types within the State of New Jersey, including those municipalities which may be deemed either "non-developing" or "developed", remains an issue to be addressed in the local planning process.

## MUNICIPAL CONCERNS

### Environmental Capacities and Limitations

The necessity and desire of a municipality to provide a diversity of housing types at various densities within its bounds must be evaluated against the other viable factors of the planning process. All relevant planning inputs, including, but not limited to, the perceived housing needs must be considered. Clearly, the location, extent and timing of housing construction is dependent not merely on the specific numbers discussed in a housing analysis, but also upon the other planning inputs which collectively define the comprehensive planning process.

The benchmark considerations concerning a municipality's ability to develop are the capacities and limitations dictated by the natural environment. Environmental data is readily available for use by a municipality in its planning pursuits. The Soil Conservation Service provides significant information regarding soil types with ratings of the soils concerning their appropriateness for different types of community development. Additionally, the U. S. Geological Survey provides both topographic and geologic information. The geologic considerations are directly translatable to a quantification of the available total water supply. Clearly, the Master Plan of a municipality must document and evaluate this environmental data to the extent that such information is available and applicable.

A viable planning process must acknowledge both the natural environment as well as the right of people to live in that environment. While often situated at the extreme ends of the ideological spectrum, the two areas of concern are not mutually exclusive and can be honored simultaneously.

What must be acknowledged is that we do not live in a natural environment. Our homes are not natural to the environment, our places of work are not natural to the environment, the road network is not natural, the electric, gas, telephone, water and sewerage utility lines are not natural; nor is any development.

There is no argument against the contention that development has an unnatural impact upon the environment. Additionally, there is no argument that people need a place to live. The "balance" to be achieved is to provide housing in a manner which creates more positive impacts to the environment than negative ones. Clearly, it makes no sense to construct housing when there may not be enough water for the residents to use, or when the development will create drainage difficulties, or when other negative impacts will occur.

### Community Facility Capacities and Limitations

In addition to the environmental concerns, which must serve as the benchmark criteria, the provision of community facilities necessary to serve future residential populations must be addressed as a key input concerning the location, extent and timing of residential development. Certain community facilities, such as public water and sewerage systems, will offset certain of the environmental limitations such as the need for relatively large individual lots where septic systems are used. However, the ultimate capacities for any man-made water or sewerage system remains dependent upon the limitations of the natural environment. As infrastructure systems become more extensive, the planning considerations become more regional in nature; nevertheless, the community facility considerations must be addressed by the locality in its planning process.

In addition to the water and sewerage systems, the provision of local recreational needs, schools, fire and police protection and improvements to the local road network also must be considered. Most of these considerations are primarily municipal concerns. The current capacities of the existing facilities to serve future residential population must be delineated in order to specify the time when expanded or new facilities will be needed.

The importance to the planning process of delineating capacities versus limitations is not new; indeed this determination is the basic pursuit of a comprehensive planning program. The recent mandates to provide a diversity of housing types has merely affirmed the importance of evaluating the relevant data. Municipalities are being told that they must affirmatively act to provide new housing stock. At the same time, municipalities are recognizing that they must act within rational bounds and determine: what can be done?; and what can only be done if other actions are taken simultaneously?

### Balancing the Plan

The competing forces of planning must be viewed not as a conflict of right versus wrong but as a contest of issues which must be balanced to safeguard the "general welfare". In the process, however, an attempt must be made to safeguard the private property interests of the landowner. The interests of the landowner are part of the "general welfare"; not foreign to it. In fact, it is apparent that certain land use policy decisions, such as increased densities for given tracts of land, may be necessary in order to achieve the "general welfare" concerning the construction of "least cost" housing.



Judge Leahy of the Superior Court of Somerset County, New Jersey aptly summarized the housing versus environmental versus private property conflicts as a contest of rights: ". . . the right of minorities and those of limited income to fair housing opportunity, the right of a landowner to a reasonable use of his private property; the right of a community to plan and zone for its future as it envisions that future should ideally be; and the right of all to have ecological necessities recognized and respected . . . the question is not one of right against wrong, but one of right against right - - each worthy of legal recognition and of legal protection."

## FUTURE OBLIGATIONS

### Far Hills Borough as a "Developing Municipality"

As indicated earlier, the essential conclusion of the Mount Laurel decision is that "developing municipalities" like Mount Laurel must affirmatively plan and provide by its land use regulations the reasonable opportunity for an appropriate variety and choice of housing, to meet the needs, desires and resources of all categories of people who may wish to live within its boundaries. While the purpose of the litigation was to provide low- and moderate-income housing (which the court emphasized as essential), the decision specifically requires "developing" municipalities to provide an opportunity for an "appropriate variety and choice of housing for all categories of people".

The Mount Laurel decision provides municipalities with an "escape" mechanism, thereby obviating the mandate to satisfy regional needs apart from parochial interests. Apparently, communities which are not shown to fall within the "developing community" category are not required to provide a variety of housing types. The decision outlined six (6) components of the "developing municipality" definition, including:

1. A very large gross acreage; ✓
2. A location outside the central city and built-up suburbs; ✓
3. The loss of rural characteristics; ✓
4. Has experienced and is continuing to experience great population increases; ✓
5. Not substantially developed and having significant parcels of vacant developable lands remaining; and,
6. A location in the path of inevitable future growth.

Exclusion  
Zoning CA

A Very Large Gross Acreage: Far Hills Borough consists of approximately 3,136 acres or approximately 4.9 square miles of land area. Compared to the average and median sizes of the other 566 municipalities in New Jersey, Far Hills Borough cannot be considered a "sizeable land area" as specifically referenced in the Mount Laurel decision. As documented in a May 1977 article appearing in the "New Jersey Municipalities" publication, the median size of municipalities in New Jersey is 4.3 square miles while the average size is 13.2 square miles. (1) The range of municipal acreage in New Jersey spans from Shrewsbury Township in Monmouth County with a land area of

(1) "After the Recent New Jersey Supreme Court Cases: What Is The Status of Suburban Zoning?", by Jerome G. Rose, published by the "New Jersey Municipalities", May 1977.

only 0.09 square miles to Hamilton Township in Atlantic County with a 113.00 square mile area. Far Hills' gross acreage, therefore, is not significantly greater than the median size of municipalities throughout New Jersey and is less than the average size.

A Location Outside the Central City and Built-Up Suburbs: Far Hills Borough is indeed located outside the central city. The geographic location of the municipality and the major roadways within the area has resulted in the residents of Far Hills Borough sharing their interaction with a number of relatively small cities and built-up suburbs as opposed to being oriented to any particular major city.

A documentable indication of the interaction between the residents of Far Hills Borough and the cities and other municipalities within New Jersey is a computation of: 1) the number of employees throughout New Jersey who commute to Far Hills Borough for job opportunities; and, 2) the number of residents within Far Hills Borough who work within other jurisdictions throughout New Jersey. This information is shown on Plates 1 and 2.

As the data indicates, 97.2% of the incoming work trips to Far Hills Borough originated within Far Hills Borough or within other municipalities situated either within Somerset or Morris County.

Conversely, considering the employed residents within Far Hills Borough during 1970, approximately 91.8% of the workers were employed within Far Hills Borough or within municipalities situated within either Somerset, Union or Morris County. Discounting the number of Far Hills Borough residents working outside the State of New Jersey during 1970, the percentage of employed residents of Far Hills Borough working within the three (3) county area increases from 91.8% to approximately 95.7%.

The Loss of Rural Characteristics: Far Hills Borough remains a relatively rural municipality. As of September 1971, the Somerset County Master Plan indicates that approximately 1,895 acres or 60.4% of the municipal land area remains vacant or wooded. In 1970, the gross density of Far Hills Borough was approximately 159 persons per square mile of land area; as of 1981, census statistics indicate that the density of Far Hills Borough decreased to approximately 138 persons per square mile.

Has Experienced and Continues to Experience Great Population Increases: The population of Far Hills Borough increased by a factor of 11.1% between the years 1960 and 1970. The population in 1960 was 702 persons, while in 1970 the population grew to 780 persons. The 1980 U. S. Census counts indicate that Far Hills Borough has a population of approximately 677 individuals. It is clear that Far Hills Borough is not experiencing significant population increases.

Not Substantially Developed and Having Significant Parcels of Vacant Developable Lands Remaining: As indicated earlier, Far Hills Borough is a municipality with an abundance of undeveloped land; approximately 1,895 acres or 60.4% of the municipal land area remains vacant or wooded. ✓

Location in the Path of Inevitable Growth: Far Hills is located within an area of suburban growth which is greatly influenced by Interstate Route 287 and State Routes 202 and 206. (\*) The New Jersey Department of Community Affairs, in the publication entitled "State Development Guide Plan", dated May 1980, recognized the pattern of development emerging within and around

(\*) See APPENDIX to this Report.

FAR HILLS BOROUGH

WORKERS TO JOBS IN FAR HILLS  
1970

<u>SENDING MUNICIPALITIES</u>	<u>NUMBER AND PERCENT OF WORKERS TO FAR HILLS</u>	
<u>SOMERSET COUNTY</u>		
Bedminster Township	105	(21.0%)
Bernards Township	40	( 8.0%)
Bernardsville Borough	6	( 1.2%)
Branchburg Township	7	( 1.4%)
Bridgewater Township	21	( 4.2%)
Far Hills Borough	157	(31.3%)
Peapack-Gladstone Borough	63	(12.5%)
Somerville Borough	9	( 1.8%)
Somerset County Totals:	408	(81.4%)
<u>MORRIS COUNTY</u>		
Chester Township	17	( 3.4%)
Florham Park Borough	9	( 1.8%)
Mendham Borough	27	( 5.4%)
Mendham Township	13	( 2.6%)
Rockaway Borough	7	( 1.4%)
Roxbury Township	6	( 1.2%)
Morris County Totals:	79	(15.8%)
<u>MIDDLESEX COUNTY</u>		
New Brunswick City	8	( 1.6%)
Middlesex County Totals:	8	( 1.6%)
<u>UNION COUNTY</u>		
Summit City	6	( 1.2%)
Union County Totals:	6	( 1.2%)
Totals . . .	501	(100.0%)

SOURCE: Tri-State Planning Commission, 1970 Census Information

FAR HILLS BOROUGH

PLACES OF WORK FOR  
FAR HILLS BOROUGH RESIDENTS  
1970

<u>SENDING MUNICIPALITIES</u>	<u>NUMBER AND PERCENT OF WORKERS FROM FAR HILLS</u>	
<u>SOMERSET COUNTY</u>		
Bedminster Township	11	( 3.2%)
Bernards Township	5	( 1.5%)
Bernardsville Borough	31	( 9.1%)
Far Hills Borough	157	(46.2%)
Franklin Township	7	( 2.0%)
Peapack-Gladstone Borough	18	( 5.3%)
Somerville Borough	23	( 6.8%)
Somerset County Totals:	252	(74.1%)
<u>UNION COUNTY</u>		
Garwood Borough	12	( 3.5%)
Summit City	9	( 2.7%)
Union Township	20	( 5.9%)
Union County Totals:	41	(12.1%)
<u>MORRIS COUNTY</u>		
Hanover Township	10	( 2.9%)
Morris Township	6	( 1.8%)
Parsippany-Troy Hills Township	3	( 0.9%)
Morris County Totals:	19	( 5.6%)
<u>MIDDLESEX COUNTY</u>		
Woodbridge Township	10	( 2.9%)
Middlesex County Totals:	10	( 2.9%)
<u>HUDSON COUNTY</u>		
Hoboken City	4	( 1.2%)
Hudson County Totals:	4	( 1.2%)
<u>OTHER DESTINATIONS</u>		
New York City	6	( 1.8%)
Pennsylvania	8	( 2.3%)
Other Destinations Totals:	14	( 4.1%)
Totals . . . . .	340	(100.0%)

SOURCE: Tri-State Planning Commission, 1970 Census Information

Far Hills Borough and has designated a limited portion of the municipality within their "Growth Areas" category. Moreover, the Somerset County Planning Board, in the 1971 Master Plan, included the same limited portion of Far Hills Borough in their "Village Neighborhood" category.

As quoted from the "State Development Guide Plan":

"The Growth Areas include those regions of New Jersey where development has already occurred to an extensive degree, as well as partially suburbanized areas where accessibility to employment and services make them particularly suitable for development. Several existing rural centers in the more peripheral regions have also been designated as locations where continuing developments would be appropriate. . .

"To the greatest extent possible, the boundaries of the Growth Areas have been drawn to avoid areas with excessive environmental constraints to development such as steep slope areas in the northern part of the State and coastal wetland areas. In some instances, a compromise had to be made between recognized growth pressures stemming from economic and locational factors and the desirability of environmental preservation or the continuation of agricultural uses."

As quoted from the "Master Plan of Land Uses, Somerset County, N. J.":

"There are a score of Village Neighborhoods designated throughout Somerset County, but they are relatively small areas comprising approximately twelve square miles. . . These areas are characterized by compact residential development that permit the formation of a cohesive social organism based upon an intimate pedestrian interaction between people. . .

"The existing Villages often form a society embracing all income levels of the population, and in this respect they are microcosms of the nation. The housing ranges from modest homes to substantial residential establishments, often placed jowl to jowl. . . Existing densities of development range over a considerable spectrum and there is no need to set up stringent density definitions. Density is also dependent upon the amount of open space preserved, but the compact areas of development may well approximate five to fifteen families per acre. . ."

#### HOUSING OBLIGATIONS FOR FAR HILLS BOROUGH

From the information presented hereinabove, it is arguable whether or not Far Hills Borough is a "developing municipality". Far Hills Borough does not have a very large gross acreage; has not lost its rural characteristics; and has not experienced nor currently is experiencing great population increases. However, Far Hills Borough clearly is located outside the central city and built-up suburbs; is not substantially developed; has significant parcels of vacant developable lands remaining; and is located within the path of inevitable future growth. ✓

The unique attributes of Far Hills Borough have been considered by the State Department of Community Affairs in their "State Development Guide Plan" and by the Somerset County Planning Board in their "Master Plan of Land Use". In both documents, only a small portion of the municipality is recognized as appropriate for relatively dense residential and intense non-residential development, while the remaining and predominant acreage of the Borough has been earmarked for low density development.

The limited portion of the Borough which has been earmarked for relatively dense and intense development is part of the Route 202/206 corridor area north of the Interstate Route 287/78 interchange in Pluckemin Village, which extends north and east to encompass the villages of Bedminster and Far Hills.

While it is arguable whether or not Far Hills Borough is a "developing municipality" as outlined by the State Supreme Court, it must also be emphasized that the current review by the New Jersey Supreme Court of the six (6) zoning cases concerning the Mt. Laurel theme may eliminate the distinction between "developing", "developed", and "non-developing" municipalities. Thereafter, there would be no question whether or not a municipality such as Far Hills Borough has an obligation to provide a diversity of housing types within its bounds. Moreover, the New Jersey Courts increasingly have been recognizing the importance of county and regional planning and the need for municipal master plans and implementing ordinances to be consistent with the planning done at the county and regional levels. As an example, Judge Leahy of the Somerset County Superior Court, in his December 13, 1979 opinion regarding "The Allan-Deane Corporation vs. The Township of Bedminster", stated the following:

"Prior to the enactment of the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq., it was recognized that the legislature had required that land use planning be done on a comprehensive basis, not on a compartmentalized municipal basis . . .

"Clearly, the legislature recognized the wisdom of that suggestion and took the logical and desirable next step. It enacted the Municipal Land Use Law. Since 1976 it has been required that the municipalities must adopt land use elements of their master plans before a zoning ordinance may be adopted and such ordinances must be "substantially consistent" with the master plan. Any inconsistency must be justified. N.J.S.A. 40:55D-62a.

"The municipal master plan must indicate its relationship to the master plan of contiguous municipalities, to the county master plan and to any comprehensive guide plan adopted pursuant to N.J.S.A. 13:1B-15.52. N.J.S.A. 40:55D-28d.

"If municipal zoning provisions must comply with master plans and the master plans must be consistent with county plans, it follows with indisputable syllogistic logic that municipal zoning must be consistent with county, and thus state and regional, planning.

"By enacting this requirement the legislature has provided the courts with an objective standard against which to measure the provisions of a municipal zoning ordinance. The courts need no longer attempt to resolve the complex political issues inherent in zoning and planning. So long as the general legislative program is effectuated through county, state and regional planning which adheres to the general constitutional principals recognized and elucidated in judicial decisions such as Mt. Laurel and Oakwood, the courts can confidently judge the constitutional legitimacy of municipal zoning and planning by measuring it against

applicable county, state and regional planning. The effort and work product of the legislative and executive branches are thus respected and decisions made by municipal officials which comply with legislative intent will be sustained."

It is clear that the portion of Far Hills Borough straddling State Route 202 in the central business district area is designated for relatively dense residential development and relatively intense non-residential development by both the Somerset County Planning Board and the State Department of Community Affairs. Therefore, it behooves the Borough to analyze its housing obligations in the context of the housing region of which it is a part and to zone appropriate lands for relatively dense multiple-family housing construction.

### EXISTING ZONING PROVISIONS

The existing Zoning Ordinance of Far Hills Borough, adopted June 8, 1981, effectively precludes the construction of a meaningful number of multiple-family dwelling units within the Borough. Approximately ninety percent (90%) of the municipality is zoned "R-10" Residential which, as specified within Article 8. of the Zoning Ordinance, requires a minimum lot area of ten (10) acres for each residential dwelling unit. Two (2) other residential zoning districts, the "R-9" and the "R-5" Districts, require minimum lot sizes of 9,000 sq. ft. and 5,000 sq. ft., respectively, for each dwelling unit constructed; however, both the "R-9" and the "R-5" Districts have been formulated in recognition of existing development patterns and very little undeveloped land is available for new construction.

All three (3) of the residential districts permit the conversion of single family homes existing as of May 9, 1932 into two (2) or more individual housing units. Such conversion is a 'conditional' use subject to other requirements specified in the Zoning Ordinance. As an example, Section 4.2.4. of the Zoning Ordinance requires that each dwelling unit must comply with all requirements of the Ordinance excepting the yard areas between individual dwelling units within the building. Moreover, in accordance with provisions specified in Article 9. of the Zoning Ordinance, no single family home higher than thirty-five feet (35') can be converted for multiple-family occupancy and any single family home converted for multiple-dwelling unit occupancy shall have all units three bedroom or larger separated by other dwelling units by an eight inch (8") masonry wall. Additionally, Section 9.5.3.2. of the Zoning Ordinance precludes any portion of any dwelling unit being placed above any other unit, thereby further restricting the possibility of actually converting an existing single family structure for multiple-family use.

As noted above, the prescribed density throughout approximately ninety percent (90%) of the Borough's land area is one tenth (1/10) dwelling unit per acre, apparently enforced even when conversions of an existing structure is involved. Summarily, this degree of low density cannot be justified from an environmental viewpoint, particularly on lands not critically impacted by unusually severe environmental constraints.

In addition to single family home construction and the conditional conversion of single family homes for multiple family use, both the "R-9" and the "R-5" Districts permit multiple dwelling unit con-

struction. However, given the requirements and restrictions of the Ordinance indicated in Articles 4, 8 and 9, and given the fact that very little vacant land is available for new construction within the "R-9" and the "R-5" District areas, the permission to construct such multiple-family dwelling units appears to be effectively irrelevant regarding any meaningful housing construction within the Borough.

It must be emphasized that all the multiple-family uses, whether by conversion or by new construction, are "conditional" uses which can only be constructed if the application meets all of the conditions listed within the Ordinance. Within Far Hills Borough, these conditions are confusing, overly generalized and subjective. In fact, there is even a reference in the Ordinance to Section 4.4.6. for multiple dwelling construction and to Section 4.4.5. for the conversion of existing residences, and neither of these Sections are found in the printed version of the Ordinance.

### THE PARCEL IN QUESTION

The subject land is located within the "R-10" Resident Zoning District in the Borough of Far Hills and consists of approximately 19.1 acres of land. The land area gently slopes towards the southern portion of the property, gradually declining from Sunnybranch Road towards the railroad right-of-way. The site contains no significant environmental constraints as discerned from the Soil Conservation Service District publication for Somerset County. Predominantly wooded throughout the entirety of the tract, the subject parcel is bordered by a concentration of heavy tree and vegetative growth which provides a natural buffer and insulation of the property from surrounding land areas.

The property is located directly adjacent to the village area of the Borough, which area has historically been developed and used as the central business and community center of the jurisdiction. The property abuts the Far Hills Borough Railroad Station and is within easy walking distance of available shopping and community facilities, including the Far Hills Shopping Mall and the Borough Hall and recreational areas. Access to the property is provided from both Sunnybranch Road and State Route 202.

The attributes of the parcel's location and its relationship to the established village development within the Borough of Far Hills has been recognized by the Somerset County Planning Board which has included the subject parcel within its "Village Neighborhood" designation for the Route 202/206 corridor including the "Villages" of Far Hills, Bedminster and Pluckemin.

### CONCLUSION

The Borough of Far Hills is situated amidst an area of New Jersey which is experiencing and will continue to experience significant residential and non-residential development. The zone plan of the Borough gives lip service to the idea of providing some diversity of housing types within its jurisdictional bounds, but the actual Ordinance provisions will not result in any meaningful diversity of housing types. The planning of the Borough has ignored the mandates of the Mt. Laurel and Madison Township Supreme Court decisions and has also ignored the planning rationale of the Somerset County Planning Board including the subject parcel within its "Village Neighborhood" designation.

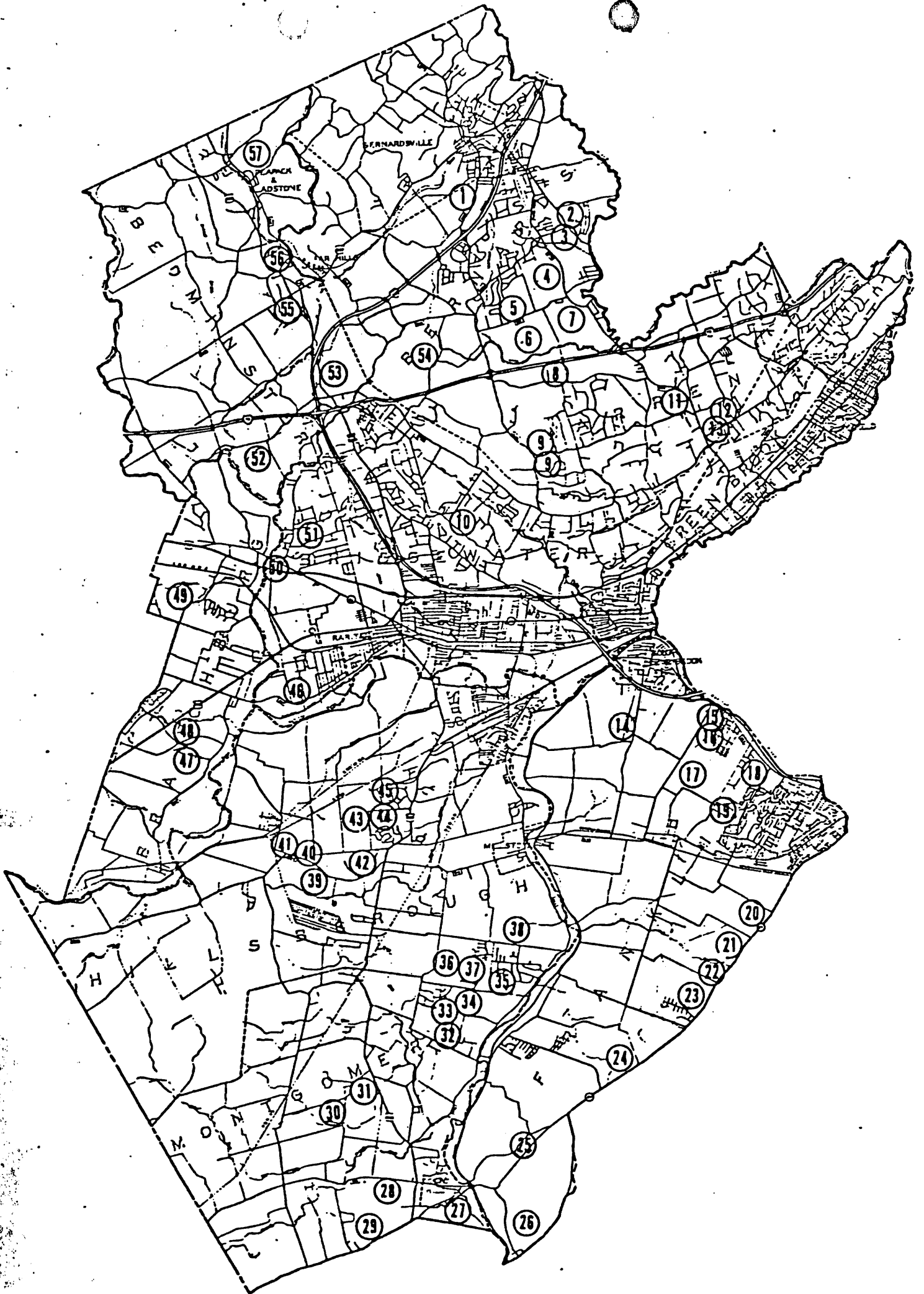


The Ordinance provisions conditionally permitting the conversion of existing single family detached dwellings for multiple-family occupancy as well as the provisions conditionally permitting the construction of new multiple-family development within the "R-9" and the "R-5" Districts do not alter the otherwise prescribed densities, and the provisions themselves are confusing, overly generalized and subjective.

The subject land area meets all of the planning criteria for the location and construction of multiple-family housing and is in concert with the plans of the Somerset County Planning Board, the State Development and Guide Plan, and the Tri-State Regional Planning Commission.

APPENDIX

- I Planned and Proposed Development in Somerset County.
- II Anticipated Development Within the Court Defined  
Route 202/206 Corridor in Bedminster Township.
- III Population Projection for Somerset County.



MAJOR COMMERCIAL DEVELOPMENTS

<u>Community</u>	<u>Development</u>	<u>Type</u>	<u>Square Feet</u>
Bernards Twp.	1 Basking Ridge Corp. Plaza	Offices	212,000 sf
Bernards Twp.	2 Summit @ Mt. Airy	Offices	71,874 sf
Bernards Twp.	3 Mt. Airy Corners	Offices	335,000 sf
Bernards Twp.	4 Allan Deane	Comm./Offices	50,000 sf
Bernards Twp.	5 Murray Construction	Offices	86,000 sf
Bernards Twp.	6 Future A.T. & T.	Offices	1.5 million sf
Bernards Twp.	7 U.S. Golf Association	Admin. Bldg.	40,000 sf
<b>Subtotal</b>			<b>2,294,874±sf</b>
Warren Twp.	8 Ferber (Suburban Propane)	Offices	400,000 sf
Warren Twp.	9 Chubb Corp. Headquarters	Offices	500,000 sf
Warren Twp.	10 Future A.T. & T.	Offices	1.5 million sf
Warren Twp.	11 Future Mack Development	Offices	200-400,000 sf
Warren Twp.	12 Mohawk Industrial Bldg.	Industrial/Office	131,000 sf
Warren Twp.	13 Office Bldg.	Offices	22,000 sf
<b>Subtotal</b>			<b>2,953,000±sf</b>
North Plainfield	14 Route 22 Plaza	Retail	141,630 sf
North Plainfield	15 Levco Shopping Center/Office	Retail/Office	257,000 sf
<b>Subtotal</b>			<b>398,630±sf</b>
Greenbrook	16 Greenbrook Office Plaza	Offices	50,000 sf
<b>Subtotal</b>			<b>50,000±sf</b>
Bridgewater	17 Future Pfizer Development	Offices	1.5 million sf
Bridgewater	18 Claremont Office Bldg.	Offices	57,000 sf
Bridgewater	19 Future Mack Office Center	Offices	N/A
Bridgewater	20 Bridgewater Plaza	Offices (Balance)	40,000 sf
Bridgewater	21 Park Plaza 22	Offices	301,000 sf
Bridgewater	22 Millbridge Village	Commercial	25,000 sf
Bridgewater	23 Danieli	Ind. Expansion	20,000 sf
Bridgewater	24 Corporate Place	Office/Warehouse	300,000 sf
Bridgewater	25 Bridgewater Commons Mall	Retail	1.6 million sf
Bridgewater	26 Schenkman Office Bldg.	Offices	60,000 sf
Bridgewater	27 Future Pizzo & Pizzo Offices	Offices	30,000 sf
Bridgewater	28 Bridgewater Office Center	Offices	72,000 sf
Bridgewater	29 Cedarbrook	Offices	336,000 sf
Bridgewater	30 287 Corporate Center	Offices	660,000 sf
Bridgewater	31 Halis Warehouse	Industrial	67,000 sf
Bridgewater	32 Donahue Office Center	Offices	27,000 sf
Bridgewater	33 Molyneux Office Bldg.	Offices	30,000 sf
Bridgewater	34 Adamsville Assoc.	Warehouse/Office	30,000 sf
Bridgewater	35 Holiday Inn Conference Center	Conference/Office	72,000 sf
Bridgewater	36 Doswald & Erico	Medical Office	27,000 sf
<b>Subtotal</b>			<b>5,254,000±sf</b>
Franklin Twp.	37 Troast	Offices	90,000 sf
Franklin Twp.	38 Kent Associates	Offices	217,000 sf
Franklin Twp.	39 Troast	Offices	219,000 sf
Franklin Twp.	40 Somerset Exec. Square	Offices	160,000 sf
Franklin Twp.	41 Cushman/Wakefield Ind. Park	Industrial (10 lots)	250,000 sf
Franklin Twp.	42 Mack Midway	17 Industrial lots	N/A
Franklin Twp.	43 Future Research Center	Office/Lab	80,000 sf
Franklin Twp.	44 Future Office Park	Offices	200,000 sf
Franklin Twp.	45 Mahoney-Troast	Offices	219,152 sf
Franklin Twp.	46 World's Fair	Industrial (77 lots)	500,000 sf
Franklin Twp.	47 Holiday Inn	Hotel	350 rms.
Franklin Twp.	48 Hilton Hotel	Hotel	350 rms.
Franklin Twp.	49 Atrium of Somerset	Offices (1.2 mil. total proposed)	175,000 sf
Franklin Twp.	50 Future Office Bldg.	Offices	60,000 sf
Franklin Twp.	51 Proposed Shopping Center	Retail	24,000 sf
Franklin Twp.	52 Murray Industrial Park	Industrial	10 lots
Franklin Twp.	53 Murray Construction	Warehouse	59,000 sf
Franklin Twp.	54 B & D Office/Manufacturing	Industrial	23,000 sf
Franklin Twp.	55 Englert Metals	Industrial	92,000 sf
Franklin Twp.	56 Garden State Brickface	Industrial	63,000 sf
Franklin Twp.	57 Lowe Company	Offices	133,000 sf
Franklin Twp.	58 Veronica Industrial Plaza	Industrial	130,000 sf
<b>Subtotal</b>			<b>3,894,152±sf</b>

DEVELOPMENT POTENTIAL

Multiple Family - Retail Commercial - Offices

PRINCIPAL PARCELS AVAILABLE FOR DEVELOPMENT:  
 BEDMINSTER and PLUCKEMIN VILLAGE CORRIDOR  
 March 1982 Zoning

I. MULTIPLE-FAMILY DISTRICTS

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 1	35	15, 16, 17	1.389
(Bedminster Village:		18	1.144
Raritan River)		19	0.454
		20	0.918
		21	5.978
		22	20.554
		23	12.802
		Sub Total:	<u>43.239 ac.</u> (1)
Area No. 2	72	2	14.800
(Pluckemin Village:			
George E. Ray)			
		Sub Total:	<u>14.800 ac.</u> (2)

(1) Approximately 11.651 non-critical @ 12 du/ac. = 139.812 du  
 31.58 critical @ 1/5 du/ac. = 6.316 du  
 146.128 du

(2) Approximately 14.800 non-critical @ 12 du/ac. = 177.600 du

Total: 323.728 du in "MF" District

II. PLANNED RESIDENTIAL DEVELOPMENTS - 6 du/ac

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 3 (Bedminster Village: Peapack Brook)	19	2	33.400
		Sub Total:	<u>33.400 ac.</u>
Area No. 4 (Bedminster Village: Route 206)	17	2-1	2.004
		2-2	2.001
		2-3	2.003
		2-4	2.003
		2-5	2.003
		2-6	2.000
		3	13.201
		Sub Total:	<u>25.215 ac.</u>
			Total: 58.615 ac. x 6 du/ac. = 351.69 du

III. PLANNED RESIDENTIAL DEVELOPMENTS - 8 du/ac

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 5 (Bedminster Village: Lamington Road and Route 206)	41	16 (portion)	41.690
		19	8.848
		20	5.073
		21	3.170
		22	2.866
		23	0.320
		24	2.688
		Total:	<u>64.655</u>
			Total: 64.655 x 8 du/ac. = 517.240 du

IV. PLANNED UNIT DEVELOPMENTS -  
10 du/ac. and Retail/Office Development

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 6 (Pluckemin Village: A.T. & T. Co.)	43A	1	51.767
		Sub Total:	<u>51.767 ac.</u>
Area No. 7 (Pluckemin Village: Duncan Ellsworth)	59	10	73.250
		Sub Total:	<u>73.250 ac.</u>
Area No. 8 (Pluckemin Village: Hills Development Co. and others)	59	11-1	5.639
		Easement	0.510
		11-2	6.365
		11	142.416
		12	17.180
		13	1.509
		14 (portion)	6.887
		Sub Total:	<u>180.506 ac.</u>

Total: 305.523 ac.

Retail/Office Commercial: @ 20% of acreage and 0.25 FAR = 665,429 sq. ft.  
Multiple-Family Dwellings: @ 10 du per gross residential acre = 2,444.184 du

V. "R-1/4" District - Residential Cluster Option  
(no PUD or PRD Option)

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 9 (Pluckemin Village: Hills Development Co.)	59	1	287.500
		14 (portion)	12.120
		13A	5.632
		Sub Total:	<u>305.252 ac. (3)</u>
		(3) Approximately 97.313 non-critical @ 4 du/ac =	389.252 du
		207.939 critical @ 1/5 du/ac =	41.588 du
			<u>430.840 du</u>
Area No. 10 (Pluckemin Village: W. Zimmerman)	72	3	5.569
		Sub Total:	<u>5.569 ac @ 4 du/ac = 22.27</u>

Total: 453.116 du in "R-1/4" District-  
 Residential Cluster Option

VI. OFFICE RESEARCH DISTRICT

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 11 (Pluckemin Village: Zimmerland Limited)	72	3-1	17.625
		Sub Total:	<u>17.625 ac.</u>
Area No. 12 (Pluckemin Village: City Federal and others)	71	5	1.728
		6	1.564
		7	1.534
		8	1.460
		9	0.551
		10	4.874
		16	1.000
		22	13.017
		Sub Total:	<u>25.728 ac.</u>

Total: 43.353 ac. @ 0.175 FAR = 330,480 sq. ft.

VII. VILLAGE NEIGHBORHOOD DISTRICT  
(Retail/Office Commercial)

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 13 (Pluckemin Village: Aaron Johnson and others)	57	1	0.978
		2	1.225
		3	1.518
		5	0.786
		6	9.800
		7 (portion)	2.000
		11 (portion)	2.000

Total: 18.307 ac. @ 0.35 FAR =  
279,109 sq.

AGGREGATE TOTALS

<u>Multiple Family Dwelling Units:</u>	4,089.958 du.
<u>Retail/Office Commercial:</u>	944,538 sq. ft.
<u>Office Research:</u>	330,480 sq. ft.



DEVELOPMENT POTENTIAL  
Multiple Family - Retail Commercial - Offices

ADDITIONAL PARCELS ZONED FOR DEVELOPMENT  
BEDMINSTER and PLUCKEMIN VILLAGE CORRIDOR  
March 1982 Zoning

I. MULTIPLE FAMILY DISTRICTS

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 1 (Bedminster Village: Hillside Avenue)	27	14	4.400
		13	0.468
		12 (portion)	5.570
		11	0.953
		9	0.980
		8	0.683
		7	3.118
		6	1.033
		5	1.444
		4B	1.606
		4A	1.022
		4	1.006
		3	0.500
2	0.560		
1	1.426		
	Sub Total:		24.769 ac. (1)
Area No. 2 (Bedminster Village: Route 202)	33	15-1	1.611
		15-2	1.004
		16	0.350
		17	0.275
		18	0.300
		19	0.321
		20	0.389
		21	0.587
		22	0.597
		23	0.500
		Easement	0.116
24	0.876		
25	1.160		

. . . more

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 2 (Bedminster Village: Route 202) cont'd.	36	2,3,4,5,6	2.720
		7	0.598
		Access strip	0.162
		8	2.629
		9	1.596
		10	1.539
		11	1.529
		12	1.517
		13	1.490
		15	1.436
		16	1.390
		17	1.345
		18	1.300
		19A	2.800
	Sub Total:		<u>30.137 ac. (2)</u>

(1) Approximately 19.627 non-critical @ 12 du/ac = 235.524 du  
5.142 critical @ 1/5 du/ac = 1.028 du  
236.552 du

(2) Approximately 16.914 non-critical @ 12 du/ac = 202.968 du  
13.223 critical @ 1/5 du/ac = 2.645 du  
205.613 du

## II. PLANNED RESIDENTIAL DEVELOPMENTS - 6 du/ac

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 3 (Bedminster Village: Route 202)	32	12	<u>13.582</u>
	Sub Total:		13.582 ac. @ 6 du/ac = 81.492 d

## III. PLANNED UNIT DEVELOPMENTS - 10 du/ac and RETAIL/OFFICE COMMERCIAL

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 4 (Bedminster Village: Washington Place)	59	9	10.983
		8	4.420
		5	3.700
		4	2.000
		3	5.404
		2	<u>5.284</u>
	Total:		31.791 ac.

Retail/Office Commercial: 20% of acreage and 0.25 FAR = 69,241 sq. ft.  
Multiple Family Dwellings: @ 10 du per gross residential acre = 254.328 du.

IV. "R- $\frac{1}{2}$ " DISTRICT - RESIDENTIAL CLUSTER OPTION  
 (no PUD or PRD Option)

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 5 (Bedminster Village: Hillside Avenue)	26	8	28.239
		17	4.663
		18	1.554
		19	5.842
		20	0.526
		21	0.750
		22	0.862
		23	1.117
		24	1.150
		25	2.650
Total:			47.353 ac. (3)

(3) Approximately 13.561 ac. non-critical area @ 2 du/ac = 27.122 du  
 33.792 ac. critical area @ 1/5 du/ac = 6.758 du  
 33.880 du

V. OFFICE RESEARCH DISTRICT

	<u>Block</u>	<u>Lot</u>	<u>Acreage</u>
Area No. 6 (I-78 and Rt. 202/206)	71A	1	19.300
	72A	1	10.200
			29.500 ac. @ 0.175 FAR = 224,879 sq. ft.

AGGREGATE TOTALS

Multiple Family Dwelling Units: 811.865 du.  
Retail Office Commercial: 69,241 sq. ft.  
Office Research: 224,879 sq. ft.

TABLE 5

SOMERSET COUNTY - POPULATION AHEAD

<u>Municipality</u>	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>
Bedminster Township	2,597	2,469	4,500	8,700	9,000
Bernards Township	13,305	12,920	18,500	21,000	22,000
Bernardsville Borough	6,652	6,715	7,200	7,900	8,000
Bound Brook Borough	10,450	9,710	10,000	10,600	11,000
Branchburg Township	5,742	7,846	11,000	12,400	15,000
Bridgewater Township	30,235	29,175	33,500	39,000	41,000
Far Hills Borough	780	677	1,000	1,200	1,500
Franklin Township	30,389	31,358	35,000	45,000	47,000
Green Brook Township	4,302	4,640	5,500	6,500	7,000
Hillsborough Township	11,061	19,061	25,000	29,000	32,000
Manville Borough	13,029	11,278	12,000	12,800	13,000
Millstone Borough	630	530	700	800	900
Montgomery Township	6,353	7,360	10,000	13,200	15,000
No. Plainfield Borough	21,796	19,108	20,000	21,000	22,000
Peapack/Gladstone Boro	1,924	2,038	2,700	2,800	3,000
Raritan Borough	6,691	6,128	7,000	7,400	8,000
Rocky Hill Borough	917	717	900	1,200	1,500
Somerville Borough	13,652	11,973	12,500	13,200	15,000
So. Bound Brook Borough	4,525	4,331	5,000	5,150	5,600
Warren Township	8,592	9,805	12,000	14,800	16,000
Watchung Borough	4,750	5,290	6,000	6,350	6,500
<b>COUNTY TOTAL</b>	<b>198,372</b>	<b>203,129</b>	<b>240,000</b>	<b>280,000</b>	<b>300,000</b>

NOTE: Data for 1970 and 1980 are from the Bureau of the Census. The forecasts for 1990, 2000 and 2010 were prepared by the Somerset County Planning Board. The population forecasts are based on the long-term relationship between employment and population, as well as development patterns and changes in household size. The following assumptions have been made regarding the components of change for the forecast years:

1. After 1980 the number of housing units is expected to grow at a rate faster than the employment growth rate. This accelerated residential growth rate is based on past economic development within the County, where it is assumed that residential development will follow economic development but with a certain lag.

After 1980 the household size will continue to decline slightly or stabilize near the 1980 level. The location and size of recent residential development proposals will also significantly affect the population levels in several areas.

APPENDIX II

APGAR ASSOCIATES



**APGAR ASSOCIATES**  
ENGINEERS • LAND SURVEYORS • PLANNERS

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SUBDIVISION AND SITE PLANS  
WATER AND SEWER SYSTEMS  
ENVIRONMENTAL STUDIES AND REPORTS  
SOIL AND FOUNDATION ENGINEERING  
DRAINAGE AND FLOOD STUDIES  
STREETS, HIGHWAYS AND BRIDGES  
MUNICIPAL ENGINEERING • PLANNING  
DAMS AND HYDRAULIC STRUCTURES

ERNEST C. HIESENER, P.E.  
WAYNE F. HOLMAN, P.L.S. & P.P.

August 6, 1982

Thomas F. Collins, Jr., Esq.  
Vogel and Chait  
Attorneys at Law  
Maple Avenue at Miller Road  
Morristown, New Jersey 07960

Re: Ochs and Haueis vs. Borough of Far Hills

Dear Mr. Collins:

In accordance with your request, I have reviewed the portion of the Master Plan of Far Hills Borough dated December 7, 1977, which deals with "Natural Constraints" and how these "Natural Constraints" are applied to preserving the present ten acre minimum residential lot size zoning in the Borough. In addition, I have studied the physical features of the Ochs-Haueis property in the Borough, tax map Lot 4/7 in Block 6A, to determine whether this property could sustain a greater density of development than the ten acre minimum residential development permitted.

Natural Constraints vs. Minimum Residential Lot Size

In the 1977 Master Plan, a series of potential natural constraints were listed and mapped on the existing Land Use Map. These constraints are as follows:

1. 15 percent or greater slope of land.
2. Depth to bedrock less than one foot.
3. Flooding and flood fringe areas.
4. Seasonal high water table from 0 to 3.5 feet.

It appears that these natural constraints were used as one of the basis for restricting the minimum residential lot size to ten acres. There is no question that if these constraints exist either totally as a group or individually in any one area, they can be considered a limiting factor for development of that area. Also, some of these natural constraints possess more difficult development and environmental problems than others. A brief description of these problems for each constraint are as follows:

1. Land slopes of 15 percent or greater.

Residential development on slopes of 15 percent or greater can cause economic difficulties for road and driveway construction and stream pollution due to soil erosion from disturbed land on steep slopes. The construction of individual subsurface sewage disposal systems, i.e. septic systems, is difficult on slopes which exceed 20 percent and the overall performance of that system on these slopes is limited depending on the depth of the system and the overall subsurface conditions.

2. Depth of bedrock less than one foot.

Where the bedrock is less than one foot from the ground surface, residential development can obviously be extremely costly for road, driveway, underground utility and foundation construction. If the bedrock formation is well fractured, septic systems on land with this shallow of a depth to bedrock requires "mounding" of the system above natural ground for the prevention of ground-water pollution.

From my engineering experience, having bedrock less than one foot from the surface is generally not observed in the Far Hills area. Depths to bedrock can vary from three to ten feet and are generally commonly found at those depths in the areas shale soils. Driveway and roadway construction are generally not a problem both environmentally and economically when bedrock is at a depth greater than three feet. Building foundation and underground utility construction is not difficult if bedrock depths are greater than five feet. Normal septic systems can be constructed when bedrock exceeds five feet to six feet in depth provided that adequate filtration exists above the bedrock and acceptable percolation rates in the subsoils are obtained.

3. Flooding and flood fringe areas.

It is generally not feasible to place structures in floodways and environmentally not sound to place structures in flood fringe areas due to the potential loss of available flood storage due to filling of this area. Development in these areas on any lot size should be discouraged unless it is proven that such development will not cause harm to the environment and upstream and downstream properties.

4. Seasonal high water table 0 to 3.5 feet.

Development in areas where a seasonal high water table exists only potentially adds to the cost of construction due to the need for adequate subsurface drainage to, if possible, intercept this seasonal high water table. Generally, a seasonal high water table of 0 to 3.5 feet is caused by the water being "perched"

above a relatively dense subsoil layer. This type of groundwater problem is generally controlled by the use of subsurface drainage as long as the gradient or slope of the land is sufficient to allow the piping of this water away. The intercepting of this groundwater does not add to or cause stream pollution and groundwater pollution. What it does do is render the land useful to the owner for development.

With the exception of flooding and flood fringe areas and lands which exceed 20 to 25 percent slope, development is extremely possible and environmentally sound on lot sizes much less than 10 acres. I do not feel that depths to bedrock and seasonal high groundwater should directly enter into determining minimum lot sizes. Those two factors, in my opinion, only add to the cost of development and possibly to the feasibility of development. If the depth to bedrock was less than one foot below the surface of a building lot and a public sewerage system was not available, the lot would be unbuildable. In this instance, the size of the lot does not enter into the determination of buildability. Also, if the depth to seasonal high groundwater was between 0 and 3.5 feet below the surface and it was not possible to lower the level of seasonal ground to construct a septic system and, if a public sewerage system was not available then, similarly as in the lot with shallow depth to bedrock, the lot would be unbuildable. Lot size does not enter into the determination of buildability when depth to seasonal groundwater is high.

The factors which should determine the minimum lot sizes are the availability of a public potable water supply or the suitability of groundwater yields for individual onsite wells. In connection with the use of individual onsite wells and available groundwater yields, the use of septic systems to serve the individual lot necessitates the need for the largest lot size due to potential increase in nitrate levels of the groundwater supply generated from the septic effluent. If a public water supply is available to serve the lot containing a septic system then the minimum lot size can be smaller. If, on the other hand, both a public water supply and public sewage system is available, the lot size can be made the absolute minimum depending upon the type of residential use proposed. The numbers of these minimum size lots is equated to primarily the availability of gallonage at a sewage treatment plant and the quality of treated effluent for stream discharge or land disposal. These are the environmental factors which should be used to determine minimum lot size and not the "Natural Constraints" listed in the Master Plan of Far Hills Borough.

#### THE PROPERTY IN QUESTION

##### Location

The subject land is a 19.1 acre parcel located in the "R-10" (10 acre minimum lot size) in the Borough of Far Hills. More particularly, the property is situated and fronts on the west side of U. S. Route 202 and is bounded on the south by the N. J. D. O. T. Gladstone Branch Commuter Railroad, on the north by Sunnybranch Road and on the west by an existing residential lot



known as Lot 4/8 in block 6A. This subject lot is located immediately to the north of the village center of Far Hills where public sewer lines and water lines exist.

#### Topography

The majority of the subject lot slopes from its high point, in the northwest corner toward the railroad right of way on the south side of the property. This overall slope averages between 5 and 6 percent with a minimum slope of approximately 2 percent near Route 202 and a maximum slope of approximately 20 percent along the extreme westerly boundary in an area of approximately one acre in size

#### Vegetation

The site is generally a lightly wooded meadow with a denser growth of rather mature trees along the northerly and westerly side. These trees can act as a buffer between the site and Sunnybranch road on the north and the existing residential lot on the west.

#### Public Utilities

As stated above, the village area of Far Hills is located southerly and adjacent to the site. Both a public water system and sanitary sewage system is located in the streets of the village and can be easily extended to this site. The sanitary sewer lines are at a lower elevation than the site and, therefore, gravity sewerage of the lot is obtainable. The public water system is owned by Commonwealth Water Company and the sanitary sewer lines connect to the existing treatment plant in Bedminster Township. It is our understanding that the present Bedminster Treatment Plant is operating at or near capacity and additional sewage from Far Hills Borough could not be accepted by the treatment plant until such time that the plant is enlarged to accept additional gallonage.

#### Surface Conditions

According to the soil survey of Somerset County the subject site consists of two prominent soil types. Approximately 60 percent of the property consists of the Lansdowne silt loam soil series and 30 percent consist of the Abbottstown silt loam soil series. The remaining approximately 10 percent is mapped as a Rowland silt loam and this soil is located along the westerly boundary of the site in an existing stream corridor at the base of the steep slope portion of the site.

According to the soil survey, the Lansdowne soil is a moderately well-drained to somewhat poorly drained soil with a "perched" seasonal water at a depth of 1. to 2.5 feet in late fall, winter and early spring. Bedrock is generally at a depth of 55 inches. The Abbottstown soil consists of a somewhat poorly drained soil with a "perched" seasonal water table at a depth of 6" to 18" in the fall, winter and spring of the year. Depth to bedrock in the Abbottstown soil is between 3 1/2 to 4 1/2 feet. The Rowland soils should not be

Thomas F. Collins, Jr., Esq.  
Re: Ochs and Haueis vs. Borough of Far Hills

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generally allows for the highest density with the largest amount of buffering or open space areas.

Conclusion

The "Natural Constraints" listed in the Master Plan of Far Hills Borough are not, in my opinion, a reason for zoning to 10 acre minimum residential lot size. Those constraints, if they exist, only determine site suitability for development. The property in question, the Ochs-Haueis 19.1 acre parcel, in my opinion, is well suited for multi-family use considering the existing site conditions, the close proximity to gravity sanitary sewer lines and a public water system and access to a major U. S. highway.

Very truly yours,

APGAR ASSOCIATES



Ernest C. Hiesener, P.E.

ECH/11k

cc: Mr. John Ochs  
Mr. Alois Haueis  
Robert K. Hornby, Esq.  
J. Albert Mastro, Esq.

built upon on this site because of their location in the existing stream corridor along the northerly side of the property. Based on my experience, all of these soils are not well suited for septic systems due to generally slow percolation rates in the subsoils.

To verify the general soil conditions on site, several test holes were excavated. Generally, the test holes agreed with the soil map with the exception that rippable shale bedrock was located a deeper depth than the soil map indicates. Of the six test holes excavated, the depth to bedrock in five of the holes varied from 6 feet 8 inches to 9 feet in depth. One hole, located along the westerly side of the property had a depth to bedrock of 3 feet. These holes were just recently excavated and being that it is presently the drier months of the year, groundwater observations were not conclusive. I would expect higher seasonal groundwater and "perched" groundwater would exist in the wet months of the year. In three of the test holes, minute groundwater seepage was evident just above the bedrock level. This is somewhat typical of these soils in that the bedrock, being relatively impervious, creates a "perched" watertable above it.

#### Development Potential

This property is presently in the 10 acre minimum lot size residential zone. Based on the site topography, soil conditions, the availability of public utilities adjacent to the property and the location of the site which fronts on U. S. Highway 202, this property, in my opinion, is well suited for a higher density development than the 10 acre minimum presently allowed. Any development would require connection to, at the minimum, the public sewerage system located adjacent to the site in the village. Obviously, connection to this facility would require approval by the owners of the Bedminster Sewer Plant and possibly plant expansion.

A higher density of development than the 10 acre minimum could be well buffered from adjacent properties considering the steep slope topography and stream along the westerly side of the tract and, the moderately dense wooded area along the northerly side. This wooded area could soften the view of any development from users of Sunnybranch Road.

Considering the proximity of this project to the Mine Brook and the North Branch of the Raritan River, stormwater management and soil erosion control should be an important part of any higher density of development. The topographic features of the site allow for the development of stormwater control facilities and soil erosion control would have to be a major aspect of any site work.

The density of development can vary greatly with the size and architectural treatment of proposed dwelling units. The property is well suited for multi-family use with attention given to buffering on the north and west sides. Multi-family use, when compared to single family detached dwellings,

APENDIX III

BRODY APPRAISAL COMPANY, INC.

PROPERTY LOCATION

U.S. HIGHWAY ROUTE 202 AND  
AND SUNNYBRANCH ROAD  
FAR HILLS, NEW JERSEY

**Brody Appraisal Company, Inc.**

REAL ESTATE APPRAISERS AND CONSULTANTS

10A EAST WILLOW STREET, MILLBURN, NEW JERSEY 07041

CLIENT

THOMAS F. COLLINS, JR. ESQ.

VOGEL AND CHAIT

PROPERTY LOCATION

U.S. HIGHWAY ROUTE 202 AND  
AND SUNNYBRANCH ROAD  
FAR HILLS, NEW JERSEY

OWNER

ALOIS AND ERNA HAUEIS AND  
JOHN OCHS

DATE: AUGUST 2, 1982

# Brody Appraisal Company

REAL ESTATE APPRAISERS AND CONSULTANTS

August 6, 1982

JON P. BRODY, M.A.I.

Thomas F. Collins, Jr. Esq.  
Vogel & Chait  
Maple Avenue & Miller Road  
Morristown, N.J. 07960

Dear Mr. Collins:

In accordance with your request, I have inspected and reviewed the property located at the intersection of ROUTE 202 AND SUNNYBRANCH ROAD IN THE BOROUGH OF FAR HILLS, COUNTY OF SOMERSET, NEW JERSEY.

The purpose of reviewing the parcel of land and also the surrounding area was to determine the feasibility of a townhouse development being constructed on this site.

In addition to analyzing the feasibility of a townhouse development on this site, I have prepared an in-depth survey and review of the requirements, in my opinion, for townhouse development in the area, and also a review of the income levels and population history of the county and community.

Based on a review of the statistical data and also a review of the site, it is my opinion the subject site is apropos for townhouse development and it would not be economically feasible nor would it represent the highest and best use for a single family dwelling or for potentially two single family homes.

Thank you for giving me the opportunity to prepare this report and if you have any questions pertaining to it, please do not hesitate to contact me.

Sincerely,

BRODY APPRAISAL COMPANY, INC.



Jon P. Brody, M.A.I.  
President

JPB:T  
File #2458-82  
Encl.

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PURPOSE OF THIS REPORT

The purpose of this report is to discuss the feasibility of a townhouse development in the Borough of Far Hills. The specific property in question is located on the northwesterly corner of U.S. Highway Route 202 and Sunnybranch Road in the Borough of Far Hills, County of Somerset, New Jersey. The subject property is highly irregular in shape with a rear boundary line on the Passaic and Delaware Extension of the Delaware Lackawanna & Western Railroad plus a 100' New Jersey Power and Light Company right-of-way - also along the rear boundary line. The lot contains approximately 19.10 acres and adjoins the Far Hills train station. At the present time, the lot is completely vacant.

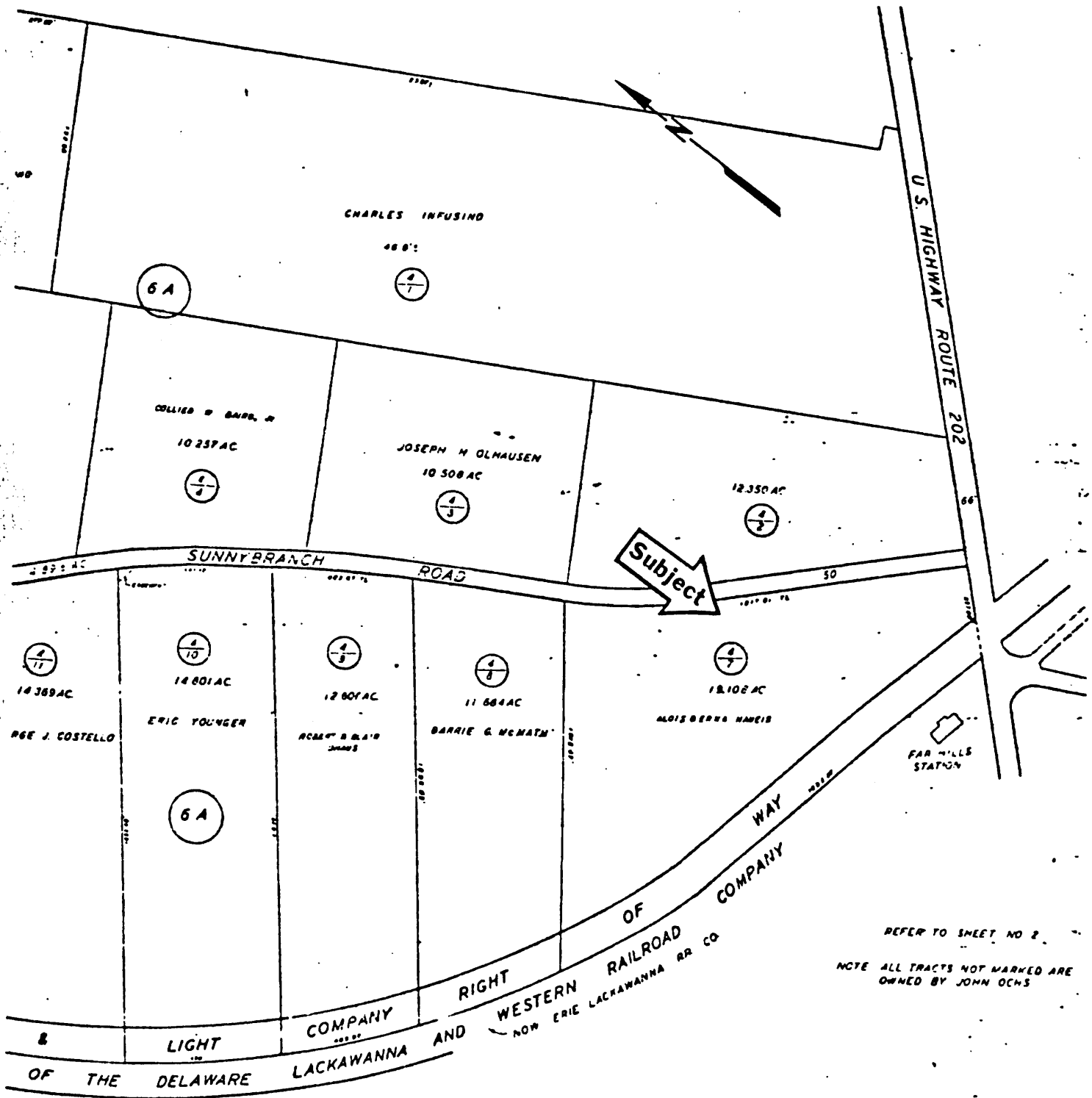
As part of my analysis, I will discuss the ranges of housing costs presently in the Borough of Far Hills along with miscellaneous demographics pertaining to population densities and income levels. The report will also discuss the types of development taking place in the Somerset County area with some further discussion with regard to the entire regional area in which the subject property is located.

### NEIGHBORHOOD DESCRIPTION

The subject property is located in a rural setting on Route 202 adjacent to the municipal train station and northeast of the commercial district in the Borough of Far Hills, County of Somerset, New Jersey.

Located just south of the subject on the southerly side of Far Hills Road is an open farm with an attractive split rail fence around it. The farm is owned by American Telephone and Telegraph Co. Just north of the subject on Route 202 is a large stone retaining wall which acts as an entrance way to a small residential development. There are various older homes on Route 202 - the majority of which are set back on long private appearing driveways. Approximately 2½ miles north is the Far Hills Country Day School which is opposite Pheasant Hill Road. Around this school are various single family dwellings and a high percentage of vacant, undeveloped land.

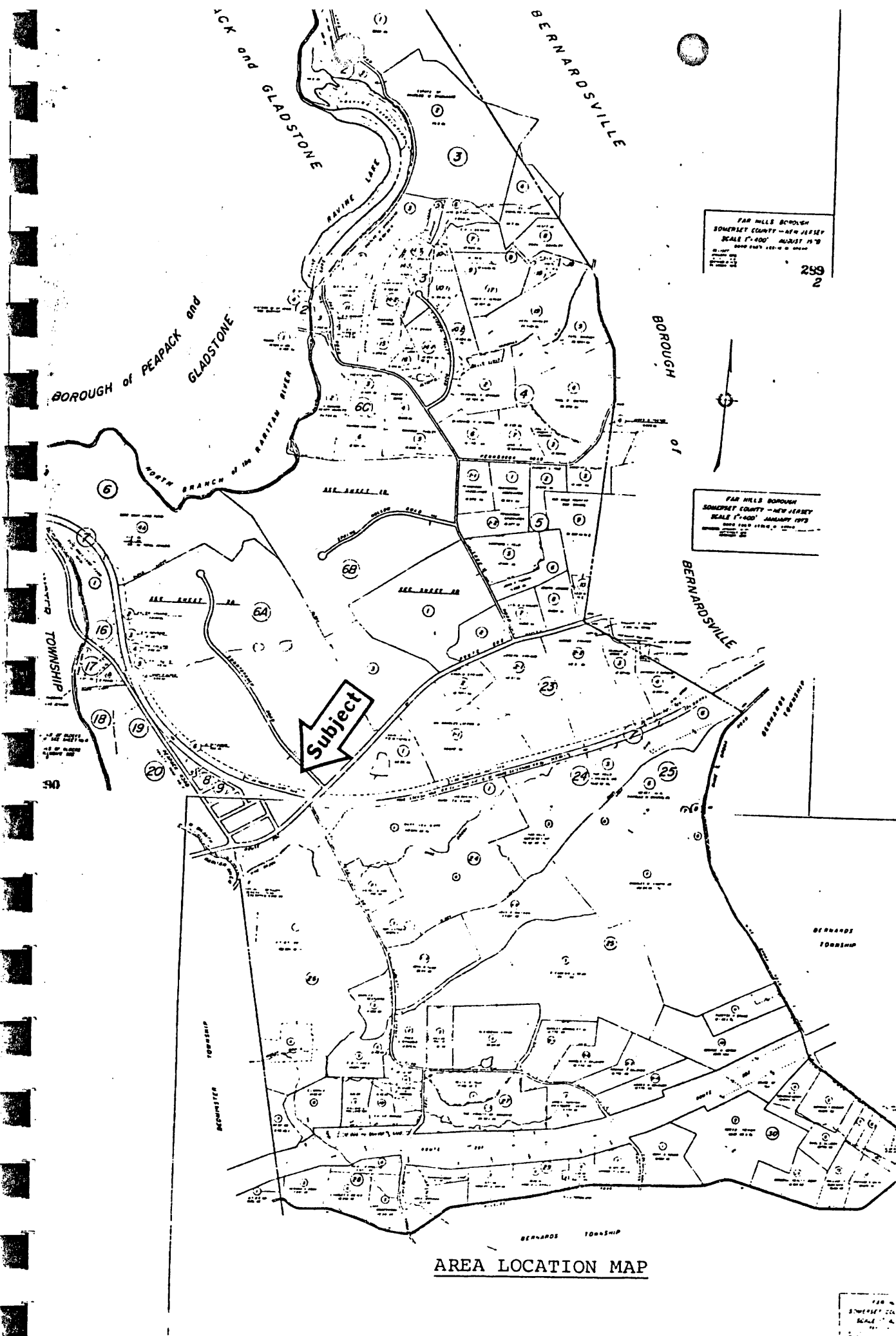
Not far from the subject on Far Hills Road is the United States Golf Association golf house and a museum plus large open land. There is a small municipal tennis court not far from the subject and I noticed on various inspections to the area that there was considerable traffic on Route 202, that is, more so then would normally be found in a typical residential area but not untypical for a highway of this type. The site is with a short distance to the municipal building, railroad station, Far Hills shopping mall and other community facilities.



Brody Appraisal Company

**Plot Plan**





AREA LOCATION MAP

REVIEW OF COMMERCIAL AND INDUSTRIAL DEVELOPMENT - SOMERSET COUNTY

Over the past few years, there has been a tremendous increase in the quantity of development taking place in the County. New industrial parks have been developed, new office complexes along with major hotel and motel chains have opened up along the major highway corridors servicing Somerset and Morris Counties.

It has been project that in excess of 10,000,000 square feet of commercial/industrial space will be developed and is in the process of being developed in the communities of Bernards, Bridgewater, Franklin, Montgomery, Hillsborough, Raritan, Branchburg, Bedminster and Peapack and Gladstone. Each one of these respective industries will bring hundreds of individuals into the area requiring housing and, more traditionally, of a moderate income level versus the traditionally prohibitive cost of housing currently existing in the Far Hills area.

The Somerset County population trend indicates a population increase of only 2% between 1970 and 1980, however, an anticipated 18% increase between 1980 and 1990 and a 38% increase between 1980 and the year 2000.

The Borough of Far Hills indicated a decrease in population between 1970 and 1980, however, a projected increase of 48% between 1980 and 1990 and a total increase of 77% between 1980

REVIEW OF COMMERCIAL AND INDUSTRIAL DEVELOPMENT - SOMERSET COUNTY

(CONT'D)

and the year 2000. In order for this kind of population increase to come to fruition, it is a necessary element that housing be provided for this 48% increase, and in all likelihood, the housing will be in the form of multi-family townhouses versus single family homes due to the current 10 acre requirement in the majority of the Borough.

ANALYSIS OF SUBJECT SITE AND POTENTIAL TOWNHOUSE DEVELOPMENT

I have personally inspected the subject site and found it to be suitable for typical townhouse development. In my opinion, the site would not be apropos for single family development since it contains approximately 19 acres and based upon a strict interpretation of the zoning, only one building lot could be developed. From an economic standpoint, it would not be technically nor economically feasible to develop a single family home on this lot from a highest and best use standpoint. Should a variance be granted for two potential building lots, again, I feel due to the proximity of this particular lot to Route 202 and to the train station and to the train tracks, it would be an undesirable residential location and a lot that would be extremely difficult, in my opinion, to market - again due to the poor physical characteristics, both from the lot size and shape standpoint and due to its overall location in the community near the business center.

ANALYSIS OF SUBJECT SITE AND POTENTIAL TOWNHOUSE DEVELOPMENT

It is my opinion the site would be ideal as a transitional site that is, a parcel of land separating a commercially developing area from an existing residential area. The subject site would act as a valuable buffer between the commercial area and the existing single family homes since it could be economically developed in a tasteful and aesthetically pleasing way for the townhouses which is something the community presently does not afford.

Based on a review of the statistical materials in this report dealing with income projections of the municipality and the county, it appears as though a typical townhouse development with portions allocated for least cost housing would in all likelihood satisfy some of the requirements for the influx of development which will be taking place in Somerset County.

Although the county and community will be developing at the rates previously discussed, the Borough of Far Hills from a statistical standpoint and from the Planning Board Records indicate that in 1970 there were 249 dwelling units in Far Hills; and in 1980 - 254 units or an increase of 5 units over a 10 year period.

The New Jersey Department of Labor and Industry indicates that in the year 1980, a total of 390 single family homes were con-



ANALYSIS OF SUBJECT SITE AND POTENTIAL TOWNHOUSE DEVELOPMENT (CONTD)

structed or received building permits while there were none in the Borough of Far Hills. The records also show there was one residential home demolished in a 10 year period in Far Hills in comparison to 596 demolished in other communities which, traditionally, indicates changes and new construction taking place.

I have included in this report for the sake of review only, various tables taken from the Somerset County Planning Board. They are assumed to be correct and were not prepared by the appraiser.

SOMERSET COUNTY - POPULATION AHEAD

<u>Municipality</u>	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>
Bedminster Township	2,597	2,469	4,500	8,700	9,000
Bernards Township	13,305	12,920	18,500	21,000	22,000
Bernardsville Borough	6,652	6,715	7,200	7,900	8,000
Bound Brook Borough	10,450	9,710	10,000	10,600	11,000
Branchburg Township	5,742	7,846	11,000	12,400	15,000
Bridgewater Township	30,235	29,175	33,500	39,000	41,000
Far Hills Borough	780	677	1,000	1,200	1,500
Franklin Township	30,389	31,358	35,000	45,000	47,000
Green Brook Township	4,302	4,640	5,500	6,500	7,000
Hillsborough Township	11,061	19,061	25,000	29,000	32,000
Manville Borough	13,029	11,278	12,000	12,800	13,000
Millstone Borough	630	530	700	800	900
Montgomery Township	6,353	7,360	10,000	13,200	15,000
No. Plainfield Borough	21,796	19,108	20,000	21,000	22,000
Peapack/Gladstone Boro	1,924	2,038	2,700	2,800	3,000
Raritan Borough	6,691	6,128	7,000	7,400	8,000
Rocky Hill Borough	917	717	900	1,200	1,500
Somerville Borough	13,652	11,973	12,500	13,200	15,000
So. Bound Brook Borough	4,525	4,331	5,000	5,150	5,600
Warren Township	8,592	9,805	12,000	14,800	16,000
Watchung Borough	4,750	5,290	6,000	6,350	6,500
<b>COUNTY TOTAL</b>	<b>198,372</b>	<b>203,129</b>	<b>240,000</b>	<b>280,000</b>	<b>300,000</b>

NOTE: Data for 1970 and 1980 are from the Bureau of the Census. The forecasts for 1990, 2000 and 2010 were prepared by the Somerset County Planning Board. The population forecasts are based on the long-term relationship between employment and population, as well as development patterns and changes in household size. The following assumptions have been made regarding the components of change for the forecast years:

1. After 1980 the number of housing units is expected to grow at a rate faster than the employment growth rate. This accelerated residential growth rate is based on past economic development within the County, where it is assumed that residential development will follow economic development but with a certain lag.
2. After 1980 the household size will continue to decline slightly or stabilize near the 1980 level. The location and size of recent residential development proposals will also significantly affect the population levels in several areas.

Prepared by: Somerset County Planning Board

8/81

Community	Development	Type	Square Feet
Bernards Twp.	1 Bas. Ridge Corp. Plaza	Offices	212,000 sf
Bernards Twp.	2 Summit Mt. Airy	Offices	71,874 sf
Bernards Twp.	3 Mt. Airy Corners	Offices	335,000 sf
Bernards Twp.	4 Allan Deane	Comm./Offices	50,000 sf
Bernards Twp.	5 Murray Construction	Offices	86,000 sf
Bernards Twp.	6 Future A.T. & T.	Offices	1.5 million sf
Bernards Twp.	7 U.S. Golf Association	Admin. Bldg.	40,000 sf
Subtotal			2,294,874ssf
Warren Twp.	8 Ferber (Suburban Propane)	Offices	400,000 sf
Warren Twp.	9 Chubb Corp. Headquarters	Offices	500,000 sf
Warren Twp.	10 Future A.T. & T.	Offices	1.5 million sf
Warren Twp.	11 Future Mack Development	Offices	200-400,000 sf
Warren Twp.	12 Mohawk Industrial Bldg.	Industrial/Office	131,000 sf
Warren Twp.	13 Office Bldg.	Offices	22,000 sf
Subtotal			2,953,000ssf
North Plainfield	14 Route 22 Plaza	Retail	141,630 sf
North Plainfield	15 Levco Shopping Center/Office	Retail/Office	257,000 sf
Subtotal			398,630ssf
Greenbrook	16 Greenbrook Office Plaza	Offices	50,000 sf
Subtotal			50,000ssf
Bridgewater	17 Future Pfizer Development	Offices	1.5 million sf
Bridgewater	18 Claremont Office Bldg.	Offices	57,000 sf
Bridgewater	19 Future Mack Office Center	Offices	N/A
Bridgewater	20 Bridgewater Plaza	Offices (Balance)	40,000 sf
Bridgewater	21 Park Plaza 22	Offices	301,000 sf
Bridgewater	22 Millbridge Village	Commercial	25,000 sf
Bridgewater	23 Daniell	Ind. Expansion	20,000 sf
Bridgewater	24 Corporate Place	Office/Warehouse	300,000 sf
Bridgewater	25 Bridgewater Commons Mall	Retail	1.6 million sf
Bridgewater	26 Schenkman Office Bldg.	Offices	60,000 sf
Bridgewater	27 Future Pizzo & Pizzo Offices	Offices	30,000 sf
Bridgewater	28 Bridgewater Office Center	Offices	72,000 sf
Bridgewater	29 Cedarbrook	Offices	336,000 sf
Bridgewater	30 287 Corporate Center	Offices	660,000 sf
Bridgewater	31 Halis Warehouse	Industrial	67,000 sf
Bridgewater	32 Donahue Office Center	Offices	27,000 sf
Bridgewater	33 Molyneux Office Bldg.	Offices	30,000 sf
Bridgewater	34 Adamsville Assoc.	Warehouse/Office	30,000 sf
Bridgewater	35 Holiday Inn Conference Center	Conference/Office	72,000 sf
Bridgewater	36 Doswald & Erico	Medical Office	27,000 sf
Subtotal			5,254,000ssf
Franklin Twp.	37 Troast	Offices	90,000 sf
Franklin Twp.	38 Kent Associates	Offices	217,000 sf
Franklin Twp.	39 Troast	Offices	219,000 sf
Franklin Twp.	40 Somerset Exec. Square	Offices	160,000 sf
Franklin Twp.	41 Cushman/Wakefield Ind. Park	Industrial (10 lots)	250,000 sf
Franklin Twp.	42 Mack Midway	17 Industrial lots	N/A
Franklin Twp.	43 Future Research Center	Office/Lab	20,000 sf
Franklin Twp.	44 Future Office Park	Offices	200,000 sf
Franklin Twp.	45 Mahoney-Troast	Offices	219,152 sf
Franklin Twp.	46 World's Fair	Industrial (77 lots)	500,000 sf
Franklin Twp.	47 Holiday Inn	Hotel	350 rms.
Franklin Twp.	48 Hilton Hotel	Hotel	350 rms.
Franklin Twp.	49 Atrium of Somerset	Offices	175,000 sf
			(1.2 mil. total proposed)
Franklin Twp.	50 Future Office Bldg.	Offices	60,000 sf
Franklin Twp.	51 Proposed Shopping Center	Retail	24,000 sf
Franklin Twp.	52 Murray Industrial Park	Industrial	10 lots
Franklin Twp.	53 Murray Construction	Warehouse	59,000 sf
Franklin Twp.	54 B & D Office/Manufacturing	Industrial	23,000 sf
Franklin Twp.	55 Englert Metals	Industrial	92,000 sf
Franklin Twp.	56 Garden State Brickface	Industrial	63,000 sf
Franklin Twp.	57 Lowe Company	Offices	131,000 sf
Franklin Twp.	58 Veronica Industrial Plaza	Industrial	130,000 sf
Subtotal			3,894,152ssf

Source: Richard Thomas Coppola and Associates

<u>Community</u>	<u>Development</u>	<u>Type</u>	<u>Square Feet</u>
Montgomery Twp.	59 Princeton Airport Bldg.	Office/Research	59,000 sf
Montgomery Twp.	60 Princeton Corp. Airport Park	Office/Hotel	120,000 sf
Montgomery Twp.	61 Princeton Gamma Tech	Office Expansion	59,000 sf
Montgomery Twp.	62 Montgomery Shopping Center	Retail Expansion	128,000 sf
Montgomery Twp.	63 The Pavillion	Offices	65,000 sf
Subtotal			431,000=sf
Hillsborough Twp.	64 Taverner Shopping Center	Retail	20,000 sf
Hillsborough Twp.	65 Lehn & Fink	Industrial Expansion	72,000 sf
Hillsborough Twp.	66 Hillsborough Inds. Park	Industrial	22 lots
Hillsborough Twp.	67 Wood Tavern	Comm. Expansion	20,000 sf
Hillsborough Twp.	68 Lubusco	Offices	22,500 sf
Hillsborough Twp.	69 Triangle Center	Office/Retail	60,000 sf
Hillsborough Twp.	70 K-Mart	Retail	64,000 sf
Subtotal			258,500=sf
Somerville	71 Landmark Office Bldg.	Offices	60,000 sf
Subtotal			60,000=sf
Raritan Borough	72 Future Pylon Shopping Center	Retail	100,000 sf
Raritan Borough	73 Ortho Office Expansion	Offices/Lab	217,000 sf
Subtotal			317,000=sf
Branchburg Twp.	74 Branchburg Corporate Center	Office/Industrial	19 lots
Branchburg Twp.	75 Chambers Brook Ind. Park	Industrial	21 lots
Branchburg Twp.	76 Midway Ind. Park	Industrial	15 lots
Branchburg Twp.	77 Hagman & Reimer	Industrial	168,000 sf
Branchburg Twp.	78 Greene	Industrial	89,000 sf
Branchburg Twp.	79 Industrial	Warehouse	160,000 sf
Branchburg Twp.	80 Schleucker	Industrial	50,000 sf
Branchburg Twp.	81 Zimmer	Industrial	71,000 sf
Branchburg Twp.	82 Suthlo Industrial Park	Industrial	8 lots
Branchburg Twp.	83 Pfauth Industrial Park	Industrial	9 lots
Branchburg Twp.	84 Sconda Canvas	Warehouse	20,000 sf
Branchburg Twp.	85 The Campus	Offices	22,000 sf
Subtotal			580,000=sf
Bedminster Twp.	86 City Federal Savings Hdqts.	Offices	178,000 sf
Bedminster Twp.	87 Allan Deane	Comm./Offices	350,000 sf
Bedminster Twp.	88 Proposed Dobb Regional Mall	Retail	1.2 mil. sf
Subtotal			1,728,000=sf
89 Peapack&Gladstone	Beneficial Corp. Office	Offices	33,000 sf
90 Peapack&Gladstone	Beneficial Management Corp.Hdq.	Offices	500,000 sf
Subtotal			533,000=sf
<u>TOTALS</u>			
Office & Light Industrial			14.6 Million sf
Commercial/Retail			4.1 Million sf
Totals			18.7 Million sf

1970 CENSUS - SOMERSET COUNTY (TOTAL SURVEYED 50,122)

<u>INCOME</u>	<u>POPULATION</u>	<u>% OF POPULATION</u>
Income less than \$1,000	472	1.0
\$1,000 to 1,999	538	1.0
2,000 to 2,999	742	1.5
3,000 to 3,999	782	1.6
4,000 to 4,999	935	1.9
5,000 to 5,999	1,266	2.5
6,000 to 6,999	1,538	3.1
7,000 to 7,999	2,009	4.0
8,000 to 8,999	2,718	5.4
9,000 to 9,999	2,831	5.6
10,000 to 11,999	6,610	13.2
12,000 to 14,999	9,669	19.3
15,000 to 24,999	15,284	30.5
25,000 to 49,999	3,984	7.9
50,000 or more	744	1.5
TOTALS	50,122	100%

MEDIAN INCOME \$13,433

Census Tracts

INCOME IN 1969 OF FAMILIES AND UNRELATED INDIVIDUALS

Census Tracts	SOMERSET COUNTY TOTALS	SV				RT		BW		
		Tract 0001	Tract 0002	Tract 0003	Tract 0004	Tract 0005	Tract 0006	Tract 0007	Tract 0008 01	Tract 0008 02
All families	50 122	808	819	1 158	671	909	823	1 310	808	696
Less than \$1 000	472	14	21	12	23	23	4	11	-	8
\$1 000 to \$1 999	538	9	21	5	5	20	6	9	6	6
\$2 000 to \$2 999	182	34	13	11	28	32	13	37	-	9
\$3 000 to \$3 999	232	25	33	15	24	17	-	23	5	6
\$4 000 to \$4 999	135	10	32	6	40	33	23	28	-	11
\$5 000 to \$5 999	1 266	39	74	40	32	43	5	34	22	11
\$6 000 to \$6 999	1 538	23	51	16	39	54	21	22	-	-
\$7 000 to \$7 999	2 049	21	62	39	40	89	62	95	10	22
\$8 000 to \$8 999	2 118	23	64	88	44	87	64	93	41	27
\$9 000 to \$9 999	2 831	59	42	45	64	52	53	75	34	18
\$10 000 to \$11 999	6 610	167	115	140	72	107	159	269	65	99
\$12 000 to \$14 999	9 869	105	146	303	128	120	140	297	199	118
\$15 000 to \$24 999	15 284	197	141	360	113	228	256	291	337	282
\$25 000 to \$49 999	3 984	82	25	51	13	4	15	26	89	73
\$50 000 or more	144	-	-	27	6	-	-	-	-	4
Median income	\$ 18 433	\$11 760	\$10 304	\$13 504	\$9 945	\$10 084	\$11 994	\$11 695	\$15 653	\$15 426
Mean income	\$ 15 146	\$13 772	\$10 958	\$14 729	\$12 681	\$10 833	\$12 563	\$12 114	\$16 892	\$16 134
Families and unrelated individuals	59 967	1 157	1 206	1 310	1 020	1 221	943	1 466	845	753
Median income	\$ 12 136	\$10 310	\$8 656	\$12 901	\$7 689	\$8 281	\$11 284	\$11 165	\$15 104	\$14 708
Mean income	\$ 13 535	\$11 305	\$9 644	\$13 582	\$9 761	\$9 120	\$11 532	\$11 169	\$16 280	\$15 283
Unrelated individuals	9 866	349	387	152	349	312	120	156	37	59
Median income	\$ 6 105	\$4 864	\$6 190	\$3 167	\$3 814	\$3 097	\$2 895	\$1 775	\$3 389	\$934
Mean income	\$ 6 296	\$5 594	\$6 866	\$4 848	\$4 145	\$4 132	\$4 461	\$3 233	\$2 911	\$5 271

TYPE OF INCOME IN 1969 OF FAMILIES

All families	50 122	808	819	1 158	671	909	823	1 310	808	696
With wage or salary income	46 124	711	756	1 099	594	808	768	1 228	789	640
Mean wage or salary income	\$ 17 769	\$12 614	\$10 167	\$12 814	\$10 093	\$10 829	\$12 109	\$11 237	\$15 353	\$15 424
With nonfarm self employment income	5 544	107	67	124	54	55	85	150	76	85
Mean nonfarm self employment income	\$ 10 383	\$6 677	\$5 868	\$15 406	\$27 886	\$4 730	\$4 734	\$7 608	\$7 261	\$10 481
With farm self employment income	444	-	-	11	5	-	-	-	23	-
Mean farm self employment income	\$ 2 875	-	-	-	-	-	-	-	-	-
With Social Security income	7 669	222	168	165	104	262	139	233	80	83
Mean Social Security income	\$ 1 641	\$1 527	\$1 634	\$2 198	\$1 743	\$1 470	\$1 616	\$1 487	\$1 346	\$1 471
With public assistance or public welfare income	1 045	33	22	10	59	31	11	47	8	9
Mean public assistance or public welfare income	\$ 1 045	\$998	-	-	\$3 993	\$779	-	\$1 129	-	-
With other income	23 865	469	357	457	216	378	352	504	525	333
Mean other income	\$ 2 153	\$2 258	\$1 699	\$1 320	\$2 548	\$1 132	\$1 142	\$1 051	\$1 355	\$929

RATIO OF FAMILY INCOME TO POVERTY LEVEL

Percent of families with incomes										
Less than 50 at poverty level	1.44	2.8	1.3	1.5	4.9	3.6	0.5	1.1	0.7	1.2
50 to 74	.78	1.2	1.2	-	2.5	0.5	-	1.2	0.6	1.3
75 to 99	.95	0.7	2.0	-	1.3	2.2	1.5	0.4	-	0.9
1 00 to 1 24	1.48	2.8	2.7	1.5	3.0	3.6	1.3	2.7	0.7	0.9
1 25 to 1 49	1.57	2.0	0.6	2.5	4.0	0.7	1.2	1.0	0.7	-
1 50 to 1 99	6.06	8.0	13.9	3.5	11.6	11.4	7.8	10.1	4.1	5.2
2 00 to 2 99	19.71	21.8	28.4	18.4	25.0	24.2	27.3	29.6	14.4	20.2
3 00 or more	68.07	50.3	49.8	72.7	47.5	53.7	60.4	53.8	78.7	70.5

INCOME BELOW POVERTY LEVEL

Families	1 577	39	37	17	59	58	16	36	11	23
Percent of all families	3.1	4.8	4.5	1.5	6.6	6.4	1.9	2.7	1.4	3.3
Mean family income	\$ 1 575	\$1 253	\$2 365	-	\$1 368	\$1 150	-	\$2 207	-	-
Mean income deficit	\$ 1 637	\$2 161	\$1 122	-	\$1 796	\$1 492	-	\$2 298	-	-
Percent receiving public assistance income	9.2	12.8	-	-	-	-	-	13.9	-	-
Mean size of family	3.62	3.69	3.45	-	4.48	2.52	-	6.14	-	-
With related children under 18 years	95.3	26	19	17	53	25	4	75	11	17
Mean number of related children under 18 years	2.77	1.9	1.9	1.7	3.1	1.6	-	3.12	-	-
With related children under 6 years	4.67	10	16	7	13	14	-	15	6	9
Mean number of related children under 6 years	4.29	1.7	1.7	1.2	2.4	1.4	-	2.9	1.1	1.9
Families with female head	95.2	17	7	12	26	21	-	10	-	9
With related children under 18 years	2.17	1.7	1.7	1.2	2.6	1.4	-	2.9	1.1	1.9
Mean number of related children under 18 years	4.67	10	16	7	13	14	-	15	6	9
Percent in labor force	N/A	-	-	-	21	0	-	10	-	5
Mean number of related children under 6 years	N/A	-	-	-	2.1	1.4	-	2.9	1.1	1.9
Family heads	1 577	39	37	17	59	58	16	36	11	23
Percent 65 years and over	N/A	33.3	48.6	-	15.2	46.5	-	30.6	-	-
Civilian male heads under 65 years	664	9	16	5	27	4	4	15	1	4
Percent in labor force	75.5	-	-	-	77.8	-	-	-	-	-
Unrelated individuals	2 846	84	63	59	93	103	37	76	15	34
Percent of all unrelated individuals	28.9	24.1	16.3	38.8	26.6	33.0	20.8	48.7	40.5	57.6
Mean income	\$ 905	\$812	\$873	\$656	\$1 012	\$1 125	\$ 336	\$729	-	\$284
Mean income deficit	\$ 905	\$979	\$925	\$1 122	\$825	\$672	\$453	\$1 059	-	\$1 545
Percent receiving public assistance income	4.2	-	5.3	-	11.8	3.9	-	11.8	-	-
Percent 65 years and over	N/A	18.3	53.5	67.8	51.6	52.4	54.1	57.9	-	38.2
Persons	4 603	328	198	118	381	249	81	297	70	116
Percent of all persons	4.8	7.4	5.4	2.7	2.9	2.5	2.4	5.7	2	3.9
Percent receiving Social Security income	14.7	13.6	18.8	12.2	15.0	17.8	51.9	20.9	5.7	4.0
Percent 65 years and over	16.1	33.3	33.3	33.9	14.2	42.6	46.9	39.9	14.3	24.6
Percent receiving total of Social Security income	75.6	40.8	31.8	72.5	68.5	71.7	31.6	53.2	-	57.1
Related children under 18 years	2 609	31	60	41	40	42	5	22	35	48
Percent living with both parents	53.2	21.0	57.5	43.9	59.4	1.9	-	63.9	30.0	39.5
Households	1 804	89	79	65	113	94	35	98	17	46
Percent of all households	5.8	8.9	7.0	5.3	13.8	10.8	4.2	12	2	6.4
Owner occupied	1 562	20	14	55	31	26	29	91	-	46
Mean value of unit	\$ 26 716	-	-	\$24 000	\$23 000	\$30 000	\$10 500	\$17 000	-	\$38 000
Renter occupied	1 242	69	65	10	82	68	6	7	-	-
Mean gross rent	\$ 118	\$141	\$121	-	\$111	\$92	-	\$103	-	-
Percent using same or all plumbing facilities	3.3	5.6	-	-	-	4.3	-	16.3	-	-

1980 GROSS INCOME ANALYSIS

SOMERSET COUNTY

AVERAGE GROSS INCOME \$25,524 (ALL TAXPAYERS)

On a county-wide basis, Somerset County reflected the highest average gross income with Morris County (adjacent to Somerset showing an average gross income of \$24,788.

(See Table 5B).

The average or median gross income increased from \$13,433 in 1970 to \$25,524 in 1980 or an increase of 90% or 9±% per year.

TABLE 5B  
GROSS INCOME BY TYPE OF TAXPAYER BY COUNTY - 1980

COUNTY	ALL TAXPAYERS			TAXPAYERS WITH AT LEAST ONE AGED 65+			TAXPAYERS WITH TENANT CREDIT		
	NUMBER OF RETURNS	GROSS INCOME (000)	AVERAGE INCOME	NUMBER OF RETURNS	GROSS INCOME (000)	AVERAGE INCOME	NUMBER OF RETURNS	GROSS INCOME (000)	AVERAGE INCOME
Atlantic	79,349	\$ 1,365,107	\$17,141	8,723	\$ 134,500	\$15,419	21,079	\$ 295,942	\$14,
Bergen	370,530	9,052,316	24,431	40,323	841,811	20,877	90,543	1,778,264	19,
Burlington	127,456	2,501,027	19,623	9,104	125,643	13,801	19,632	302,934	15,
Camden	170,656	3,214,085	18,834	13,373	186,583	13,952	29,858	447,581	14,
Cape May	50,787	470,752	15,291	4,999	60,424	12,087	6,030	75,409	12,
Cumberland	48,930	775,079	15,780	4,073	56,439	13,857	11,100	143,397	12,
Essex	302,532	6,158,905	20,358	31,963	660,599	20,668	123,085	1,875,392	15,
Gloucester	72,003	1,291,788	17,941	4,948	59,035	11,931	10,536	156,353	14,
Hudson	205,990	3,184,869	15,364	19,101	248,107	12,989	104,906	1,612,380	15,
Hunterdon	34,194	760,075	22,989	3,071	48,132	15,673	5,547	94,509	17,
Mercer	120,355	2,480,291	20,603	11,059	211,815	19,153	28,628	445,197	15,
Middlesex	236,756	4,740,068	20,021	16,459	251,705	15,293	54,439	952,081	17,
Morristown	192,553	4,115,655	21,364	18,971	327,914	17,285	38,723	595,970	15,
Morris	163,494	4,176,685	24,788	13,268	264,742	19,953	33,077	624,134	18,
Ocean	123,647	2,005,173	16,702	21,357	244,685	11,457	17,507	250,908	14,
Passaic	180,629	3,194,127	17,663	15,714	251,413	15,999	61,830	906,094	14,
Salem	22,552	400,292	17,750	2,116	22,950	10,846	4,037	61,010	15,
Somerset	84,003	2,145,060	25,524	6,341	202,752	31,975	16,804	308,001	18,
Sussex	42,437	866,385	20,416	3,086	44,255	14,341	6,111	97,244	15,9
Union	211,749	4,577,258	21,616	23,321	428,306	18,366	57,708	972,078	16,8
Warren	32,718	600,514	18,354	3,094	40,748	13,170	6,623	105,962	15,9
County Unknown	42,323	960,999	22,706	3,443	115,523	33,553	11,260	217,403	19,2
TOTALS	2,900,753	\$59,094,309	\$20,372	277,907	\$4,828,084	\$17,373	759,063	\$12,318,240	\$16,2

Difference in totals due to rounding.



PROJECTION OF 1970 INCOME ANALYSIS

Based on the 90% increase over the 10 years, 1970 to 1980, I have projected the gross income for 1980.

In 1970, the total population of Somerset County was 198,372 (as per County Planning Board.) The number of persons in the 1970 census for income analysis purposes was 50,122 or 25%

The 1980 records show the County as having 203,129 (1980 U.S. Census and County Board Data.) Assuming that 25%± will be considered for income analysis, it would reflect 50,782 or within 660 persons or 1.3% of the 1970 Census.

Therefore, the following page will show the estimated number of persons in the County and the projected income levels.

PROJECTED 1980 INCOME LEVELS

(POPULATION 50,782)

	<u>%</u>	<u>POPULATION</u>
Less than \$1,000	1	508
1,000 - 1,999 x 1.90 = \$2,850	1	508
2,000 - 2,999 x 1.90 = \$4,750	1.5	761
3,000 - 3,999 x 1.90 = \$6,650	1.6	812
4,000 - 4,999 x 1.90 = \$8,550	1.9	965
5,000 - 5,999 x 1.90 = \$10,450	2.5	1,270
6,000 - 6,999 x 1.90 = \$12,350	3.1	1,574
7,000 - 7,999 x 1.90 = \$14,250	4.0	2,031
8,000 - 8,999 x 1.90 = \$16,150	5.4	2,742
9,000 - 9,999 x 1.90 = \$18,050	5.6	2,844
10,000 - 11,999 x 1.90 = \$20,900	13.2	6,703
12,000 - 14,999 x 1.90 = \$25,650	19.3	9,801
15,000 - 24,999 x 1.90 = \$38,000	30.5	15,489
25,000 - 49,999 x 1.90 = \$71,250	7.9	4,012
50,000 and over x 1.90 = \$95,000	<u>1.5</u>	<u>762</u>
	100.0%	50,782

I took the 1970 income levels and averaged each level. To the averaged levels, I increased the income by 90% or 1.90 to reflect the estimated income level in 1980. The 1980 income data from the 1980 census is still not available.

HISTORY OF SINGLE FAMILY HOME SALES

<u>BLOCK</u>	<u>LOT</u>	<u>STREET</u>	<u>DATE</u>	<u>SALES PRICE</u>
19	31	Schley Road	1/21/80	\$ 100,000
24	2	Liberty Corner Rd.	1/29/80	280,000
28	3	Douglas Road	2/28/80	100,000
6A	4-12	Sunny Branch Rd.	2/28/80	387,500
29	2	Douglas Road	4/2/80	535,000
24	3	Liberty Corner Rd.	11/3/80	260,000
26	3	Liberty Corner Rd.	11/25/80	495,000
29	2	Douglas Road	12/17/80	575,000
25	3	Liberty Corner Rd.	10/15/81	360,000
13	8	Dumont Road	10/15/81	95,000
4	3	Pennbrook Road	12/4/81	450,000
19	33	Schley Road	1/8/82	88,500
3	12	Lake Road	2/4/82	134,000
5	7	Lake Road	5/12/82	510,000
11	9	Dumont Road	5/17/82	<u>90,000</u>
AVERAGE SALES PRICE				\$ 297,333

SALE PRICE RANGES

<u>SALE PRICE</u>	<u>NUMBER SOLD</u>
Below \$89,999	1
\$90,000 - \$99,999	2
\$100,000 - \$134,000	3
\$135,000 - \$199,999	0
\$200,000 - \$249,999	0
\$250,000 - \$299,999	2
\$300,000 to \$349,999	0
\$350,000 to \$399,999	2
\$400,000 to \$449,999	0
\$450,000 to \$499,999	2
\$500,000 to \$549,999	2
\$550,000 - \$599,999	<u>1</u>
	15

TABLE 16

DWELLING UNITS AUTHORIZED BY BUILDING PERMITS,  
SOMERSET COUNTY AND MUNICIPALITIES, 1980

	Dwelling Units Authorized				Residential Demolitions	
	Total	Single Family	2 to 4 Family	5 or More Family	1970-1979	1980
<u>SOMERSET COUNTY</u>						
Bedminster Twp.	4	4			9	1
Bernards Twp.	17	17			9	0
Bernardsville Boro	21	21			14	0
Bound Brook Boro	1	1			21	0
Branchburg Twp.	14	14			7	2
Bridgewater Twp.	30	30			83	13
Far Hills Boro	0				1	0
Franklin Twp.	100	68		32	77	11
Green Brook Twp.	14	14			5	0
Hillsborough Twp.	137	137			47	3
Manville Boro	25	9	16		5	2
Millstone Boro	0				0	0
Montgomery Twp.	22	22			4	1
North Plainfield Boro	5	5			69	0
Peapack-Gladstone Boro	7	4	3		26	0
Raritan Boro	18	6	12		13	0
Rocky Hill Boro	0				2	1
Somerville Boro	2	2			166	10
South Bound Brook Boro	3	3			11	0
Warren Twp.	28	28			20	3
Watchung Boro	5	5			7	1
Total	453	390	31	32	506	47

Source: N. J. Dept. of Labor & Industry, Division of Planning & Research, Office of Demographic Analysis, "New Jersey Residential Building Permits, 1980 Summary."

ANALYSIS OF CURRENT DEBT SERVICE REQUIREMENTS

As of the writing of this report, the mortgage rates for single family homes floats between 15% and 17%. The current requirement to qualify single family home buyers requires the borrower to be able to pay 28% of their monthly gross income for mortgage debt service and real estate taxes. The same 28% holds true for analyzing income requirements on an annual basis. Most mortgages are being written for 30 years.

A 30 year mortgage at 16% interest has an annual constant of 16.137.

Therefore for Example Purposes:

Sale Price \$100,000 x 75% Mortgage = \$75,000 Mortgage

\$75,000 x .16137 Constant = \$12,100 Mortgage Payments.

Salary required to carry \$12,100 Mortgage = \$43,215/year.

POPULATION ABILITY TO ACQUIRE HOMES

<u>HOME SALE PRICE</u>	<u>MTG.</u>	<u>REQUIRED INCOME</u>	<u>% IN COUNTY QUALIFIED</u>
A) Below \$89,999 x 75% Mortgage =	\$ 64,000	\$ 36,884	30.5%
B) \$90,000 - \$99,999 x 75% mortgage =	71,250	41,100	7.9%
C) \$100,000 to 134,000 x 75% =	87,750	50,572	1.5%
D) \$200,000 to \$599,999 x 75% =	300,000	172,900	1.5%

- A) In Far Hills, only one home sold in this category and yet 30.5% of the income population had the potential to acquire this one home.
- B) Two (2) homes sold in this range in Far Hills.
- C) Three (3) homes sold in this price range.
- D) Nine (9) homes sold in this range in Far Hills.

## CONCLUSION OF SINGLE FAMILY HOME SALES

Based on an analysis of all of the statistical information available in Far Hills pertaining to house sales and income potential, it appears as though there are almost no individuals in the entire county who can presently afford any of the existing housing stock in the Borough of Far Hills. There are, however, substantial numbers of persons in Somerset County - both currently living in the county and working in the county who do have a substantial enough income to afford typical type townhouse dwellings should they be constructed in the area.

As indicated, the average sale price of a home in Far Hills between 1980 and 1982 was \$297,000. The income level required to afford a home of this stature is far in excess of any of the income levels found in the county itself. The typical type townhouse development could be affordable to that large segment of the county equaling approximately 30% of the population which could afford to acquire a townhouse rather than one of the typical homes situated currently on a parcel containing a minimum of 10 acres of land.



HISTORY OF VACANT LOT SALES

<u>BLOCK</u>	<u>LOT</u>	<u>STREET</u>	<u>DATE</u>	<u>SALES PRICE</u>
5	1-2	Lake Road	2/21/78	\$ 100,000
25	10-1	Minbroad Road	5/7/79	75,000
5	1-1	Pennbrook Road	10/22/79	85,000
6A	4	Sunny Brook Road	4/2/81	160,000
6C	4	Lake Road	11/6/81	130,000

FEASIBILITY OF 10 ACRE ZONING

It is my opinion, after analyzing the population densities, the income levels and the anticipated growth pattern in the Somerset County and regional areas, that the existing 10 acre zoning in Far Hills is unreasonable and does not meet the needs of the general Somerset County population. A survey of the State has revealed to me there are fewer and fewer communities which any longer maintain a zoning with a required lot area in excess or equal to 10 acres. The majority of the communities are finding the 10 acre lots do not allow the majority of the population to afford homes in those communities and that the typical type buyer in the current marketplace, with existing interest rates as high as they are, cannot afford a home of the magnitude traditionally found on a 10 acre lot.

I am also finding in the marketplace that smaller homes are being constructed which are more cost efficient from an energy standpoint and they are being built on lots that are more manageable in size, from an aesthetic standpoint, and again from a cost of maintenance standpoint.

## CONCLUSION OF FINDINGS

Based on a review of all of the information pertaining to income levels, population levels and after reviewing the subject site, I have concluded the subject parcel would be appropriate for townhouse development and there is an adequate number of persons in the county to meet the financial requirements for these typical type townhouse units.

I also found the subject site to be inappropriate for either a single family home or for two single family homes since it is directly on the railroad right-of-way, adjacent to the railroad station and fronts on one of the major thoroughfares, Route 202, servicing the county.

Although, many properties in the area are of a residential nature, the subject property is the closest to commercial development and I find that one of the largest farms located directly across from the subject is listed in the ownership of a large corporation known for acquiring land and eventually developing it for typical corporate headquarters including research and development facilities. The subject site would act as a proper buffer zone between the existing commercial development in the community and the existing residential homes as previously indicated in this report. I found there would be no adverse effect whatsoever on the surrounding homes keeping in mind the anticipated development would be aesthetically pleasing, properly buffered and constructed in a tasteful manner consis-

CONCLUSION OF FINDINGS (CONTINUED)

tent with the styles and designs of the existing community.

## CONTINGENT CONDITIONS

UNLESS OTHERWISE STATED, this report and appraisal are subject to the following conditions and stipulations:

1 The appraiser has not examined into and does not pass upon the title to the property, nor is it to be construed or implied that this report in any manner passes upon, counsels or advises in matters legal in character.

2 The description of the premises as reported herein is in accordance with information furnished by the applicant and accepted as correctly designating the boundary lines, but no investigations or survey has been made of the same.

3 The property is appraised as a whole in fee simple, free of liens, mortgages, restrictions of use or other encumbrances, leases, easements or other contracts running in favor or against the property.

4 Insofar as computations are based upon operating expenses, income and/or existing contract, zoning regulations or other use restrictions, boundary lines, engineering surveys and conditions not evident upon surface inspection of the property, information pertaining thereto has been obtained from sources considered reliable and accepted and reported herein as correct and authentic but not guaranteed.

5 The value herein applies only to the premises described. It is not to be employed in making summation appraisals of said land and building or buildings which may be placed thereon; nor is said value or any analysis thereof or any unit values thereby derived to be construed as applicable to any other property however similar.

6 Possession of this report or any copy thereof does not carry with it the right of publication nor may it be used for any purpose other than as indicated in the appraisal.

7 The appraiser is not to be required by reason of this appraisal, to give testimony or attendance in Court in reference to the property appraised.

8 Employment in, and compensation for, making this appraisal are in no manner contingent on the matter involved.

9 The appraiser has no present or contemplated future interest in the property appraised.

10 Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which he is connected, or any reference to the American Institute of Real Estate Appraisers, or to the M.A.I. designation.

11 This appraisal has been made in conformance with the Standards of Practice of the American Institute of Real Estate Appraisers of which the appraiser is a member and represents the best judgment of the appraiser.

12 The physical condition of any improvements described herein was based on visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were made by the appraiser.

"The American Institute of Real Estate Appraisers conducts a voluntary program of continuing education for its designated members. M.A.I.'s and R.M.'s who meet the minimum standards of this program are awarded periodic educational certification."

"I am certified under this program through January 31, 1983."

## APPRAISAL QUALIFICATIONS

JON P. BRODY, M.A.I.

### BUSINESS ADDRESS:

Brody Appraisal Company  
10A East Willow Street, Millburn, New Jersey 07041

### MEMBER:

American Institute of Real Estate Appraisers  
Society of Real Estate Appraisers, Senior Real Property Appraiser  
American Right of Way Association  
Middlesex County Board of Realtors  
National Association of Real Estate Boards  
New Jersey Association of Real Estate Boards

### EDUCATION:

Graduate of University of Denver, Denver, Colorado  
Appraisal VI, (Ellwood Capitalization) American Institute of Real Estate Appraisers  
Appraisal VIII, American Institute of Real Estate Appraisers  
Real Estate Appraising, Rutgers - The State University  
Real Estate Law, Rutgers - The State University  
Local Planning, Rutgers - The State University  
Advanced Real Estate Appraising and Investment Analysis, New York University

### LECTURER:

Principles of Real Estate, Real Estate Appraising and Advanced Real Estate Appraising  
at Rutgers - The State University, Bloomfield College, Somerset County College.  
Certified Instructor for The American Institute of Real Estate Appraisers and the  
Society of Real Estate Appraisers.  
Instructor for New Jersey Realtor Institute.

### EXPERIENCE:

President, Brody Appraisal Company. Actively engaged in the consulting and appraisal  
of Real Property in the State of New Jersey since 1964 and has made appraisals of many  
types of real estate including: multi-family residential property, both high-rise and garden  
apartments, farms, industrial, commercial and special purpose property, including motels,  
theatres, service stations, truck terminals, water front property and warehouses.

Consulting and Appraisal assignments include Marketability and Feasibility Studies,  
Fair Market Value Analysis and Site Location Studies.

Clients served include agencies of the Federal Government, municipalities, financial  
institutions, insurance companies, corporations and individuals.

Qualified in court as an expert witness.

Retained by Housing and Redevelopment Agencies throughout the State of New Jersey.  
Assignments included Acquisition Appraisals, Re-Use Appraisals and Land Utilization  
and Marketability Studies.

## PARTIAL LIST OF CLIENTS

### UNITED STATES GOVERNMENT

General Services Administration  
New York, New York

U.S. Army Corps of Engineers  
Philadelphia, Pennsylvania

National Parks Department  
Washington, D.C.

### STATE OF NEW JERSEY

Department of Transportation  
Department of Environmental Protection  
Department of the Treasury  
New Jersey Turnpike Authority  
Department of Higher Education

### COUNTIES

Middlesex  
Essex  
Essex County Improvement Authority  
Somerset

### MUNICIPALITIES

City of Newark  
Township of Maplewood  
Borough of Ridgewood  
Village of South Orange  
Township of Livingston  
Borough of Fort Lee  
Town of Irvington  
City of Summit  
City of Trenton  
City of Jersey City  
City of Passaic  
Township of Cedar Grove  
Borough of Ridgefield  
City of Orange  
City of Hackensack  
Township of Piscataway

### INSURANCE COMPANIES

New England Life Insurance Company  
Boston, Massachusetts

Liberty Mutual Insurance Company  
Boston, Massachusetts

Travelers Insurance Company

Progressive Life Insurance Company

### ENERGY COMPANIES

Exxon Company, U.S.A.  
Shell Oil Company  
Cities Service Oil Company  
American Oil Company  
Mobil Oil Company  
Sun Oil Company  
Getty Oil Company  
B.P. Oil Corporation

### CORPORATIONS

Hartz Mountain Industries  
The Hanover Shoe, Inc., New York, New York  
National Shoes, New York, New York  
Miles Shoes, New York, New York  
Celanese Corporation, Newark, New Jersey  
Whippany Paper Board Co., Inc. Whippany, New Jersey  
Automation Industries, Inc., Los Angeles, California  
Union Carbide Corporation, Tarrytown, New York  
Uniroyal Inc., Middlebury, Connecticut  
McGraw-Edison Company  
Kornline-Sanderson Engineering Co., Peapack, New Jersey  
Einstein & Moomjy, Pine Brook, New Jersey  
The Star Ledger, Newark, New Jersey  
Cosmopolitan Terminal, Inc., New York, New York  
Channel Companies, Inc., Whippany, New Jersey  
Bilkays Express Co., Elizabeth, New Jersey  
Stauffer Chemical Company  
Winer Industries  
W. R. Grace  
Passaic Valley Sewerage Authority  
International Harvester  
F & M Schaefer Corp.  
Midas Muffler  
E. I. duPont  
Western Electric  
Transamerica Relocation

## PARTIAL LIST OF CLIENTS (continued)

### BANKS

Chase Manhattan  
First State Bank, Toms River, New Jersey  
Fidelity Union Trust Company, Newark, New Jersey  
Howard Savings Bank, Newark, New Jersey  
Manufacturers Hanover Trust Co., New York City, N. Y.  
New Jersey National Bank, Trenton, New Jersey  
The First National Iron Bank, Morristown, New Jersey  
Gibraltar Savings & Loan

### HOUSING AND REDEVELOPMENT AGENCIES

Housing Authority of the City of Newark  
Housing Authority of East Orange  
Housing Authority of the City of Union City  
Housing Authority of the Town of West New York  
Department of Planning and Development of the City of Trenton  
Paterson Redevelopment Agency  
Redevelopment Agency of the Borough of Lodi  
Atlantic City Housing Authority and Redevelopment Agency

### RELIGIOUS

St. Luke A.M.E. Church, Newark, New Jersey  
Jewish Community Council of Passaic, Clifton and Vicinity  
St. Michael's Novitiate, Newark, New Jersey

### HOSPITALS

East Orange General Hospital, East Orange, New Jersey  
Mountainside Hospital, Montclair, New Jersey

### REAL ESTATE COMPANIES

Round Valley Incorporated  
Arlen Development Company, New York, New York  
Jefferson Terminal Corporation, Newark, New Jersey  
Presidential Management Corp., White Plains, New York  
Equity Associates, Fort Lee, New Jersey  
Medina & Stanley, Princeton, New Jersey  
Victor Palmari Co., Philadelphia, Pennsylvania